

Corporate Profile

HEALTH CARE REIT, INC.

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December 31, 2006

Contacts:

Scott A. Estes
SVP & Chief Financial Officer
Michael A. Crabtree
VP & Treasurer

Current Market Data

NYSE Symbol:	HCN	Total Assets:	\$4.3 billion
Closing Price (12/31/06):	\$43.02	Total Debt:	\$2.2 billion
52 Week Hi/Lo:	\$43.02/\$32.80	Stockholders' Equity:	\$2.0 billion
Dividend/Yield:	\$2.56/5.95%	Total Market Capitalization:	\$5.7 billion
Shares Outstanding:	73.2 million	Debt to Book Capitalization:	53%
Senior Debt Ratings:	Baa2/BBB-/BBB-	Debt to Market Capitalization:	39%

Overview. Health Care REIT, Inc. is a self-administered, equity real estate investment trust ("REIT") that invests across the full spectrum of senior housing and health care real estate including continuing care retirement communities, independent living, assisted living, skilled nursing, hospitals, long-term acute care hospitals and medical office buildings. Our enhanced service platform enables us to offer property management, development and project management services to our customers. Founded in 1970, the company was the first REIT to invest exclusively in health care properties.

As of December 31, 2006, the company's broadly diversified portfolio comprised 578 properties in 37 states. Health Care REIT has gross real estate assets of approximately \$4.5 billion and a market capitalization of approximately \$5.7 billion.

The company seeks to increase funds from operations and funds available for distribution and to enhance stockholder value through relationship investing programs. The primary components of this strategy are set forth below.

Relationship Investing. The company establishes relationships with, and provides financing to, senior housing and health care providers throughout their growth cycles. It targets hospital systems and/or operating companies with experienced management teams, regionally focused operations and significant growth potential.

By maintaining close ties to customers, the company is able to structure investments designed to support a customer's business plan while closely monitoring the company's investments on an ongoing basis. For operating properties, the company purchases the asset and manages the leasing function internally or may enter into a third party management contract. These assets are generally medical office buildings. For investment properties, transactions are typically structured as master operating leases with senior housing or health care providers for the acquisition and development of properties in a geographic region. The company acts as a landlord only and does not participate in operations for investment properties. Lease economic terms for the investment portfolio typically include annual rate increasers and fair market value-based purchase options. Loans may also be offered in connection with the execution of an operating lease.

Portfolio Management. Portfolio strength is derived from diversity by customer, property sector and geographic location. The company emphasizes long-term investment structures that result in a predictable asset base with attendant recurring income, funds from operations and funds available for distribution. Investment property leases generally have a 12 to 15 year term and operating property leases generally have four to six year terms. The company also regularly monitors the portfolio through a detailed budget process and with its proprietary database system.

Depth of Management. The broad management team has significant experience across all sectors of health care and real estate finance. The management team has successfully implemented the company's relationship investing strategy, resulting in gross investments of approximately \$3.8 billion during the past five years, including the Windrose Medical Properties Trust merger.

Corporate Governance. Maintaining investor confidence and trust has become increasingly important in today's business environment. The company's Board of Directors and management are strongly committed to policies and procedures that reflect the highest level of ethical business practices. The company's corporate governance guidelines provide the framework for its business operations and emphasize its commitment to increase stockholder value while meeting all applicable legal requirements.

Excellent Record of Generating Stockholder Returns. Since the company's beginning in 1970, it has had a history of generating solid investment returns through dividends and share price appreciation. An investment of \$10,000 in shares of Health Care REIT, Inc. in June 1971 would be worth approximately \$2,622,000 at December 31, 2006. The following represents returns over several periods ending December 31, 2006 (assumes reinvestment of dividends):

One Year	35.7%
Three Years	13.5%
Five Years	20.6%
Ten Years	15.7%
Twenty Years	15.3%
Since inception	17.0%

Dividend Reinvestment Plan. Existing stockholders are able to purchase up to \$5,000 of common stock per month at a discount, currently set at two percent. Additionally, investors who are not stockholders of the company may use this plan to make an initial investment in the company. The company has the discretion to grant waivers for purchases in excess of \$5,000 per month.

Supplemental Reporting Measure. The company believes that net income available to common stockholders, as defined by U.S. generally accepted accounting principles (U.S. GAAP), is the most appropriate earnings measurement. However, the company considers funds from operations (FFO) and funds available for distribution (FAD) to be useful supplemental measures of its operating performance. Historical cost accounting for real estate assets in accordance with U.S. GAAP implicitly assumes that the value of real estate assets diminishes predictably over time as evidenced by the provision for depreciation. However, since real estate values have historically risen or fallen with market conditions, many industry investors and analysts have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient. In response, the National Association of Real Estate Investment Trusts (NAREIT) created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation from net income. FFO, as defined by NAREIT, means net income, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. FAD represents FFO excluding the net straight-line rental adjustments, rental income related to above/below market leases and amortization of deferred loan expenses and less cash used to fund capital expenditures, tenant improvements and lease commissions. FFO and FAD are financial measures that are widely used by investors, equity and debt analysts and rating agencies in the valuation, comparison, rating and investment recommendations of companies. The company's management uses these financial measures to facilitate internal and external comparisons to historical operating results and in making operating decisions. Additionally, FFO and FAD are utilized by the Board of Directors to evaluate management. FFO and FAD do not represent net income or cash flow provided from operating activities as determined in accordance with U.S. GAAP and should not be considered as alternative measures of profitability or liquidity. Finally, FFO and FAD, as defined by the company, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies.

Executive Officers of the Company

George L. Chapman <i>Chairman and CEO</i>	Fred S. Klipsch <i>Vice Chairman</i>	Raymond W. Braun <i>President</i>	Frederick L. Farrar <i>Executive VP</i>
Charles J. Herman, Jr. <i>Executive VP and CIO</i>	Jeffrey H. Miller <i>Executive VP and General Counsel</i>	Scott A. Estes <i>Senior VP and CFO</i>	Erin C. Ibele <i>Senior VP - Administration and Corporate Secretary</i>
Daniel R. Loftus <i>Senior VP</i>	Michael A. Crabtree <i>VP and Treasurer</i>		

Board of Directors

William C. Ballard, Jr. <i>Of Counsel Greenebaum Doll & McDonald PLLC</i> Committees: Executive, Investment, Nominating/Corporate Governance, Compensation and Planning	Pier C. Borra <i>Chairman CORA Health Services, Inc.</i> Committees: Compensation, Investment and Planning	George L. Chapman <i>Chairman and Chief Executive Officer Health Care REIT, Inc.</i> Committees: Executive, Investment and Planning
Thomas J. DeRosa <i>Former Vice Chairman and Financial Officer The Rouse Company</i> Committees: Audit, Investment, Nominating/Corporate Governance and Planning	Jeffrey H. Donahue <i>President and Chief Executive Officer The Enterprise Social Investment Corporation</i> Committees: Compensation, Investment and Planning	Peter J. Grua <i>Managing Partner Chief HLM Venture Partners</i> Committees: Executive, Investment, Nominating/ Corporate Governance and Planning
Fred S. Klipsch <i>Vice Chairman Health Care REIT, Inc.</i> Committees: Investment and Planning	Sharon M. Oster <i>Professor of Management and Entrepreneurship Yale University</i> Committees: Audit, Investment and Planning	R. Scott Trumbull <i>Chairman and Chief Executive Officer Franklin Electric Co., Inc.</i> Committees: Audit, Investment and Planning

Dividend Payment Data

<u>Year</u>	<u>Dividend Per Share</u>	<u>Year</u>	<u>Dividend Per Share</u>
1995	\$ 2.075	2001	\$ 2.340
1996	2.080	2002	2.340
1997	2.110	2003	2.340
1998	2.190	2004	2.385
1999	2.270	2005	2.460
2000	2.335	2006	2.8809

Analyst Research Coverage

A.G. Edwards & Sons, Inc.
Banc of America Securities LLC
Cantor Fitzgerald
Deutsche Bank Securities Inc.
Green Street Advisors, Inc.
KeyBanc Capital Markets
Raymond James & Associates, Inc.
Stifel, Nicolaus & Company, Inc.
UBS Securities LLC

Selected Financial Information

(In thousands, except per share data)

	Year Ended December 31,				
	2002	2003	2004	2005	2006
Operating Data					
Revenues	\$ 130,449	\$ 176,461	\$ 230,482	\$ 273,538	\$ 322,824
Total expenses	75,949	106,859	148,274	193,692	219,307
Income before minority interests	54,500	69,602	82,208	79,846	103,517
Minority interests					(13)
Income from continuing operations	54,500	69,602	82,208	79,846	103,504
Discontinued operations, net	13,159	13,138	3,163	4,440	(754)
Net income	67,659	82,740	85,371	84,286	102,750
Preferred stock dividends	12,468	9,218	12,737	21,594	21,463
Preferred stock redemption charge		2,790			
Net income available to common stockholders	\$ 55,191	\$ 70,732	\$ 72,634	\$ 62,692	\$ 81,287
Other Data					
Average diluted shares outstanding	37,301	44,201	52,082	54,499	62,045
Funds from operations (1)	\$ 96,573	\$ 119,463	\$ 146,742	\$ 144,293	\$ 177,580
Funds from operations - adjusted (1)	99,274	125,045	147,056	164,955	182,793
Funds from operations - normalized (1)	99,274	125,045	147,056	160,432	184,080
Funds available for distribution (1)	89,690	107,456	136,343	147,730	191,885
Funds available for distribution - adjusted (1)	92,391	113,038	136,657	168,392	197,098
Funds available for distribution - normalized (1)	88,122	106,767	128,513	150,000	177,824
Per Share Data					
Net income available to common stockholders	\$ 1.48	\$ 1.60	\$ 1.39	\$ 1.15	\$ 1.31
Funds from operations (1)	2.59	2.70	2.82	2.65	2.86
Funds from operations - adjusted (1)	2.66	2.83	2.82	3.03	2.95
Funds from operations - normalized (1)	2.66	2.83	2.82	2.94	2.97
Funds available for distribution (1)	2.40	2.43	2.62	2.71	3.09
Funds available for distribution - adjusted (1)	2.48	2.56	2.62	3.09	3.18
Funds available for distribution - normalized (1)	2.36	2.42	2.47	2.75	2.87
Dividends paid	2.34	2.34	2.385	2.46	2.8809
Balance Sheet Data					
December 31,					
	2002	2003	2004	2005	2006
Net real estate investments	\$ 1,524,457	\$ 1,992,446	\$ 2,441,972	\$ 2,849,518	\$ 4,122,893
Total assets	1,591,482	2,184,088	2,552,171	2,972,164	4,280,610
Total debt	673,703	1,014,541	1,192,958	1,500,818	2,198,001
Total liabilities and minority interests	694,250	1,034,409	1,216,892	1,541,408	2,301,817
Total stockholders' equity	897,232	1,149,679	1,335,279	1,430,756	1,978,793

(1) The tables on the following page represent reconciliations of net income available to common stockholders to FFO and FAD (in thousands). FFO and FAD for 2002, 2003 and 2004 have been adjusted for non-cash impairment charges. FFO and FAD for 2003 have been adjusted for a non-cash, non-recurring preferred stock redemption charge. FFO and FAD for 2002 and 2005 have been adjusted for net losses on extinguishment of debt. These adjustments are provided to facilitate external analysis of operating results both in terms of historical trends and in comparison to other companies.

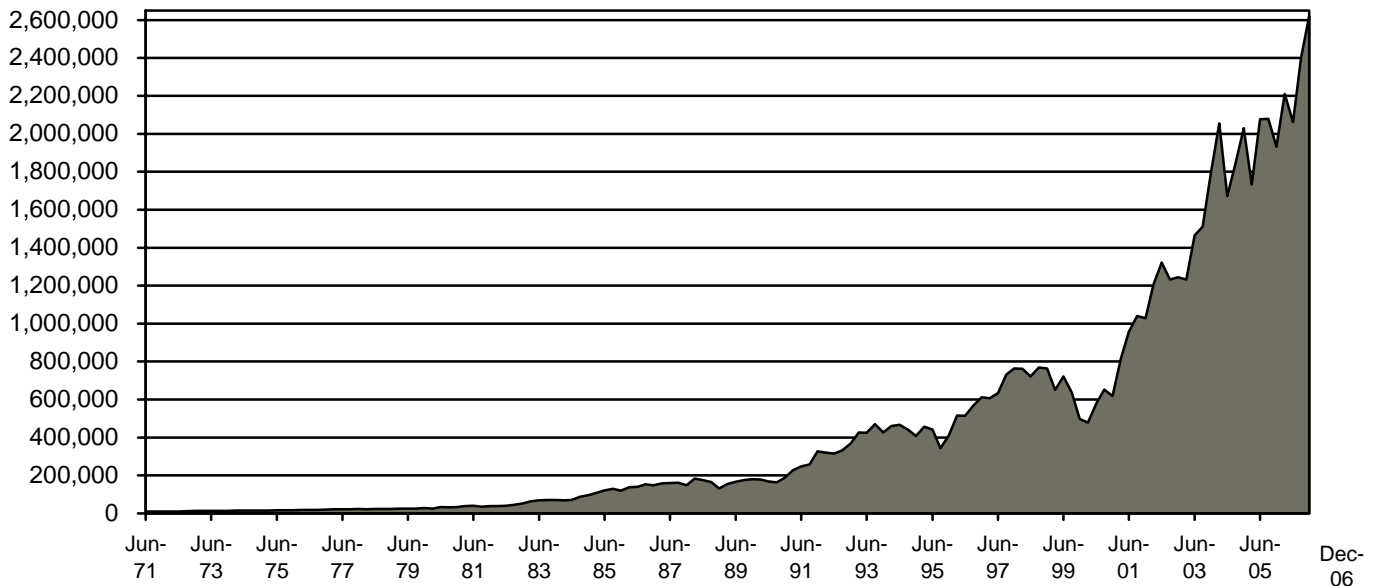
Reconciliations of Non-GAAP Financial Measures

Funds From Operations:	Year Ended December 31,				
	2002	2003	2004	2005	2006
Net income available to common stockholders	\$ 55,191	\$ 70,732	\$ 72,634	\$ 62,692	\$ 81,287
Depreciation and amortization	40,350	52,870	74,015	84,828	97,564
Loss (gain) on sales of properties	1,032	(4,139)	143	(3,227)	(1,267)
Minority interests					(4)
Prepayment fees			(50)		
Funds from operations	96,573	119,463	146,742	144,293	177,580
Impairment of assets	2,298	2,792	314		
Merger-related expenses					5,213
Loss on extinguishment of debt, net	403			20,662	
Preferred stock redemption charge		2,790			
Funds from operations - adjusted	99,274	125,045	147,056	164,955	182,793
Additional interest income				(4,523)	
SFAS 123(R) accelerated vesting impact					1,287
Funds from operations - normalized	\$ 99,274	\$ 125,045	\$ 147,056	\$ 160,432	\$ 184,080

Funds Available for Distribution:	Year Ended December 31,				
	2002	2003	2004	2005	2006
Net income available to common stockholders	\$ 55,191	\$ 70,732	\$ 72,634	\$ 62,692	\$ 81,287
Depreciation and amortization	40,350	52,870	74,015	84,828	97,564
Loss (gain) on sales of properties	1,032	(4,139)	143	(3,227)	(1,267)
Prepayment fees			(50)		
Gross straight-line rental income	(13,525)	(21,199)	(21,936)	(13,142)	(9,432)
Prepaid/straight-line rent receipts	4,269	6,271	8,144	13,869	20,561
Rental income related to above/(below) market leases, net					(60)
Amortization of deferred loan expenses	2,373	2,921	3,393	2,710	3,255
Cap Ex, tenant improvements, lease commissions					(21)
Minority interests					(2)
Funds available for distribution	89,690	107,456	136,343	147,730	191,885
Impairment of assets	2,298	2,792	314		
Merger-related expenses					5,213
Loss on extinguishment of debt, net	403			20,662	
Preferred stock redemption charge		2,790			
Funds available for distribution - adjusted	92,391	113,038	136,657	168,392	197,098
Additional interest income				(4,523)	
SFAS 123(R) accelerated vesting impact					1,287
Prepaid/straight-line rent receipts	(4,269)	(6,271)	(8,144)	(13,869)	(20,561)
Funds available for distribution - normalized	\$ 88,122	\$ 106,767	\$ 128,513	\$ 150,000	\$ 177,824

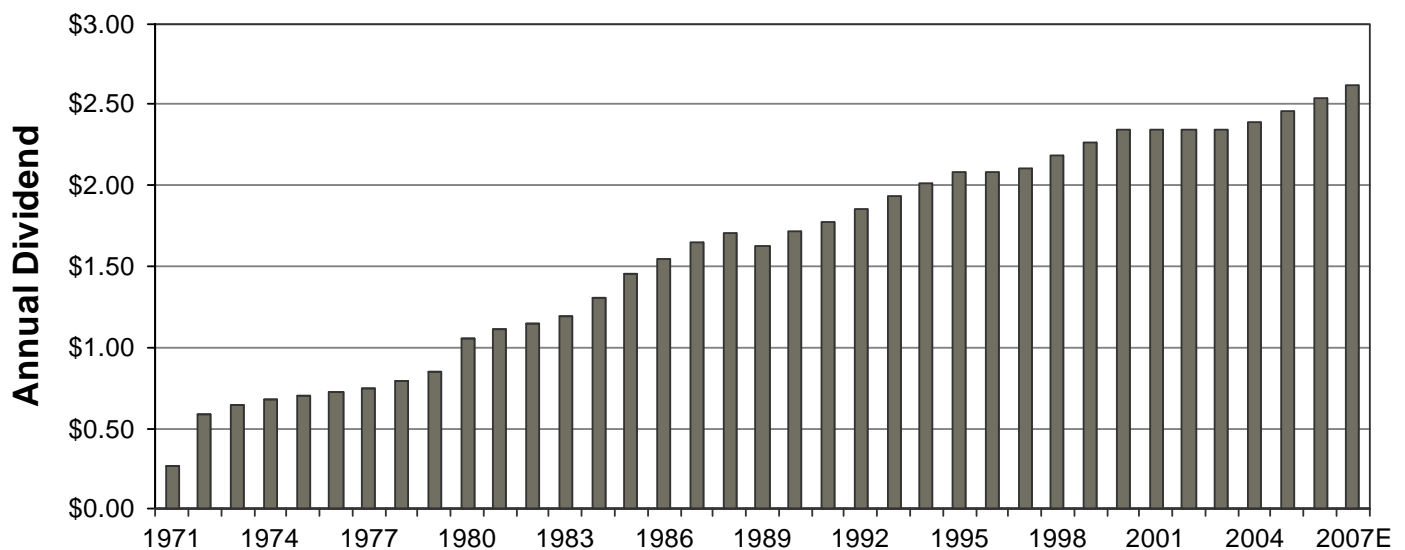
Stock Performance Data

Investment Growth



An investment of \$10,000 in shares of Health Care REIT, Inc. in June 1971 would be worth approximately \$2,622,000 at December 31, 2006, representing a compounded annual growth rate of 17.0%.

Dividend History

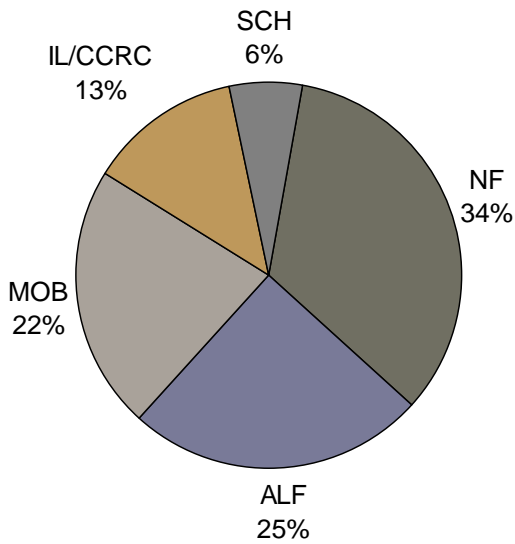


Our annual dividend has increased from \$0.27 per share in 1971 (adjusted for stock splits) to \$2.54 in 2006. The Board of Directors approved a new quarterly dividend rate of \$0.66 per share per quarter (\$2.64 per share annually), commencing with the May 2007 dividend, up 3% from \$0.64 per share, the rate during 2006.

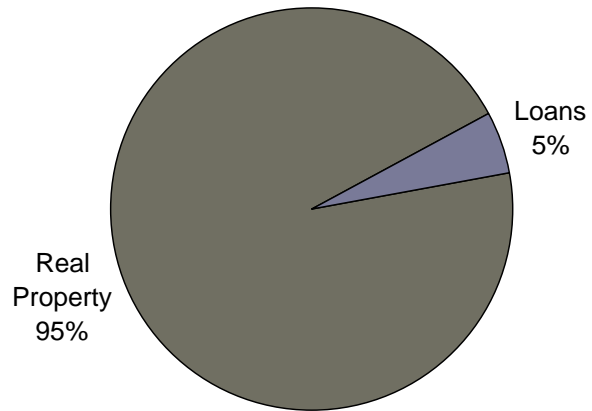
Portfolio Performance

Investment Diversification

Property Type

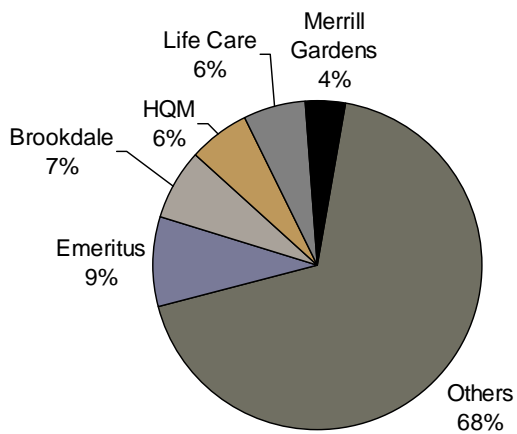


Asset Mix



Property Diversification

Operator / Tenant



Geographic Diversity

