



2011 Highlights

Leadership

A cohesive and collaborative team, together since 2002, Ventas's senior executives are committed to delivering consistent superior total returns to shareholders.

Growth

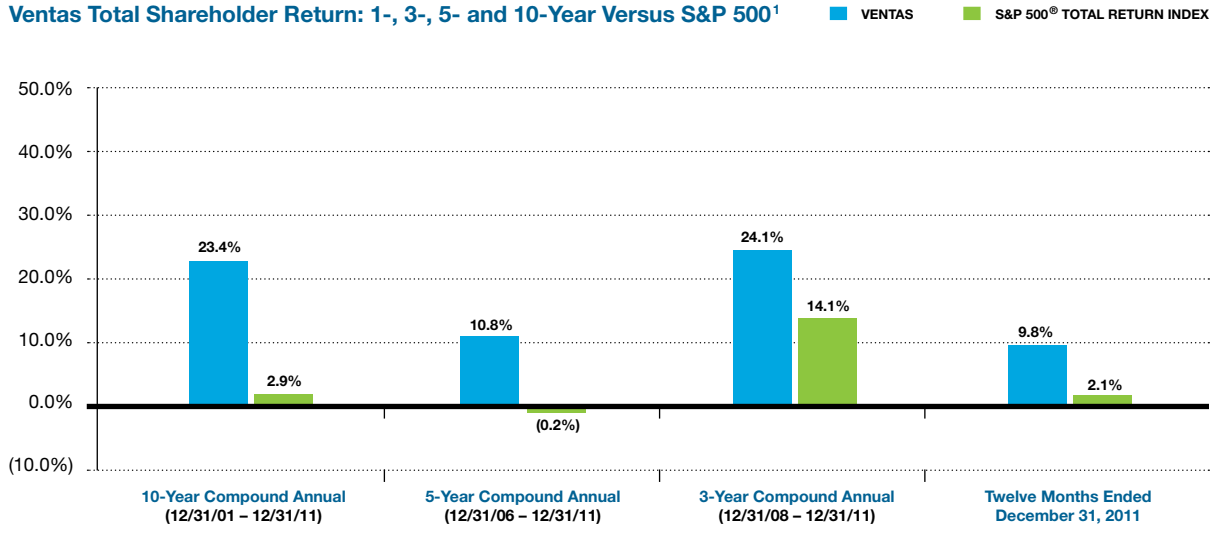
Ventas's healthcare real estate portfolio has grown to nearly 1,400 assets; it is the largest owner of medical office buildings and private pay seniors housing in the U.S.

Performance

Ventas has delivered total shareholder return of 721.3 percent for the last ten years and it has consistently outperformed the S&P 500® Index for each of the 1-, 3-, 5-, and 10-year periods.

Ventas Consistently Outperforms S&P 500

Ventas Total Shareholder Return: 1-, 3-, 5- and 10-Year Versus S&P 500⁽¹⁾



Ventas, Inc., an S&P 500 company, is a leading healthcare real estate investment trust. Its diverse portfolio of nearly 1,400 assets in 47 states⁽²⁾ and two Canadian provinces consists of seniors housing communities, skilled nursing facilities, hospitals, medical office buildings and other

healthcare properties. Through its Lillibridge subsidiary, Ventas provides management, leasing, marketing, facility development and advisory services to highly rated hospitals and health systems throughout the United States.

⁽¹⁾ DATA PER NATIONAL ASSOCIATION OF REAL ESTATE INVESTMENT TRUSTS (NAREIT).

⁽²⁾ INCLUDES DISTRICT OF COLUMBIA.

Financial Highlights 2011

	2011	2010	2009
<i>(In thousands, except per share amounts)</i>			
Operating Data:			
Rental Income	\$ 819,580	\$ 531,456	\$ 488,458
Resident Fees and Services	873,308	446,301	421,058
Total Revenues	1,764,991	1,008,751	923,465
Adjusted EBITDA ¹	1,037,459	659,862	613,507
Income from Continuing Operations			
Attributable to Common Stockholders	362,810	215,324	190,423
Net Income Attributable to Common Stockholders	364,493	246,167	266,495
Share Data:			
FFO ² , Diluted	\$ 3.57	\$ 2.67	\$ 2.58
Normalized FFO ³ , Diluted	\$ 3.37	\$ 2.88	\$ 2.68
Income from Continuing Operations			
Attributable to Common Stockholders, Diluted	\$ 1.57	\$ 1.36	\$ 1.24
Net Income Attributable to Common Stockholders, Diluted	\$ 1.58	\$ 1.56	\$ 1.74
Dividends Paid for Year	\$ 2.30	\$ 2.14	\$ 2.05
Weighted Average Shares Outstanding, Diluted	230,790	157,657	152,758
Closing Stock Price as of December 31	\$ 55.13	\$ 52.48	\$ 43.74
Shares Outstanding as of December 31	288,809	157,265	156,612
Other Data as of December 31:			
Equity Market Capitalization ⁴	\$ 16,024,858	\$ 8,253,267	\$ 6,850,209
Total Capitalization ⁴	\$ 22,453,974	\$ 11,153,311	\$ 9,520,310
Debt/Total Capitalization	28.6%	26.0%	28.0%

(1) Earnings before interest, taxes, depreciation and amortization (including non-cash stock-based compensation expense), excluding loss on extinguishment of debt, net litigation proceeds, merger-related expenses and deal costs, gains or losses on sales of real property assets and changes in the fair value of financial instruments (including amounts in discontinued operations).

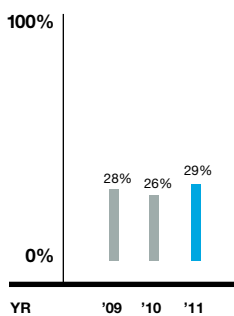
(2) Funds From Operations.

(3) FFO excluding: (a) merger-related costs and expenses, including amortization of intangibles and transition and integration expenses, and deal costs and expenses, including expenses and recoveries relating to our lawsuit against HCP, Inc.; (b) the impact of any expenses related to asset impairment and valuation allowances, the write-off of unamortized deferred financing fees, or additional costs, expenses, discounts, make-whole payments, penalties or premiums incurred as a result of early retirement or payment of our debt; (c) the non-cash effect of income tax benefits or expenses; (d) the impact of future unannounced acquisitions or divestitures (including pursuant to tenant options to purchase) and capital transactions; (e) charitable donations made to the Ventas Charitable Foundation; and (f) gains and losses for non-operational foreign currency hedge agreements and changes in the fair value of financial instruments.

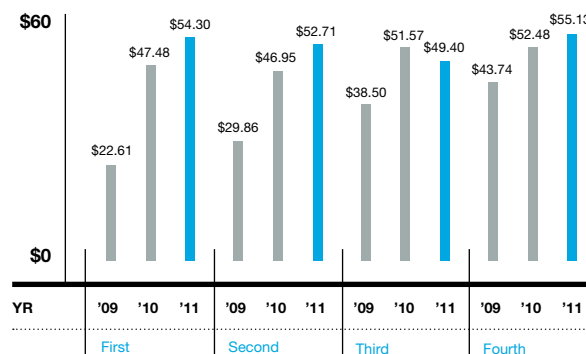
(4) Includes redeemable OP units.

For non-GAAP reconciliation, see "Supplemental Data" on p. 20.

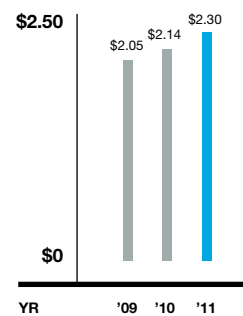
Debt/Total Capitalization



Quarter-End Closing Stock Prices



Dividends Per Share Paid for Year



Letter to Ventas Stakeholders



Debra A. Cafaro
Chairman and Chief Executive Officer

Dear Fellow Stakeholder,

During 2011, Ventas doubled in size, becoming both bigger *and* better. Our growth emanates from our unwavering principles of diversification, reliable and growing cash flows, financial strength and flexibility and active risk management. Our enhanced scale and powerful balance sheet will drive our continued success.

2011 was marked by over \$11 billion worth of acquisitions, each of which was financially disciplined and strategic. With significant expansion in both seniors housing and medical office buildings (MOBs), Ventas became the largest owner of each attractive asset class. These transactions have created the nation's leading, most diversified healthcare real estate investment trust, owning high-quality, productive assets that are supported by powerful demographic and healthcare demand drivers. We believe all of these pieces work together to deliver consistent superior total returns to our stakeholders.

With our size and scale, we have achieved higher earnings, greater diversification, a dramatically larger customer base, more growth opportunities, enhanced access to capital at a lower cost, credit upgrades, and the financial strength to weather any challenges that may come our way. Our strategic framework is grounded in understanding that Ventas will benefit from an aging population, accelerating consolidation and emerging vertical integration in healthcare, the \$1 trillion healthcare real estate market, constrained supply and increasing interest in our asset class. Other trends, including fiscal budgetary pressures, Euro zone instability, systemic deleveraging, global demand for yield and continued risk avoidance by investors further support our approach. Surveying this landscape, we concluded that significant benefits would inure to the largest and best run healthcare REITs, where private pay should be the focus, diversification would be valued and balance sheet strength would remain imperative.

Performance, growth and leadership have been at the heart of our strategic portfolio construction. Here are some examples of how Ventas has distinguished itself:

- As a \$23 billion S&P 500 company with nearly 1,400 highly diversified healthcare and seniors housing assets in North America, we have dramatically increased our private pay portfolio to nearly 80 percent of revenues.
- As a result of our size, balance sheet strength and diversification, our cost of debt capital improved considerably, enabling us to reduce borrowing costs, increase earnings, improve liquidity and receive credit upgrades by all three major rating agencies.
- As the largest national presence in seniors housing and MOBs, Ventas enjoys more than 100 customer relationships with national and regional care providers that should offer fertile ground for our continued expansion.

Our powerful platform will continue to deliver benefits. Whether it's from internal growth, scalable infrastructure, lower debt costs, accretive investments or our safe and increasing dividend, we have positioned Ventas to prosper.

Performance, Growth & Leadership

In 2011, our ninth consecutive year of growth, total normalized Funds From Operations (FFO) increased 71.1 percent, reflecting the benefits of our highly strategic 2011 acquisitions of Atria Senior Living Group and Nationwide Health Properties. Our normalized FFO per diluted share for the year rose 17 percent to \$3.37. By outperforming the S&P 500 and the MSCI US REIT Index in **each** of the last 1-, 3-, 5- and 10-year periods, we have met our goal of delivering consistent superior shareholder returns.

Ventas's dividend—an important component of our value proposition—has increased more than any other REIT's in the past decade, even as we have maintained a safe, conservative payout ratio. In 2011 our dividend grew by 7.5 percent, and we are pleased to begin 2012 with an 8 percent increase to an annual rate of \$2.48 per share.

Scale and strength are at the heart of our strategy, giving us a competitive cost of capital and the market presence to compete across the board, from smaller asset deals to complex entity-level acquisitions. We are well positioned to tap into the many opportunities for expansion available to us in this enormous market that is ripe for consolidation and convergence.

Access to multiple capital markets and optimizing execution are important contributors to delivering value. In 2011, our financings included a \$2 billion revolving credit facility, a \$500 million term loan and \$700 million in bonds—at fabulously low rates. We also issued \$7.2 billion of common equity at an efficient net price exceeding \$55 per share, and our debt load stood at only 29 percent of our total enterprise value at year-end. All of these capital actions made Ventas one of the strongest publicly traded REITs.

Our passion during the past decade has centered on insuring that no single event, operator or trend could jeopardize our Company. To that end, we have labored to build a highly diversified portfolio to enhance the reliability of our cash flows. Our largest tenant now accounts for only about 18 percent of our net operating income (NOI). Our triple-net lease rents provide reliable cash flows totaling 61 percent of our NOI. Private pay seniors housing represents over half of our NOI, and our operating assets managed by Sunrise Senior Living and Atria Senior Living, which account for 25 percent of our NOI, will provide lift to our business in a growing economy. Finally, MOBs, a core asset, will grow to 15 percent of our NOI when the Cogdell Spencer acquisition closes.

Ventas's achievements have been extraordinary, and the execution of our strategy would not be possible without our cohesive, talented and dedicated leadership team and employees. In 2011, they once again distinguished themselves by structuring, closing and integrating complex acquisitions while making sure our operations didn't miss a beat.

Our core senior management team has remained intact since 2002, even as we have added new talent to our growing ranks. Our teamwork, expertise in real estate, healthcare and finance, and our productivity are unparalleled. My colleagues will share their insights about Ventas's future in the next few pages, which I hope you find informative.

Finally, it is impossible to convey the huge contributions our Board of Directors has made to our strategy, vision and performance. They are the bedrock of Ventas's success.

Looking Ahead

2011 was remarkable for its accomplishments. We grew earnings, cash flow and our dividend while also diversifying, dramatically increasing our private pay business, improving our balance sheet and cost of capital, and actively managing risk. We are committed to playing offense **and** defense, because it takes both to create a winning franchise.

We are also acutely aware that no business is immune to challenges, and we are humble and forthright about our inability to predict the future and our capacity to err. 2012 will be a year of rigorous execution to harness the power and capture the potential of the people, businesses, and assets that now constitute Ventas. Though the external environment is evolving rapidly, and our Company will continue to grow and change, our commitment to stakeholders and our values of consistency, integrity, teamwork and the pursuit of excellence will remain constant.



Debra A. Cafaro
Chairman and Chief Executive Officer
March 20, 2012

Acquisitions/Asset Management



Acquiring seniors housing and healthcare properties and then monitoring the properties are opposite sides of the same coin for a healthcare REIT. Both are necessary elements as Ventas grows and grows its portfolio of nearly 1,400 properties covering four different asset types located throughout North America. The Company is especially focused on growing its private pay seniors housing portfolio—the largest in the nation—which now exceeds 670 communities. Ventas Senior Vice President and Chief Investment Officer John D. Cobb and Timothy A. Doman, Senior Vice President and Chief Portfolio Officer, believe the key to Ventas's success is its core philosophy of meeting customers' needs.

Q. What differentiates Ventas in the acquisition market?

JOHN: Our three core strengths are that we have efficient capital, the ability to structure complicated deals, and a highly experienced and very dedicated team that understands markets and operators and can move quickly. And we really understand what the customer is looking for. With \$17 billion in completed acquisitions since 2005, we have the track record of being a reliable counterparty, and being there when it counts.

TIM: As a team, we are committed to figuring out a solution to multiple complexities in a deal and then finding that path to success. Our size and depth of talent—and our interdisciplinary teams—enable us

to put in the extra effort to identify solutions that work for both our customers and for Ventas. It's important to remember that we have considerable expertise and understand complex deals of any size; in essence, we are willing to structure transactions to meet customer needs as long as it's prudent. We focus on creating win-win situations with our customers.

Q. Ventas is known for its mega, entity-level deals. Are small transactions included in the strategy?

JOHN: We are definitely interested in deals of all different sizes, as long as they fit our strategic model and make economic sense. With our recent acquisitions, we now have relationships with over 100 public, private, national, local and



John D. Cobb
*Senior Vice President and
Chief Investment Officer*

Timothy A. Doman
*Senior Vice President and
Chief Portfolio Officer*

The \$1 Trillion Healthcare Real Estate Market Presents Enormous Opportunities for Growth and Consolidation

Largest Healthcare Property Classes¹

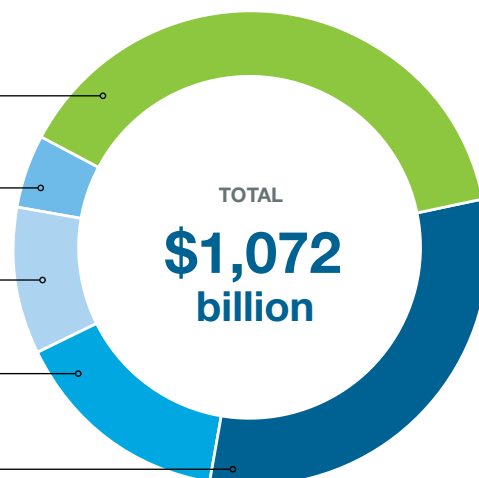
Outpatient facilities/MOBs: **\$414 billion – 39%**

Life science/biotech facilities: **\$55 billion – 5%**

Skilled nursing facilities: **\$104 billion – 10%**

Private pay seniors housing: **\$162 billion – 15%**

Hospitals: **\$337 billion – 31%**



(1) SOURCE: STIFEL NICOLAUS ESTIMATES.

regional care providers that we hope to expand. We also benefit from an experienced acquisitions team covering the whole country.

TIM: Sometimes deals start small but that's how a relationship forms. You can begin with a \$20 million transaction, and then look to grow it to \$100 million or more over time. Last year, NHP and Ventas together completed about a billion dollars of small and medium-sized deals—in addition to our multi-billion dollar transactions. The ability to replicate that growth consistently was part of our thesis for acquiring NHP.

JOHN: We're looking at 2012 and we see great opportunities for smaller deals with both new and some

existing customers as we continue our philosophy to grow that platform.

Q. Where is Ventas's market focus?

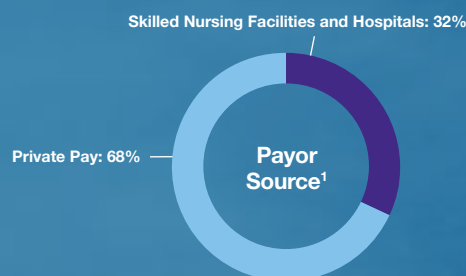
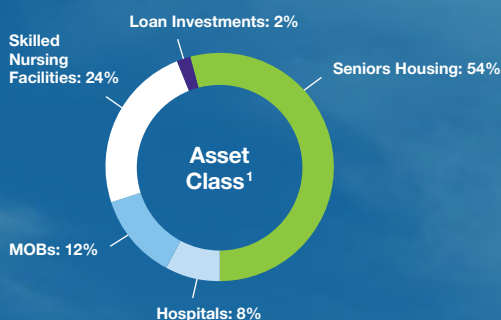
JOHN: High-end private pay seniors housing with quality operators; our goal is to match the best operators with great real estate. For example, our strategic relationships with both Atria and Sunrise provide significant growth opportunities. We have expanded that business tremendously and we expect to continue on that trajectory.

Q. What is asset management's role?

TIM: My team oversees an expansive and diverse portfolio, with multiple asset types and operating models. While John and his team are working on building relationships to grow

business, my team is focused on managing risk and balancing risk management with customer satisfaction. We have to understand each of our asset types and stay close to market trends and property performance as well as identify and proactively resolve issues before they become problems for the tenant or for Ventas. Our mantra in asset management is "no surprises." We want to craft solutions that protect Ventas and that are reasonable from a customer standpoint. We also want to work with our tenant operators to maximize the value of the assets and their cash flow. We stay close to our customers with regular property visits, lots of transparency and frequent communication.

Ventas's Acquisition Strategy Leads to Diversification and Balance among Tenant/Operator, Operating Model, Payor Source and Asset Class



\$1.4 Billion of NOI¹ with Nearly 70% From Private Pay Seniors Housing and MOB's



Q. What do care providers want?

JOHN: We find that our customers are generally looking for a long-term relationship with somebody who can help them finance their growth. Our competitive cost of capital enables us to price deals attractively for our customers. Another advantage is our size and scale; we have a great deal of insight into the seniors housing and healthcare business. This makes us efficient, confident and reliable partners who can deliver.

Q. Why is Ventas's scale important to your customers?

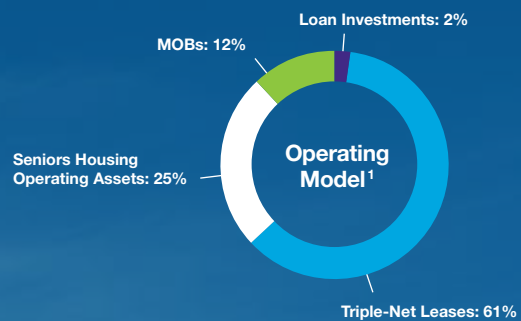
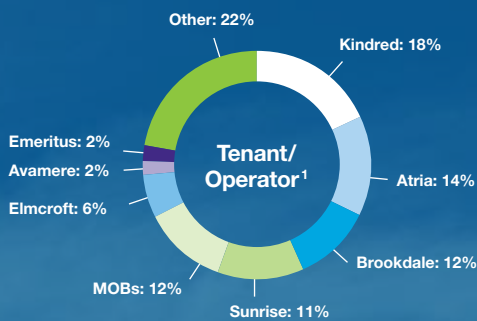
TIM: With our size and breadth we have been able to gain purchasing power and share certain savings

with our operators. We just started a bulk buying program that allows us to buy utilities more cost effectively. That helps our operators reduce their expenses, which is beneficial to them and to Ventas. We have other plans to provide value-added benefits for our managers and tenants.

JOHN: With our vast operator network, both private pay and triple-net lease, we bring considerable knowledge and insight to the business that we can share. We are always looking for ways to benefit our customers.

Ventas Meets Customer's Needs for Growth

- Our customer, a strong regional operator of seniors housing, saw attractive market opportunities for its freestanding dementia care communities.
- It had been frustrated by the pace and inefficiency of "one-off financing," so it sought a one-stop means to capitalize the rollout of its communities on an ongoing basis.
- Ventas was able to craft a \$100 million program for the customer that provides predictable and steady capital access across a series of projects.
- Four projects are currently under construction, and the customer is actively pursuing additional opportunities.



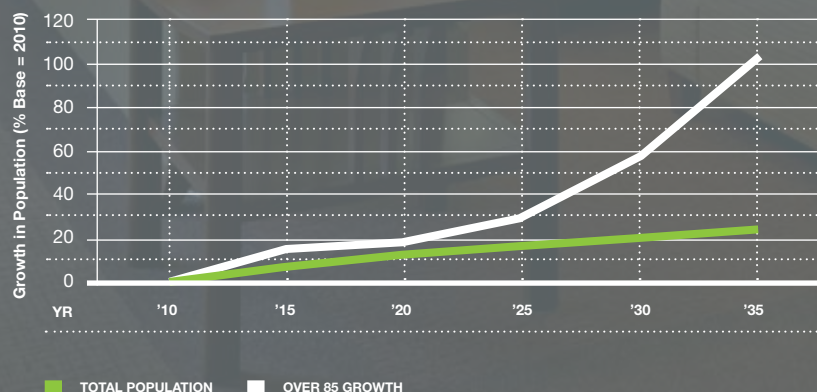
⁽¹⁾ BASED ON 4Q 2011 ANNUALIZED NOI ASSUMING ALL EVENTS OCCURRED AT THE BEGINNING OF THE PERIOD. TOTALS MAY NOT ADD DUE TO ROUNDING.

Seniors Housing

An Aging Population Will Spur Future Demand for Seniors Housing

Demand for seniors housing will continue to outpace other real estate subsectors as the annual growth for the 85+ age cohort remains at 3%, the fastest of any population group. In our need-based assisted living communities, operated by Sunrise Senior Living, performance during the economic downturn has been exceptional.

Population of 85+ Seniors Growing at 3x National Average¹



Ventas is a dominant force in seniors housing, an asset class poised for growth. The operating properties in our portfolio are managed by market leaders Sunrise Senior Living and Atria Senior Living, while our assets under long-term triple-net leases are managed by quality national and regional operators. Our seniors housing contribution to 2011 annualized NOI included 25 percent from about 200 high-quality operating communities and 29 percent from 478 seniors housing properties that are subject to triple-net leases.² It's an easy business to love, according to Ventas President Raymond J. Lewis and Vice President, Asset Management Christian N. Cummings, because it was the best performing real estate class during the financial crisis and an aging population will spur demand.

Q. What demographics drive the seniors housing portfolio?

RAY: There are two component pieces. The first is the 85+ age cohort, which is the fastest growing demographic in the United States. These individuals are near-term users of our seniors housing and skilled nursing properties. The second is the 79 million baby boomers who started to turn 65 in 2011; they will drive long-term demand as they age.

CHRIS: Of the more than 9 million seniors over the age of 80, approximately 1 out of 8 lives in seniors housing. As families experience the health and social benefits from high-quality communal living, that penetration rate will increase, quickly absorbing the 145,000 currently vacant seniors

housing units in the U.S. Also, affluent boomers control 67 percent of the nation's wealth and 50 percent of all discretionary income. They are likely to utilize seniors housing in the future as they become more familiar with it.

RAY: That's important because our Atria and Sunrise operating properties are in upper-income, high barrier-to-entry markets. Atria is in coastal locations, including California, New York and New England, and our Sunrise properties are in major metropolitan areas across the country. We have definitely positioned our operating portfolio to benefit from those wealth demographics.

Q. How do you know what today's 65-year-old will want in 20 years?

RAY: Some things don't change much. Seniors want to be close

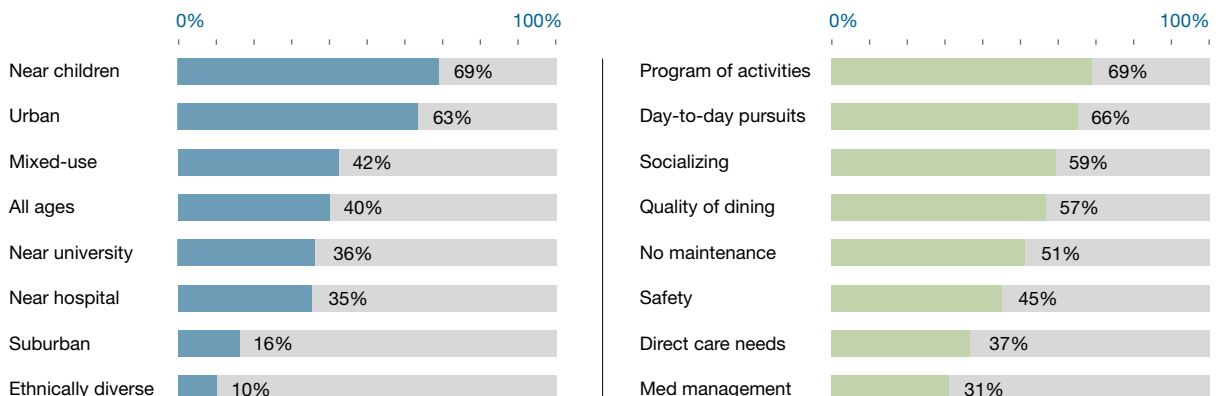


Christian N. Cummings
Vice President,
Asset Management

Raymond J. Lewis
President

Future Seniors Housing Residents Will Prefer Locations Near Adult Children and Urban Centers with Emphasis on Activities and Socializing¹

The two most important attributes that the next generation of retirees* will likely seek in their seniors housing are proximity to their adult children and locations in urban centers within walking distance to shops and amenities such as restaurants and community activities. Additionally, they will look for seniors housing that offers a high level of engaging activities, including wellness and fitness programs, in a community that encourages socializing and interaction.



* "NEXT GENERATION OF RETIREES" REFERS TO PEOPLE WHO ARE NOW ABOUT 60-65.

(1) SOURCE: AMERICAN SENIORS HOUSING ASSOCIATION, INDUSTRY THOUGHT LEADER SURVEY, WINTER 2012.

to their homes, or adult children and grandchildren. They want well run buildings with good services and programming. Many want multiple levels of care—including Alzheimer's care—so if one spouse has different needs they can remain in the same community.

Q. Are new seniors housing buildings under construction?

CHRIS: Very little. Developers need titled sites, qualified operators and, most importantly, capital, which banks are not readily providing in the current environment. These constraints have limited new construction during the past five years. Demand is forecast to outpace new supply by almost two

to one in 2012, which should drive performance of our assets.

Q. How will you grow?

RAY: Demand/supply fundamentals will push occupancies to the low- to mid-90s from current levels in the high-80s and increase internal growth. And NOI will benefit from redeveloping well-located assets where we can tap into pockets of higher demand or improve or expand the physical plant to drive rate and occupancy.

Q. How about external growth opportunities?

RAY: The seniors housing business is still highly fragmented, so consolidation will continue for some time. One benefit of the NHP

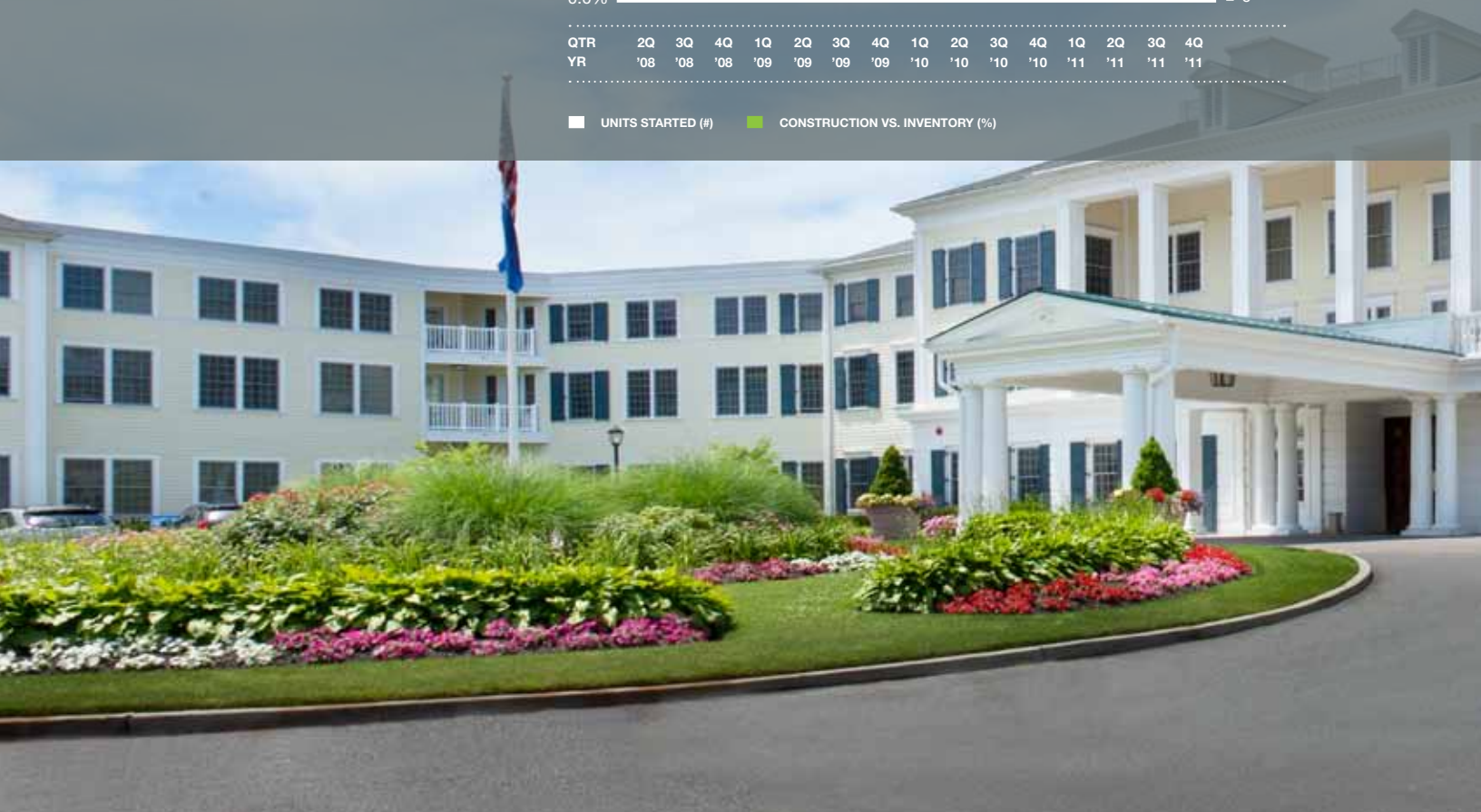
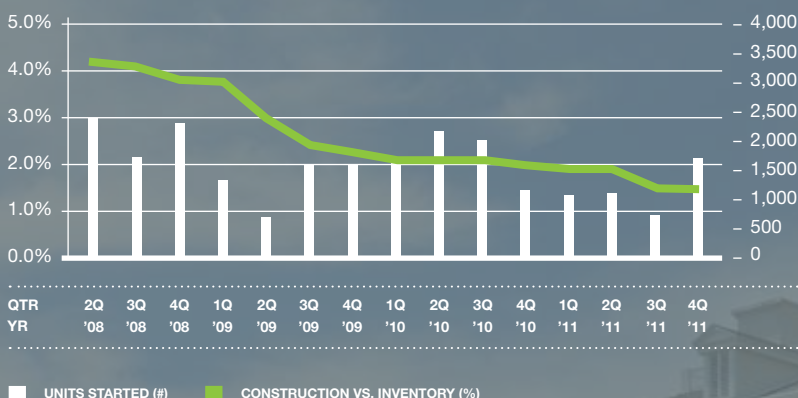
transaction is that we increased our tenant base sixfold and added new relationships with strong regional operators that will need capital to grow. We are a proven, reliable, long-term partner who can help our customers succeed.

Q. What are the benefits of a triple-net lease structure for seniors housing?

RAY: This structure provides reliable, stable and growing cash flows; it has bond-like, predictable characteristics, which is core to our investment philosophy. At the same time, our contractual rent escalations with annual increases provide cash flow growth. Our tenants like the structure because they own the upside; they get 100 percent of the cash flow over

Supply of new seniors housing remains severely limited due to the lack of capital. Ventas continues to benefit from excellent supply and demand fundamentals.

Limited New Seniors Housing Development ¹



their lease payment, so they are highly incentivized to run the assets efficiently and profitably. In return, our assets become more valuable and our portfolio coverage stronger and more secure.

Q. What can you tell us about this portfolio?

CHRIS: Our NHP acquisition added nearly 300 seniors housing assets and over 50 new tenant relationships throughout the country to our core of quality triple-net seniors living communities. Our coverages have been remarkably strong and stable over time.

RAY: Many of the tenants are strong local or regional operators who are critical service providers in their

communities; they really know their buildings and communities. These properties have great value because they are often the leading provider in the marketplace with an excellent reputation. These investments can generate attractive risk-adjusted returns; the key is underwriting the cash flow correctly.

Q. And what is the strength of your operating portfolio?

RAY: We have the best assets in the best markets with the best operators in our seniors housing operating portfolio. Generally these assets will have industry-leading rate, occupancy and NOI per unit growth because their high barrier-to-entry, densely populated locations will foster demand

and fewer competitive options. In addition, Sunrise's higher-acuity, need-based communities that provide more assistance with activities of daily living, as well as memory care, performed exceptionally well through the economic downturn because of the nondiscretionary nature of their service offerings. And Atria, which provides more independent living, should benefit from an improving economy.

Q. What's the greatest challenge facing seniors housing?

CHRIS: One of the biggest challenges will be to provide adequate supply to meet the ever-growing demand driven by demographics and continued consumer acceptance of seniors housing communities.



Medical Office Buildings



Through its Lillibridge Healthcare Services, Inc. subsidiary, Ventas has built the largest national MOB portfolio, with 21 million square feet¹ of owned and managed properties primarily located on the campuses of highly rated hospitals and health systems. Todd W. Lillibridge, President and Chief Executive Officer of Lillibridge, and Vincent M. Cozzi, Executive Vice President and Chief Investment Officer of Lillibridge, see excellent growth opportunities in the multi-billion dollar outpatient real estate market, which should experience dramatically increased utilization due to demographic trends, accelerating hospital consolidation and a systemic push to direct patient care to the most clinically appropriate low-cost settings.

TODD: With the first wave of baby boomers having become Medicare eligible in 2011, and as healthcare providers transition patient care away from expensive inpatient settings, estimates are that outpatient services will increase 30 percent over the course of this decade, which means more visits in medical office and outpatient buildings.

VINCE: The MOB is where baby boomers frequently will have their first touch point with healthcare. The individuals in this 79-million strong demographic wave will not only be visiting their primary care physician, but they may be going for an MRI scan, outpatient day surgery, physical therapy or similar services. MOBs provide patients with convenience

and access, as much more is done in the physician's office today than ever before. Baby boomers are expected to live longer and to be more active, which will also drive the volume of procedures and office visits.

TODD: But this need to grow outpatient services comes in an environment where hospitals are capital constrained, their cost of capital is increasing, and there are many competing uses for their capital investment dollars. As a result, hospitals are looking to expert partners—such as Ventas and Lillibridge—to own and develop their outpatient real estate, allowing them to redeploy scarce capital into critical areas that will improve the quality of care they provide. We are also

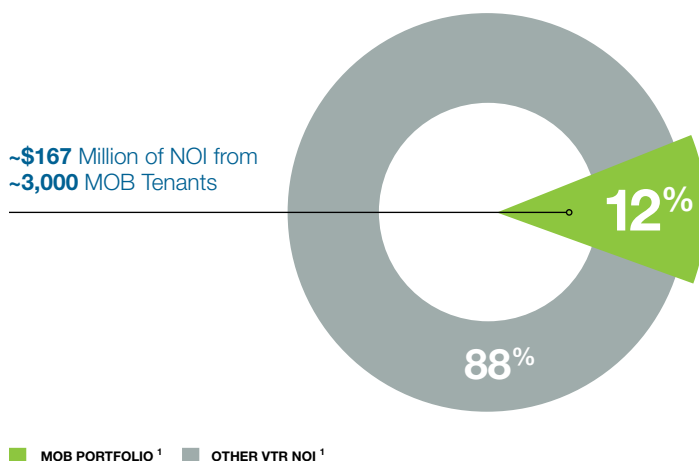


Vincent M. Cozzi
Executive Vice President and
Chief Investment Officer
Lillibridge Healthcare Services

Todd W. Lillibridge
President and Chief Executive Officer
Lillibridge Healthcare Services

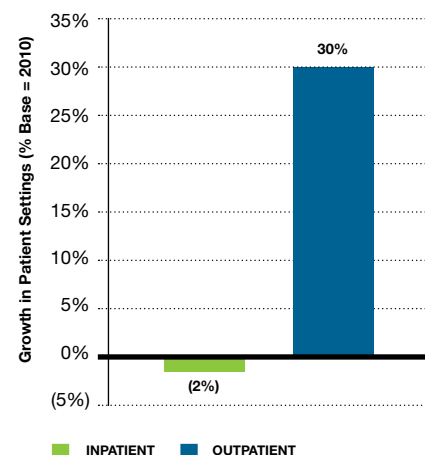
Strong Occupancy in Stabilized MOB Portfolio Provides Stable Cash Flows

**On-Campus MOB Portfolio: Nearly 250 MOBs and
~15 Million Square Feet¹**



Outpatient Visits in MOBs and Other Low-Cost Settings Will Grow Dramatically

Demand Forecast for Patient Setting from 2010 to 2020

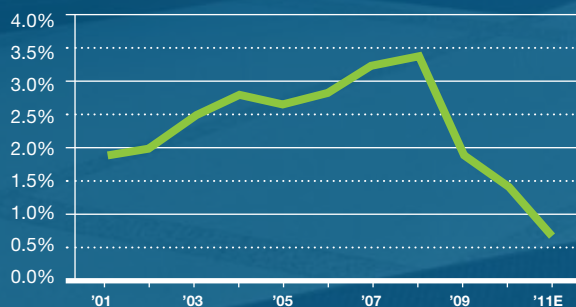


(1) 15 MILLION SQUARE FEET OWNED AND MANAGED. NOI FROM OWNED PORTFOLIO ONLY. BASED ON 4Q 2011 ANNUALIZED RESULTS.



A low supply of MOBs and expected growth in demand as physician office visits increase combine to produce a favorable outlook, with growing NOI.

MOB Supply ^{1,2}



■ MOB SUPPLY RATES

Historical and Projected NOI Growth ¹



■ MOBs ■ MAJOR SECTORS

confident that over the long term, both for-profit and nonprofit hospitals will recognize that owning real estate is not their core competency and they will seek out opportunities to be sellers.

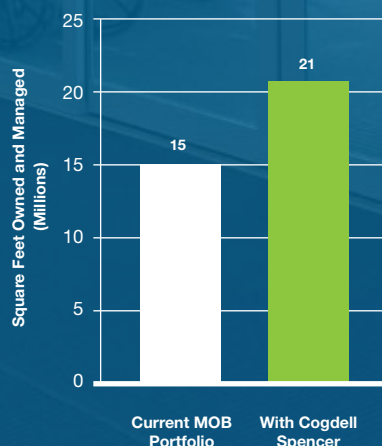
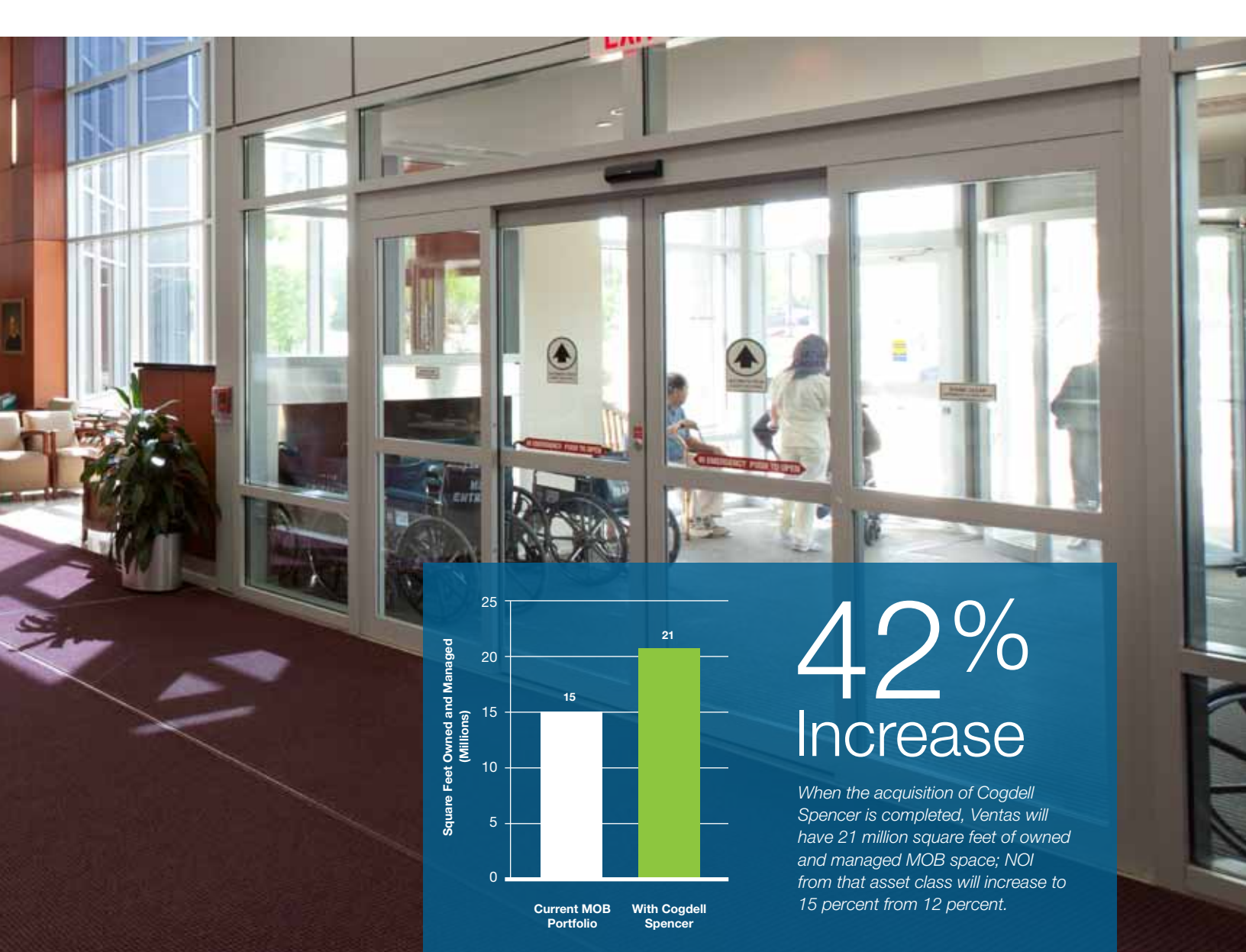
VINCE: For a hospital, making a decision about selling real estate or engaging a developer is an important one; it is more than just a real estate transaction. We know that hospitals value having a long-term real estate and capital partner that they can fully trust—one who will work closely with them and their physicians to achieve their goals. Hospitals don't want to sell their buildings to investors who will flip them in 18 months; they want and need a partner who will work closely with them, especially on capital

issues, for many years. The Lillibridge business, which Ventas acquired in mid-2010, is skilled in understanding the needs of healthcare providers and the long-term commitment that is necessary to meet those needs.

TODD: With 25 years of experience in healthcare real estate, we are experts at working hand-in-hand with a hospital to enhance its relationship with the doctors who come to work every day in our buildings. It's also important to remember that an MOB isn't just another office building. An MOB operates like a three-legged stool between the hospital, the physician and the real estate owner. We must be responsive to issues around work orders, cleanliness and

temperature control, and we must be able to meet physician needs. At the same time, we work closely with the hospital to attract physicians who will help the hospital achieve its goals while also enhancing the building's value. The level of amenities in an MOB is important, but the crucial element is to provide access to the right mix of physicians, labs and diagnostic services in the building.

VINCE: Ultimately, our job as the owner of an MOB is to create an environment with efficient, high-quality operational services, one where physicians like to practice and patients like to visit. We use our scale, relationships, knowledge, experience and professional management to create that



42% Increase

When the acquisition of Cogdell Spencer is completed, Ventas will have 21 million square feet of owned and managed MOB space; NOI from that asset class will increase to 15 percent from 12 percent.

environment and reduce occupancy costs for our physician, hospital and healthcare system tenants.

TODD: Hospitals are particularly focused on the optimal physician mix. You can't just put a dialysis business in an MOB where the hospital is already providing its own dialysis service. So our strength—and what I believe differentiates us—is that we come to the table with knowledge of the hospital and healthcare business and know how to take care of their physicians.

VINCE: Because of that high-quality service and our on-campus locations with thriving healthcare systems, we have industry-high occupancy and retention rates in our MOB portfolio. This leads to stable cash flows,

which is what makes MOB's core real estate assets. We think that MOB's are attractive investments, and that the powerful combination of Ventas's access to low-cost capital and Lillibridge's track record of high-quality service to hospitals positions us to succeed in this growing and important healthcare real estate market.

TODD: Since 2010, we have successfully acquired and integrated more than \$2 billion of MOB's. With the addition of Cogdell Spencer, our owned and managed portfolio will exceed 21 million square feet, as we expand our geographic presence in 15 states, including new markets in the Carolinas and Georgia. This will be a great complement to our strong presence on the West Coast with our

extraordinary Pacific Medical Buildings portfolio and development pipeline that came with the NHP acquisition. One of our big projects for 2012 is a \$28 million on-campus MOB in California that is 100 percent pre-leased to AA- rated Sutter Health. When you put it all together, we will have even greater opportunities to use our scale and expertise to drive improved performance in our owned assets, while simultaneously growing our MOB portfolio through acquisitions and development.

Capital Markets

Ventas constantly and proactively manages its balance sheet to maintain financial strength and flexibility, as well as optimize cash flow and earnings. As a REIT that pays dividends rather than retaining cash, capital markets excellence is a core competency. Chairman and Chief Executive Officer Debra A. Cafaro, along with colleagues Richard A. Schweinhart, Executive Vice President and Chief Financial Officer, and Lori B. Wittman, Vice President, Capital Markets, continuously monitor the Company's liquidity and capital needs

as well as all of the financial markets to understand any exogenous factors that could affect its cost of capital. The capital markets team has a wide capital markets perspective, which forms the basis for Ventas's unparalleled success in balance sheet management.

RICK: We have had a presence in all of the debt and equity markets ever since 2002, when we first began raising public debt capital; it's an important aspect of our risk management strategy. That way we know what is going on in every market

at all times so we can still access capital in the event that a single market closes or suffers dislocation. We are always "market ready" from a legal and accounting standpoint so we can be opportunistic about raising capital on the best terms at the best time.

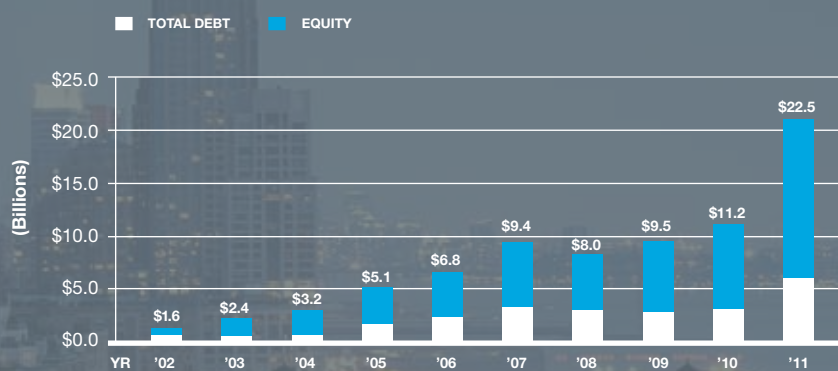
DEBRA: 2011 was an amazing year. We issued over \$7 billion of common stock, raised \$700 million of senior notes, negotiated a \$2 billion unsecured revolving credit facility, arranged a \$500 million unsecured term loan, and assumed and

Equity Market Value of
Ventas Increased Over
17x Since 2002

Growing Cash Flows, Disciplined Balance Sheet Management and Focused Acquisitions Create Value for Shareholders

**2,800+% Total Return
Since January 2000**

*Ventas Equity Has Grown Twice
as Much as Debt*



Debt/Enterprise Value	44%	26%	27%	35%	34%	36%	40%	28%	26%	29%
Top Tenant Concentration ¹	~100%	88%	76%	52%	50%	39%	40%	39%	35%	18%
Growth in Normalized FFO ²	22%	29%	23%	32%	28%	28%	16%	8%	11%	71%

(1) AS A PERCENTAGE OF NOI BASED ON 4Q 2011 ANNUALIZED RESULTS.

(2) SEE "FINANCIAL HIGHLIGHTS 2011" ON PAGE 1 FOR DEFINITION OF NORMALIZED FFO.



Debra A. Cafaro
Chairman and Chief Executive Officer

Richard A. Schweinhart
*Executive Vice President and
Chief Financial Officer*

Lori B. Wittman
Vice President, Capital Markets

originated over \$2 billion in mortgages. Then, in February of 2012, we decided to pre-fund debt repayments and acquisitions, including the pending Cogdell Spencer acquisition, because we could see that it was a great time to issue. Despite initial indications of higher rates, we were able to price 10-year senior notes at 4.25 percent. To meet investor demand we upsized the offering by \$200 million to \$600 million. Debt investors especially like liquidity in bonds; increasing the size of the deal helped to meet that goal.

LORI: The rate was fantastic, but the fact that it was oversubscribed by 10 to 1 in just a few hours of marketing was even more important because it validates our growth strategy. With the demand for Ventas paper, we

now have the lowest healthcare REIT revolver spread and our bonds have one of the lowest coupons in the REIT world. These attractive borrowing costs help facilitate acquisitions and improve earnings and cash flow because we can refinance at lower rates. Saving just one percentage point on a \$1 billion refinancing adds \$10 million to our bottom line. As a broadly diversified, \$23 billion S&P 500 company, we have the scale, strength and size to drive down our cost of capital, fortify our balance sheet and enhance our competitive position.

RICK: The bond market has also embraced our growth and diversification strategy, especially our acquisition of NHP. REIT investors, too, are focused on bigger, more

diverse and more liquid companies. The prudent and consistent management of our balance sheet, including improving our fixed charge coverage to over 4x and keeping our debt to EBITDA ratio around 5x, has given us credibility with investors and lowered our cost of capital. We never lose sight of maintaining a strong balance sheet. Our more than \$11 billion of acquisitions in 2011 were financed mostly with equity, so they were accretive and simultaneously improved our balance sheet. Our credit statistics were better at the end of the year than they were at the beginning.

DEBRA: We have proven we can increase earnings to benefit shareholders while keeping leverage

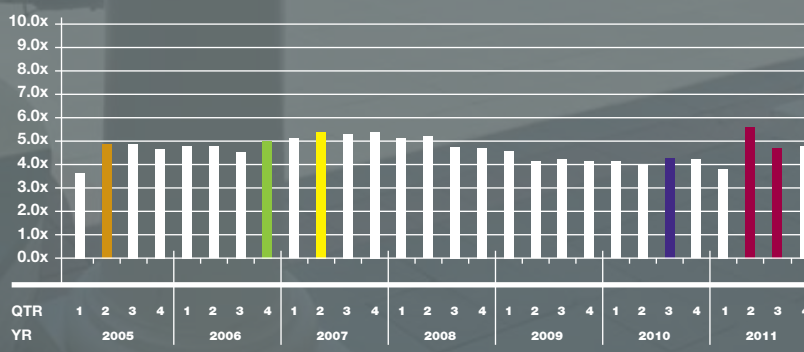


Historical Quarterly Net Debt / Pro Forma EBITDA

Maintaining our target leverage ratio even as we have completed \$17 billion of acquisitions since 2005 has become critical to our balance sheet management.

■ PROVIDENT
■ ELMCROFT
■ SUNRISE REIT
■ LILLIBRIDGE HEALTHCARE SERVICES
■ ATRIA AND NHP

Ventas Leverage Ranges in the Targeted 5.0+/-1.0x Band



low and secure. REIT research shows that Ventas has been one of the fastest earnings and dividend growers and is also one of the most conservatively financed REITs. As we have grown and diversified the business, we have continued to work on maintaining a limited and manageable debt load and improving our credit metrics. In 2011, all three of the rating agencies upgraded our corporate credit because of our discipline, excellent track record and outstanding credit profile.

LORI: That's the result of careful strategic planning and goal setting. We also stagger our debt maturities so that we never have to face a mountain of refinancing needs in a

single year. Our biggest maturity year has only 5 percent of the Company's value coming due. We monitor and set ranges for fixed and floating rate debt to closely match our assets and mitigate risk.

RICK: Having adequate or even "excess" liquidity at all times is a separate but related key objective for Ventas, which is why we believe in having a \$2 billion revolver and keeping significant undrawn capacity.

LORI: On the one hand, we can use that capacity to be opportunistic with acquisitions. And, on the other hand, liquidity provides our shareholders with a safety net if the capital markets close as they did in 2008 and 2009. With our scale we have the flexibility to

use our balance sheet to enhance our shareholders' capital.

DEBRA: Scale also means that as we grow, we have to manage differently and more actively to stay financially prudent and move up the credit curve. What doesn't change, however, is our strong and lasting culture of maintaining financial strength and flexibility, and remaining respectful of our lender and bondholder relationships. We firmly believe the debt and equity sides of our business are synergistic and support each other rather than being in tension. Those principles are consistent with delivering superior returns for our shareholders. We value keeping our promises and doing what we say.

Supplemental Data

Funds From Operations (FFO) and Normalized FFO

For the Years Ended December 31,	Per diluted share ⁽¹⁾					
	2011	2010	2009	2011	2010	2009
<i>(In thousands, except per share amounts)</i>						
Net income attributable to common stockholders	\$ 364,493	\$ 246,167	\$ 266,495	\$ 1.58	\$ 1.56	\$ 1.74
Adjustments:						
Real estate depreciation and amortization	454,163	202,128	196,608	1.97	1.29	1.29
Real estate depreciation related to noncontrolling interest	(3,471)	(6,217)	(6,349)	(0.02)	(0.04)	(0.04)
Real estate depreciation related to unconsolidated entities	6,552	2,367	—	0.03	0.02	—
Discontinued operations:						
Gain on sale of real estate assets	—	(25,241)	(67,305)	—	(0.16)	(0.44)
Depreciation on real estate assets	3,114	2,302	3,960	0.01	0.00	0.03
FFO	824,851	421,506	393,409	3.57	2.67	2.58
Litigation proceeds, net	(202,259)	—	—	(0.88)	—	—
Merger-related expenses and deal costs	153,923	19,243	13,015	0.67	0.12	0.09
Income tax (benefit) expense	(31,137)	2,930	(3,459)	(0.13)	0.02	(0.02)
Loss on extinguishment of debt	27,604	9,791	6,080	0.12	0.06	0.04
Change in fair value of financial instruments	2,959	—	—	0.01	—	—
Amortization of other intangibles	1,022	511	—	0.00	0.00	—
NORMALIZED FFO	\$ 776,963	\$ 453,981	\$ 409,045	\$ 3.37	\$ 2.88	\$ 2.68

⁽¹⁾ Per share amounts may not add due to rounding.

Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values, instead, have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. To overcome this problem, we consider FFO and normalized FFO appropriate measures of operating performance of an equity REIT. Moreover, we believe that normalized FFO provides useful information because it allows investors, analysts and our management to compare our operating performance to the operating performance of other real estate companies and between periods on a consistent basis without having to account for differences caused by unanticipated items and other events such as transactions and litigation. We use the National Association of Real Estate Investment Trusts (NAREIT) definition of FFO. NAREIT defines FFO as net income (computed in accordance with generally accepted accounting principles (GAAP)), excluding gains (or losses) from sales of real estate property and impairment write-downs of depreciable real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis.

Adjusted EBITDA

For the Years Ended December 31,	2011	2010	2009
<i>(In thousands)</i>			
Net income	\$ 363,261	\$ 249,729	\$ 269,360
Adjustments:			
Interest	242,057	179,918	179,736
Taxes (including amounts in general, administrative and professional fees)	(29,136)	6,280	(519)
Depreciation and amortization	459,704	206,064	201,258
Non-cash stock-based compensation expense	19,346	14,078	11,882
Loss on extinguishment of debt	27,604	9,791	6,080
Litigation proceeds, net	(202,259)	—	—
Merger-related expenses and deal costs	153,923	19,243	13,015
Gain on sale of real estate assets	—	(25,241)	(67,305)
Change in fair value of financial instruments	2,959	—	—
ADJUSTED EBITDA	\$ 1,037,459	\$ 659,862	\$ 613,507

We consider Adjusted EBITDA an important supplemental measure to net income because it provides additional information with which to evaluate the performance of our operations and serves as another indication of our ability to service debt.

FFO, normalized FFO and Adjusted EBITDA presented herein are not necessarily identical to those presented by other real estate companies due to the fact that not all real estate companies use the same definitions. FFO, normalized FFO and Adjusted EBITDA should not be considered as alternatives to net income (determined in accordance with GAAP) as indicators of our financial performance or as alternatives to cash flow from operating activities (determined in accordance with GAAP) as measures of our liquidity, nor are FFO, normalized FFO and Adjusted EBITDA necessarily indicative of sufficient cash flow to fund all of our needs. We believe that in order to facilitate a clear understanding of our consolidated historical operating results, FFO, normalized FFO and Adjusted EBITDA should be examined in conjunction with net income as presented in our Consolidated Financial Statements.

Directors and Executive Officers

Directors

Debra A. Cafaro

Chairman and Chief Executive Officer
[Ventas, Inc.](#)

Douglas Crocker II

Presiding Director of Ventas, Inc.
Chairman and Chief Investment Officer
[Pearlmark Multifamily Partners, L.L.C.](#)

Ronald G. Geary

President
[Ellis Park Race Course, Inc.](#)

Jay M. Gellert

President and Chief Executive Officer
[Health Net, Inc.](#)

Richard I. Gilchrist

Senior Advisor
[Irvine Company](#)

Matthew J. Lustig

Chief Executive Officer and
Managing Principal
[Lazard Real Estate Partners](#)

Douglas M. Pasquale

Former Chairman, President
and Chief Executive Officer
[Nationwide Health Properties, Inc.](#)

Robert D. Paulson

Chief Executive Officer
[Aerostar Capital LLC](#)

Robert D. Reed

Senior Vice President and
Chief Financial Officer
[Sutter Health](#)

Sheli Z. Rosenberg

Of Counsel
[Skadden, Arps, Slate, Meagher & Flom LLP](#)

Glenn J. Rufrano

President and Chief Executive Officer
[Cushman & Wakefield, Inc.](#)

James D. Shelton

Chairman
[Legacy Hospital Partners, Inc.](#)
[Omnicare, Inc.](#)

Thomas C. Theobald

Senior Advisor
[Chicago Growth Partners](#)

Committees of the Board

Audit and Compliance Committee

Reed (Chair), Rosenberg, Rufrano

Executive Committee

Theobald (Chair), Cafaro, Crocker, Paulson, Rosenberg

Executive Compensation Committee

Gellert (Chair), Gilchrist, Shelton, Theobald

Investment Committee

Crocker (Chair), Cafaro, Geary, Shelton

Nominating and

Governance Committee

Rosenberg (Chair), Crocker, Geary

Executive Officers

Debra A. Cafaro

Chairman and Chief Executive Officer

Raymond J. Lewis

President

Todd W. Lillibridge

Executive Vice President,
Medical Property Operations and
President and Chief Executive Officer,
Lillibridge Healthcare Services, Inc.

T. Richard Riney

Executive Vice President,
Chief Administrative Officer and
General Counsel

Richard A. Schweinhart

Executive Vice President and
Chief Financial Officer

Investor Information

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502-357-9000

2050 Main Street

Suite 800
Irvine, CA 92614
949-718-4400

ANNUAL MEETING

The Annual Meeting of Stockholders will convene May 17, 2012, at 8:00 a.m. local time (Central) at 353 N. Clark St., Mesirow Financial Auditorium, Chicago, IL 60654

STOCK INFORMATION

Ventas, Inc. is traded on the NYSE under the ticker symbol "VTR." As of March 1, 2012, Ventas had 288.9 million outstanding shares.

TRANSFER AGENT AND REGISTRAR

Wells Fargo Shareowner Services
P.O. Box 64874
St. Paul, MN 55164-0874
1-800-468-8716
www.shareowneronline.com

INDEPENDENT AUDITORS

Ernst & Young LLP

INFORMATION

Copies of our 2011 Form 10-K and other filings with the Securities and Exchange Commission may be obtained without charge by contacting our Chicago corporate office or through our website at www.ventasreit.com.

MEMBER

National Association of Real Estate Investment Trusts®



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(NYSE: VTR)

[ventasreit.com](https://www.ventasreit.com)