Ventas Reports 2002 First Quarter FFO of $0.32 Per Diluted Share; FFO Per Share Increases 5% Over First Quarter 2001 and 15% Over Fourth Quarter 2001

May 9, 2002

LOUISVILLE, Ky., May 9, 2002 (BUSINESS WIRE) -- Ventas, Inc. (NYSE:VTR) ("Ventas" or the "Company") announced today that Funds From Operations ("FFO") in the 2002 first quarter totaled $22.1 million or $0.32 per diluted share. FFO for the comparable period in 2001 totaled $21.1 million or $0.31 per diluted share. Normalized FFO (excluding gains and losses and extraordinary items) during the fourth quarter 2001 was $0.27 per diluted share.

Net income for the three months ended March 31, 2002 was $12.7 million, or $0.18 per diluted share. Net income for the three months ended March 31, 2001 was $10.6 million, or $0.15 per diluted share.

"Our leading goal for 2002 was to refinance our balance sheet to reduce our cost of debt. We recently completed a successful refinancing that will increase our cash flow and provide additional capacity and flexibility to the Company," Ventas President and CEO Debra A. Cafaro said. "With this accomplishment, we can continue to grow our FFO and implement our important strategic diversification program."

FIRST QUARTER HIGHLIGHTS AND OTHER RECENT DEVELOPMENTS

- On April 17, 2002, Ventas completed an offering of $175 million of 8-3/4% unsecured Senior Notes due 2009 and $225 million of 9% unsecured Senior Notes due 2012.
- On the same date, Ventas closed on a new $350 million secured credit facility that consists of a $290 million revolving loan priced at 275 basis points over Libor and a $60 million five-year term loan priced at 250 basis points over Libor.
- Two important additions to the Ventas management team were made during the first quarter. Donna Cote was named Vice President, Real Estate Investment and Associate General Counsel. Stephanie Anderson joined Ventas as Vice President Business Development. Also during the quarter, John Thompson, who joined Ventas in 1998, was promoted to Executive Vice President and Chief Investment Officer.
- The sale of a nursing home in Nevada for approximately $1.8 million was completed during the first quarter.
- The first quarter dividend of $0.2375 per share represented an 8% increase from the previous quarterly dividend level of $0.22 per share.
- With the payment of the 2002 first quarter dividend, stockholders, as well as new investors, were able to participate in the Company's new Distribution Reinvestment and Stock Purchase Plan.

FIRST QUARTER RESULTS

Rental income for the first quarter ended March 31, 2002 was $46.4 million, of which $45.9 million resulted from leases with Kindred Healthcare, Inc. ("Kindred"), Ventas's primary tenant. The rental income from Kindred includes $0.6 million related to the amortization of the deferred revenue recorded as a result of the receipt of (a) Kindred equity and (b) a cash payment received from Kindred as additional future rent under the Master Leases on the effective date of Kindred's reorganization. Expenses for the quarter ended March 31, 2002 totaled $35.1 million, and included $10.5 million of depreciation expense; $19.9 million of interest expense on debt financing; and $1.5 million of interest expense on the Company's settlement with the Department of Justice. Professional fees for the quarter ended March 31, 2002 totaled $0.6 million.

FFO for the quarters ended March 31, 2002 and 2001 is summarized in the following table:

	Three Months Ended	
	March 31, 2002	March 31, 2001
	(In thousands, except per share amounts)	
Net income	$ 12,701	$ 10,579
Depreciation on real estate investments	10,424	10,475

Realized gain on sale of assets	(1,057)	--
Funds from operations	$ 22,068	$ 21,054
Diluted shares	69,844	68,872
FFO per share	$ 0.32	$ 0.31

The Company considers FFO an appropriate measure of performance of an equity REIT, and the Company uses the National Association of Real Estate Investment Trusts' ("NAREIT") definition of FFO. NAREIT defines FFO as net income (computed in accordance with accounting principles generally accepted in the United States ("GAAP")), excluding gains (or losses) from sales of property, plus depreciation and amortization after adjustments for unconsolidated partnerships and joint ventures. FFO presented herein is not necessarily comparable to FFO presented by other real estate companies due to the fact that not all real estate companies use the same definition. FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indicator of the Company's financial performance or as an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, nor is FFO necessarily indicative of sufficient cash flow to fund all of the Company's needs. The Company believes that in order to facilitate a clear understanding of the consolidated historical operating results of the Company, FFO should be examined in conjunction with net income (loss) as presented in the condensed consolidated financial statements and data included elsewhere in this Press Release.

2002 FFO GUIDANCE

The Company reaffirms its 2002 FFO guidance of $1.28 to $1.30 per diluted share as previously announced in a press release issued by the Company on April 17, 2002. The Company may from time to time update its publicly announced FFO guidance, but it is not obligated to do so.

ASSUMPTIONS

The Company's FFO guidance is based on a number of assumptions, including, but not limited to, the following: Kindred performs its obligations under the five Master Leases covering 210 nursing homes and 44 hospitals and various other agreements between the companies; FFO excludes any gains and losses (including those associated with the partial termination of the Company's interest rate swap agreement); the Company's other tenants perform their obligations under their leases with the Company; no additional dispositions of Kindred stock occur; no capital transactions, acquisitions or divestitures occur; Ventas's tax and accounting positions do not change; the Company's issued outstanding and diluted shares do not change; and Ventas does not incur any impact from Accounting Rule FASB 133 relating to derivatives.

FIRST QUARTER CONFERENCE CALL

Ventas, Inc. will hold a conference call to discuss this earnings release today, May 9, at 10:00 a.m. Eastern Time (9:00 a.m. Central Time). The conference call is being web cast by CCBN and can be accessed at the Ventas web site at www.ventasreit.com or www.companyboardroom.com. An online replay of the web cast will be available at approximately 12:00 p.m. Eastern Time and will be archived for thirty (30) days.

VENTAS TO PARTICIPATE IN BANK OF AMERICA CONFERENCE

Ventas, Inc. President and CEO Debra A. Cafaro will make a presentation at the Bank of America High Yield Bond and Leveraged Finance Conference being held in Las Vegas on May 21, 2002 at 1:30 p.m. (Eastern Time). The presentation and accompanying slides will be available on the Ventas website at www.ventasreit.com on the day of the presentation.

Ventas, Inc. is a healthcare real estate investment trust whose properties include 44 hospitals, 215 nursing facilities and eight personal care facilities in 36 states.

This Press Release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements regarding Ventas and its subsidiaries' expected future financial position, results of operations, cash flows, funds from operations, dividends and dividend plans, financing plans, business strategy, budgets, projected costs, capital expenditures, competitive positions, growth opportunities, expected lease income, continued qualification as a real estate investment trust ("REIT"), plans and objectives of management for future operations and statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions are forward-looking statements. Such forward-looking statements are inherently uncertain, and stockholders must recognize that actual results may differ from the Company's expectations. The Company does not undertake a duty to update such forward-looking statements.

Actual future results and trends for the Company may differ materially depending on a variety of factors discussed in the Company's filings with the Securities and Exchange Commission (the "Commission"). Factors that may affect the plans or results of the Company include, without limitation, (a) the ability and willingness of Kindred Healthcare, Inc. ("Kindred") and certain of its affiliates to continue to meet and/or honor its obligations under its contractual arrangements with the Company and the Company's subsidiaries, including without limitation the lease agreements and various

agreements (the "Spin Agreements") entered into by the Company and Kindred at the time of the Company's spin-off of Kindred on May 1, 1998 (the "1998 Spin Off"), as such agreements may have been amended and restated in connection with Kindred's emergence from bankruptcy on April 20, 2001, (b) the ability and willingness of Kindred to continue to meet and/or honor its obligation to indemnify and defend the Company for all litigation and other claims relating to the health care operations and other assets and liabilities transferred to Kindred in the 1998 Spin Off, (c) the ability of Kindred and the Company's other operators to maintain the financial strength and liquidity necessary to satisfy their respective obligations and duties under the leases and other agreements with the Company, and their existing credit agreements, (d) the Company's success in implementing its business strategy, (e) the nature and extent of future competition, (f) the extent of future health care reform and regulation, including cost containment measures and changes in reimbursement policies and procedures, (g) increases in the cost of borrowing for the Company, (h) the ability of the Company's operators to deliver high quality care and to attract patients, (i) the results of litigation affecting the Company, (j) changes in general economic conditions and/or economic conditions in the markets in which the Company may, from time to time, compete, (k) the ability of the Company to pay down, refinance, restructure, and/or extend its indebtedness as it becomes due, (l) the movement of interest rates and the resulting impact on the value of the Company's interest rate swap agreements and the ability of the Company to satisfy its obligation to post cash collateral if required to do so under one of these interest rate swap agreements, (m) the ability and willingness of Atria, Inc. ("Atria") to continue to meet and honor its contractual arrangements with the Company and Ventas Realty, Limited Partnership entered into in connection with the Company's spin-off of its assisted living operations and related assets and liabilities to Atria in August 1996, (n) the ability and willingness of the Company to maintain its qualification as a REIT due to economic, market, legal, tax or other considerations, including without limitation, the risk that the Company may fail to qualify as a REIT due to its ownership of Kindred common stock, (o) the outcome of the audit being conducted by the Internal Revenue Service for the Company's tax years ended December 31, 1997 and 1998, (p) final determination of the Company's taxable net income for the year ended December 31, 2001, (q) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases and the Company's ability to relet its properties on the same or better terms in the event such leases expire and are not renewed by the existing tenants and (r) the value of the Company's common stock in Kindred and the limitations on the ability of the Company to sell, transfer or otherwise dispose of its common stock in Kindred arising out of the securities laws and the registration rights agreement the Company entered into with Kindred and certain of the holders of the Kindred common stock. Many of such factors are beyond the control of the Company and its management.

VENTAS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	March 31, 2002 (Unaudited)	December 31, 2001 (Audited)
Assets Real estate investments:		
Land	$ 119,650	$ 119,771
Building and improvements	1,054,886	1,056,067
	1,174,536	1,175,838
Accumulated depreciation	(379,116)	(369,502)
Total real estate investments	795,420	806,336
Cash and cash equivalents	9,281	18,596
Restricted cash	19,994	20,773
Deferred financing costs, net	13,453	14,153
Investment in Kindred Healthcare, Inc. common stock	43,751	55,118
Kindred Healthcare, Inc. common stock reserved for distribution	--	17,086
Notes receivable from employees	4,508	3,635
Other	5,225	6,162
Total assets	$ 891,632	$ 941,859
Liabilities and stockholders' equity Liabilities:		
Notes payable and other debt	$ 831,544	$ 848,368
United States Settlement	54,747	54,747
Deferred revenue	20,400	21,027
Interest rate swap agreements	16,715	27,430
Accrued dividend	--	17,910
Accounts payable and other accrued liabilities	17,218	18,154
Other liabilities - disputed federal, state and local tax refunds	14,880	14,903

Deferred income taxes	30,394	30,394
Total liabilities	985,898	1,032,933
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, unissued	--	--
Common stock	18,402	18,402
Capital in excess of par value	119,263	122,468
Unearned compensation on restricted stock	(2,070)	(1,000)
Accumulated other comprehensive income	35,522	36,174
Retained earnings (deficit)	(137,793)	(134,088)
	33,324	41,956
Treasury stock	(127,590)	(133,030)
Total stockholders' equity (deficit)	(94,266)	(91,074)
Total liabilities and stockholders' equity	$ 891,632	$ 941,859

VENTAS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended March 31, 2002	March 31, 2001
Revenues:		
Rental income	$46,397	$46,118
Interest and other income	342	1,506
Total revenues	46,739	47,624
Expenses:		
General and administrative	2,311	2,549
Professional fees	565	1,799
Amortization of restricted stock grants	422	403
Depreciation	10,466	10,498
Interest	19,860	21,121
Interest on United States Settlement	1,471	--
Total expenses	35,095	36,370
Income before gain on real estate and income taxes	11,644	11,254
Net gain on real estate disposal	1,057	--
Income before income taxes	12,701	11,254
Provision for income taxes	--	675
Net income	$12,701	$10,579
Earnings per common share:		
Basic	$ 0.18	$ 0.16
Diluted	$ 0.18	$ 0.15
Shares used in computing earnings		

per common share:		
Basic	68,698	68,222
Diluted	69,844	68,872
Dividend declared and paid per common share	$0.2375	$ --

VENTAS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three Months Ended	
	March 31, 2002	March 31, 2001
Cash flows from operating activities:		
Net income	$ 12,701	$ 10,579
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	10,466	10,498
Amortization of deferred financing costs	700	611
Amortization of restricted stock grants	422	403
Normalized rents	(48)	7
Gain on sale of real estate	(1,057)	--
Amortization of deferred revenue	(627)	--
Other	38	--
Changes in operating assets and liabilities:		
(Increase) decrease in restricted cash	779	(160)
Increase in accounts receivable and other assets	(254)	(247)
Increase in accounts payable and accrued and other liabilities	1,058	1,407
Net cash provided by operating activities	24,178	23,098
Cash flows from investing activities:		
Proceeds from sale of real estate	1,550	--
Purchase of furniture and equipment	(76)	(95)
Increase in notes receivable from employees	(873)	(460)
Net cash provided by (used in) investing activities	601	(555)
Cash flows from financing activities:		
Repayment of long-term debt	(16,824)	(35,000)
Cost of issuance of stock	(40)	--
Cash distribution to stockholders	(17,230)	(19,846)
Net cash provided used in financing		

activities	(34,094)	(54,846)
Decrease in cash and cash equivalents	(9,315)	(32,303)
Cash and cash equivalents - beginning of period	18,596	87,401
Cash and cash equivalents - end of period	$ 9,281	$ 55,098
Supplemental schedule of non cash activities:		
Dividend distribution of Kindred common stock	$ 17,086	$ --

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