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Omega Announces \$400M Senior Notes Offering

HUNT VALLEY, Md.--(BUSINESS WIRE)-- Omega Healthcare Investors, Inc. (NYSE:OHI) announced today its intention to offer \$400 million aggregate principal amount of its senior notes due 2024 in a private placement, subject to market and other conditions.

The notes will be offered only to qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended, and to non-U.S. persons outside of the United States under Regulation S under the Securities Act.

The Company intends to use the net proceeds of the offering to fund its previously announced cash tender offer and consent solicitation for its outstanding \$175 million aggregate principal amount of 7% senior notes due 2016, and to repay a portion of its outstanding borrowings under its \$475 million unsecured revolving credit facility.

In connection with the offering of the notes, the Company will agree to file a registration statement with the Securities and Exchange Commission relating to an offer to exchange the notes for publicly tradeable notes having substantially identical terms in accordance with published SEC interpretations.

This press release shall not constitute an offer to sell or a solicitation of an offer to purchase any of these securities and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

The notes to be issued in the offering have not been registered under the Securities Act, or any applicable state laws. Accordingly, the notes may not be offered or sold in the U.S. or to U.S. persons without registration or an applicable exemption under the Securities Act and applicable state securities laws.

The Company is a real estate investment trust investing in and providing financing to the long-term care industry. At December 31, 2011, the Company owned or held mortgages on 432 skilled nursing facilities, assisted living facilities and other specialty hospitals with approximately 50,160 licensed beds (48,030 available beds) located in 34 states and operated by 51 third-party healthcare operating companies. In addition, the Company has seven facilities currently held for sale.

This announcement includes forward-looking statements. Actual results may differ materially from those reflected in such forward-looking statements as a result of a variety of factors, including, among other things: (i) uncertainties relating to the business operations of the operators of the Company's properties, including those relating to reimbursement by third-party payors, regulatory matters and occupancy levels; (ii) regulatory and other changes in the healthcare sector; (iii) changes in the financial position of the Company's operators; (iv) the ability of any of the Company's operators in bankruptcy to reject unexpired lease obligations, modify the terms of the Company's mortgages and impede the ability of the Company to collect unpaid rent or interest during the pendency of a bankruptcy proceeding

and retain security deposits for the debtor's obligations; (v) the availability and cost of capital; (vi) changes in the Company's credit ratings and the ratings of its debt securities; (vii) competition in the financing of healthcare facilities; (viii) the Company's ability to maintain its status as a real estate investment trust; (ix) the Company's ability to manage, re-lease or sell any owned and operated facilities; (x) the Company's ability to sell closed or foreclosed assets on a timely basis and on terms that allow the Company to realize the carrying value of these assets; (xi) the effect of economic and market conditions generally, and particularly in the healthcare industry; and (xii) other factors identified in the Company's filings with the Securities and Exchange Commission. Statements regarding future events and developments and the Company's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward-looking statements. The Company undertakes no obligation to update any forward-looking statements contained in this announcement.

Omega Healthcare Investors
Bob Stephenson, CFO, 410-427-1700

Source: Omega Healthcare Investors, Inc.