

VENTAS INC
Form FWP
April 07, 2009

Issuer Free Writing Prospectus filed pursuant to Rule 433
supplementing the Preliminary Prospectus Supplement dated
April 6, 2009
and Prospectus dated April 6, 2009

Registration No. 333-158424

April 6, 2009

VENTAS, INC.

VENTAS CONFIRMS OPERATING FINANCIAL GUIDANCE FOR 2009

CHICAGO, IL (April 6, 2009) Ventas, Inc. (NYSE: VTR) (Ventas or the Company) today confirmed that it expects its 2009 normalized Funds From Operations (FFO), on an operating basis and before the impact of certain capital transactions announced today, to be between \$2.55 and \$2.65 per diluted common share.

The Company said that it expects to further strengthen its balance sheet and improve its financial strength and liquidity by offering 8,500,000 shares of common stock and \$200 million of senior notes due 2016 (the Offerings). It intends to use the proceeds of the Offerings to pay down or repurchase its debt and for general corporate purposes. The Company expects that these announced transactions, if completed, should be modestly dilutive to its FFO per diluted share, but that the opportunity to limit or eliminate near term debt maturities should benefit all of its stakeholders. There can be no assurances that all or any of the contemplated transactions will occur or, if they occur, the timing or terms on which they will be completed.

The Company s normalized FFO guidance for all periods assumes that all of the Company s tenants and borrowers continue to meet all of their obligations to the Company. In addition, the Company s normalized FFO guidance (and related GAAP earnings projections) excludes (a) gains and losses on the sales of assets, (b) the impact of future acquisitions or divestitures (including pursuant to tenant options to purchase) and capital transactions, (c) merger-related costs and expenses that are not capitalized under GAAP, including expenses relating to the Company s lawsuit against HCP, Inc., (d) 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 or premiums incurred as a result of early retirement or payment of the Company s debt, including in connection with the recent successful extension of the Company s revolving credit facilities; (e) the non-cash effect of income tax benefits or expenses; (f) acquisition costs and expenses and earn out payments required by GAAP to be expensed rather than capitalized into asset cost, and (g) the reversal or incurrence of contingent liabilities.

The Company's guidance is based on a number of other assumptions, which are subject to change and many of which are outside the control of the Company. If actual results vary from

these assumptions, the Company's expectations may change. There can be no assurances that the Company will achieve these results.

The issuer has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents free of charge by visiting the SEC's Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the preliminary prospectus supplement and accompanying prospectus if you request them by calling Merrill Lynch at (866) 500-5408.

Ventas, Inc. is a leading healthcare real estate investment trust. Its diverse portfolio of properties located in 43 states and two Canadian provinces includes seniors housing communities, skilled nursing facilities, hospitals, medical office buildings and other properties. More information about Ventas can be found on its website at www.ventasreit.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 position, results of operations, cash flows, funds from operations, dividends and dividend plans, financing plans, business strategy, budgets, projected costs, capital expenditures, competitive positions, acquisitions, investment opportunities, merger integration, growth opportunities, dispositions, 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 security holders 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, which speak only as of the date on which they are made.

The Company's actual future results and trends may differ materially 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 operators, tenants, borrowers, managers and other third parties to meet and/or perform 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 operators, tenants, 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 or investments, including those in different asset types and outside the United States; (d) the nature and extent of future competition; (e) the extent of future or pending healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; (f) increases in the Company's cost of borrowing as a result of changes in interest rates and other factors; (g) the ability of the Company's operators and managers, as applicable, to deliver high quality services, to attract and retain qualified personnel and to attract residents and patients; (h) the results of litigation affecting the Company; (i) changes in general economic conditions and/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 and its ability to access the capital markets or other sources of funds; (j) the Company's ability to pay down, refinance, restructure and/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 ended December 31, 2008 and for the year ending December 31, 2009; (m) 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 reposition its properties on the same or better terms in the event such leases expire and are not renewed by the Company's tenants or in the event the Company exercises its right to replace an existing tenant upon default; (n) risks associated with the Company's senior living operating portfolio, such as factors causing volatility in the Company's operating income and earnings generated by its properties, including without limitation national and regional economic conditions, costs of 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) the movement of U.S. and Canadian exchange rates; (p) year-over-year changes in the Consumer Price Index and the effect of those changes on the rent escalators, including the rent escalator for Master Lease 2 with Kindred, and the Company's earnings; (q) the Company's ability and the ability of its operators, tenants, borrowers and managers to obtain and maintain adequate liability and other insurance from reputable and 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 operators, tenants, borrowers and managers and the ability of the Company's operators, tenants, borrowers and managers to accurately estimate the magnitude of those claims; (s) the ability and willingness of the lenders under the Company's unsecured revolving credit facilities to fund, in whole or in part, borrowing requests made by the Company from time to time; (t) the impact of market or issuer events on the liquidity or value of the Company's investments in marketable securities; and (u) the impact of any financial, accounting, legal or regulatory issues that may affect the Company's major tenants, operators or managers. Many of these factors are beyond the control of the Company and its management.

Normalized FFO Guidance for the Year Ending December 31, 2009

The following table illustrates the Company's normalized FFO per diluted common share guidance, on an operating basis and before the impact of certain capital transactions announced today, for the year ending December 31, 2009:

| | GUIDANCE For the Year Ending December 31, 2009 | |
|--|---|-----------|
| Net income applicable to common shares | \$ 1.15 | - \$ 1.25 |
| Adjustments: | | |
| Depreciation and amortization on real estate assets, depreciation related to minority interest and gain on sale of real estate assets, net | 1.36 | - 1.36 |
| FFO | 2.51 | - 2.61 |
| Adjustments: | | |
| Income tax benefit/expense, gain/loss on extinguishment of debt and merger-related expenses, net | 0.04 | - 0.04 |
| Normalized FFO | \$ 2.55 | - \$ 2.65 |

The issuer has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents free of charge by visiting the SEC s Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the preliminary prospectus supplement and accompanying prospectus if you request them by calling Merrill Lynch at (866) 500-5408.
