



Ventas and Atria Management to Jointly Own Atria Senior Living, Inc.

December 24, 2012

Strategic Transaction Creates Additional Growth Opportunities and Enhances Alignment

Atria Leadership to Remain in Place

CHICAGO--(BUSINESS WIRE)--Dec. 24, 2012-- Ventas, Inc. (NYSE: VTR) ("Ventas" or the "Company") announced today that it executed a transaction whereby Ventas and the management team of Atria Senior Living, Inc. ("Atria") own 100 percent of Atria, effective December 21. Atria's Chairman and Chief Executive Officer John A. Moore will continue to lead Atria, one of the nation's premier providers of senior living care services.

In the transaction, Ventas acquired 100 percent of various private investment funds (the "Funds") previously managed by Lazard Frères Real Estate Investors LLC ("LFREI") or its affiliates. The acquired Funds now own (a) a 34 percent interest in Atria and (b) 3.7 million shares of Ventas common stock. The total purchase price for these interests was approximately \$242 million. Atria's executives and employees, including Moore, now own 66 percent of Atria.

"We are excited to complete this strategic transaction, creating additional alignment and capacity to grow our private pay senior housing business with Atria," Ventas Chairman and Chief Executive Officer Debra A. Cafaro said. "Atria is one of the nation's premier providers of care to seniors, with a robust reporting and regulatory infrastructure. Its experienced team has delivered outstanding results. We are proud to expand our relationship with Atria, ensure its continued success and create additional opportunities for growth," she added.

"With our management team owning a majority stake in Atria, we are thoroughly invested in the long-term success of the brand and all the Atria communities," Atria Chairman and Chief Executive Officer John A. Moore said. "For who we are and what we do, we couldn't imagine a better partner than Ventas to build our business. We have a terrific team with a longstanding record of serving seniors in environments that help them thrive and flourish. Atria's platform and its ability to deliver value to all its constituents are strengthened by this transaction," he added.

The transaction terms imply that the Company bought its shares of common stock at a discount to the December 20 closing price of \$64.69. In addition, Ventas obtained certain rights and minority protections regarding material transactions affecting Atria and is entitled to two seats on the Atria Board of Directors. The base management fee under Ventas's management arrangements with Atria will remain at five percent of revenues. At year end, Atria is expected to have approximately \$30 million cash on hand.

In the transaction, Ventas also extinguished its obligation related to the "Earnout," a contingent performance-based payment arising out of Ventas's 2011 acquisition of 117 Atria-managed senior living communities, for an additional \$44 million. This amount represents the discounted present value of the potential future payment, which was reflected on Ventas's financial statements as a liability.

Atria remains the same corporate and licensed entity and will continue to manage for Ventas a portfolio of 118 high-quality, private pay senior living communities containing approximately 13,600 units that are located in major metropolitan markets with strong wealth demographics.

The transaction is expected to be minimally accretive to Ventas's 2013 normalized funds from operations (FFO) per share. The 3.7 million shares of Ventas common stock remain in the Funds, but will be considered treasury shares and excluded from Ventas's outstanding shares for purposes of calculating its earnings per share under generally accepted accounting principles (GAAP) and normalized FFO per share.

BACKGROUND

On May 12, 2011, Ventas acquired substantially all of the real estate assets and working capital of privately-owned Atria Senior Living Group, Inc. (ASLG). At that time, ASLG was owned by private equity funds managed by LFREI or its affiliates. Prior to the closing of the transaction, ASLG spun off its management company. The new, spun off management company was named Atria Senior Living, Inc. (Atria), which continued to be substantially owned and controlled by LFREI or its affiliates.

ABOUT VENTAS

Ventas, Inc., an S&P 500 company, is a leading healthcare real estate investment trust. Its diverse portfolio of more than 1,400 assets in 47 states (including the District of Columbia) and two Canadian provinces consists of seniors housing communities, skilled nursing facilities, hospitals, medical office buildings and other 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. More information about Ventas and Lillibridge can be found at www.ventasreit.com and www.lillibridge.com.

ABOUT ATRIA SENIOR LIVING, INC.

Atria Senior Living, Inc. is the fifth largest assisted living provider in the U.S., operating more than 130 communities in 28 states. Home to more than 14,000 older Americans, Atria communities provide respectful, quality services designed to promote independence and help seniors enjoy fulfilling lifestyles. Its goal is to provide environments where older people flourish, where loneliness and isolation are forgotten, and where families feel confident that their aging members are secure and thriving. More information about Atria can be found at www.atriaseniorliving.com.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements regarding the Company's or its tenants', operators', managers' or borrowers' expected future financial condition, results of operations, cash flows, funds from operations, dividends and dividend plans, financing opportunities and plans, capital markets transactions, business strategy, budgets, projected costs, operating metrics, capital expenditures, competitive positions,

acquisitions, investment opportunities, dispositions, merger integration, 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. These forward-looking statements are inherently uncertain, and actual results may differ from the Company's expectations. The Company does not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.

The Company's actual future results and trends may differ materially from expectations depending on a variety of factors discussed in the Company's filings with the Securities and Exchange Commission. These factors include without limitation: (a) the ability and willingness of the Company's tenants, operators, borrowers, managers and other third parties to satisfy their obligations under their respective contractual arrangements with the Company, including, in some cases, their obligations to indemnify, defend and hold harmless the Company from and against various claims, litigation and liabilities; (b) the ability of the Company's tenants, operators, borrowers and managers to maintain the financial strength and liquidity necessary to satisfy their respective obligations and liabilities to third parties, including without limitation obligations under their existing credit facilities and other indebtedness; (c) the Company's success in implementing its business strategy and the Company's ability to identify, underwrite, finance, consummate and integrate diversifying acquisitions and investments, including investments in different asset types and outside the United States; (d) macroeconomic conditions such as a disruption of or lack of access to the capital markets, changes in the debt rating on U.S. government securities, default or delay in payment by the United States of its obligations, and changes in the federal budget resulting in the reduction or nonpayment of Medicare or Medicaid reimbursement rates; (e) the nature and extent of future competition; (f) the extent of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; (g) increases in the Company's borrowing costs as a result of changes in interest rates and other factors; (h) the ability of the Company's operators and managers, as applicable, to comply with laws, rules and regulations in the operation of the Company's properties, to deliver high quality services, to attract and retain qualified personnel and to attract residents and patients; (i) changes in general economic conditions or economic conditions in the markets in which the Company may, from time to time, compete, and the effect of those changes on the Company's revenues, earnings and funding sources; (j) the Company's ability to pay down, refinance, restructure or extend its indebtedness as it becomes due; (k) the Company's ability and willingness to maintain its qualification as a REIT due to economic, market, legal, tax or other considerations; (l) final determination of the Company's taxable net income for the year ending December 31, 2012; (m) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases, the Company's ability to reposition its properties on the same or better terms in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations, including indemnification obligations, the Company may incur in connection with the replacement of an existing tenant; (n) risks associated with the Company's senior living operating portfolio, such as factors that can cause volatility in the Company's operating income and earnings generated by those properties, including without limitation national and regional economic conditions, costs of food, materials, energy, labor and services, employee benefit costs, insurance costs and professional and general liability claims, and the timely delivery of accurate property-level financial results for those properties; (o) changes in U.S. and Canadian currency exchange rates; (p) year-over-year changes in the Consumer Price Index and the effect of those changes on the rent escalators contained in the Company's leases, including the rent escalator for Master Lease 2 with Kindred Healthcare, Inc., and the Company's earnings; (q) the Company's ability and the ability of its tenants, operators, borrowers and managers to obtain and maintain adequate property, liability and other insurance from reputable, financially stable providers; (r) the impact of increased operating costs and uninsured professional liability claims on the liquidity, financial condition and results of operations of the Company's tenants, operators, borrowers and managers, and the ability of the Company's tenants, operators, borrowers and managers to accurately estimate the magnitude of those claims; (s) risks associated with the Company's medical office building ("MOB") portfolio and operations, including the Company's ability to successfully design, develop and manage MOBs, to accurately estimate its costs in fixed fee-for-service projects and to retain key personnel; (t) the ability of the hospitals on or near whose campuses the Company's MOBs are located and their affiliated health systems to remain competitive and financially viable and to attract physicians and physician groups; (u) the Company's ability to build, maintain and expand its relationships with existing and prospective hospital and health system clients; (v) risks associated with the Company's investments in joint ventures and unconsolidated entities, including its lack of sole decision-making authority and its reliance on its joint venture partners' financial condition; (w) the impact of market or issuer events on the liquidity or value of the Company's investments in marketable securities; (x) merger and acquisition activity in the healthcare industry resulting in a change of control of one or more of our tenants, operators, borrowers or managers or significant changes in the senior management of our tenants, operators, borrowers or managers; and (y) the impact of litigation or any financial, accounting, legal or regulatory issues that may affect the Company or its tenants, operators, borrowers or managers. Many of these factors are beyond the control of the Company and its management.

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