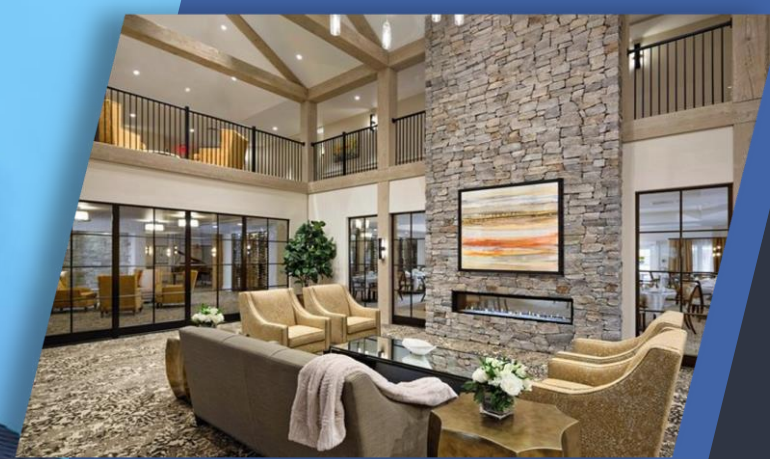




# OMEGA HEALTHCARE INVESTORS

INVESTOR  
PRESENTATION

January 2023



# Disclaimers; Forward-looking Statements and Non-GAAP Information

- This presentation may include projections and other “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements relate to future events and expectations and involve unknown risks and uncertainties. Omega’s actual results or actions may differ materially from those projected in the forward-looking statements. For a summary of the specific risk factors that could cause results to differ materially from those expressed in the forward-looking statements, see Omega’s filings with the Securities and Exchange Commission.
- This presentation may contain certain non-GAAP financial information including EBITDA, Adjusted EBITDA, Total Adjusted Debt (a/k/a, Funded Debt), Adjusted FFO, FAD, Total Cash Fixed Charges and certain related ratios. A reconciliation of these non-GAAP disclosures is available in the Exhibit to this presentation or on our website under “Non-GAAP Financial Measures” at [www.omegahealthcare.com](http://www.omegahealthcare.com). Other financial information is also available on our website.
- Information presented on operator revenue mix, census and coverage data is based on information provided by our operators for the indicated periods ended. We have not independently verified this information, and we are providing this data for informational purposes only. Information on operator coverage calculations can be found under “Portfolio Metrics” in our most recent quarterly supplement available at our Investor Relations website at [www.omegahealthcare.com](http://www.omegahealthcare.com).
- Information is provided as of September 30, 2022, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.
- The sourcing of all information provided in this presentation can be found starting on page 63.



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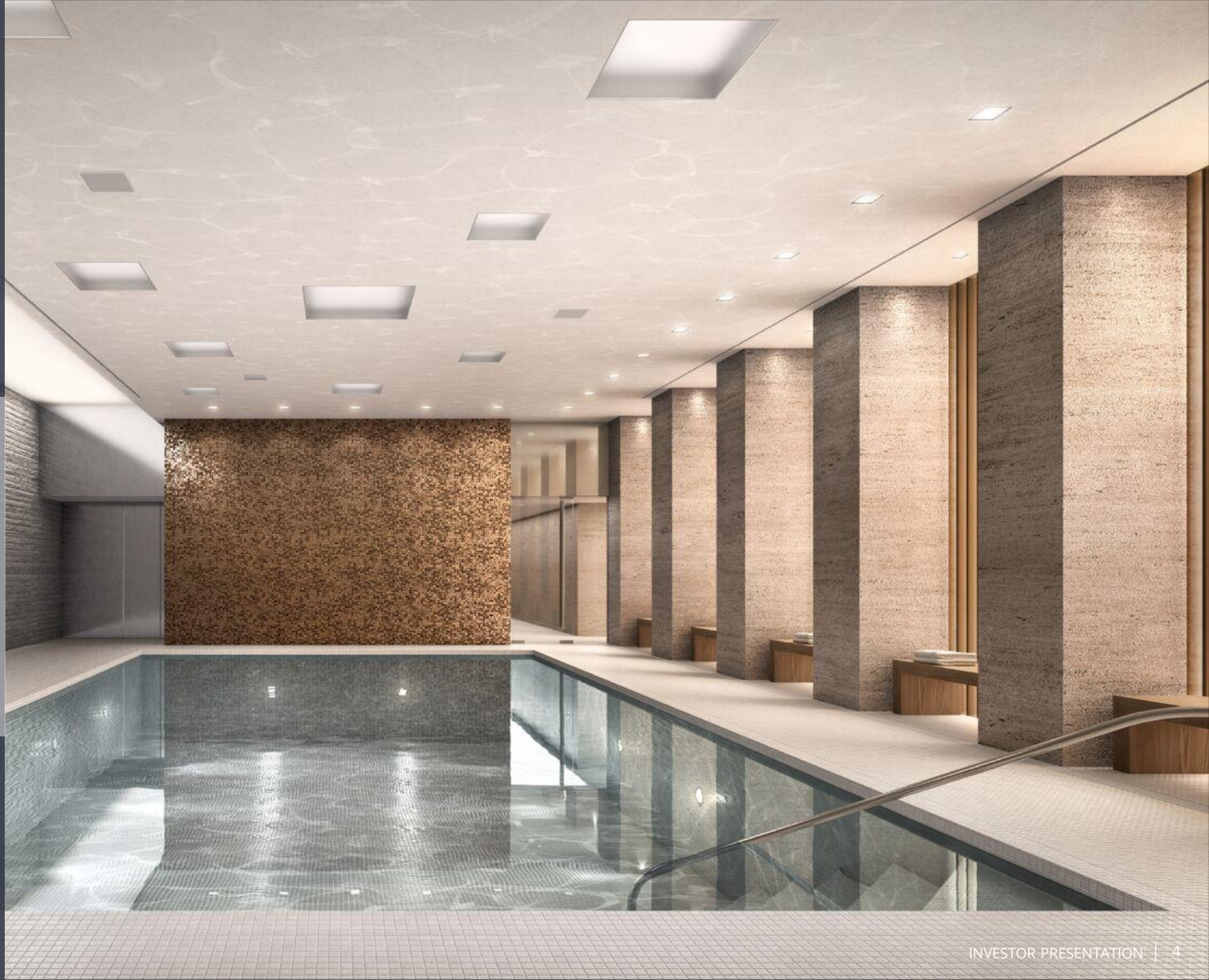
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1

# Company Profile & Strategy





# OMEGA SNAPSHOT

(NYSE:OHI)

**1992**

Year Listed

**\$10.1B**

Total RE Investments

**\$12.4B**

Enterprise Value

**63**

Operators

**916**

Properties (US & UK)

**91,643**

Number of Beds

**BBB-**

Investment Grade

**40%**

5-Year TSR

**9.1%**

Dividend Yield

# Differentiators that Support Today's Strength and Tomorrow's Opportunity



# Experienced and Proven Management Team



**Taylor Pickett**  
Chief Executive Officer

38 years in industry  
22 years at OHI



**Dan Booth**  
Chief Operating Officer

37 years in industry  
22 years at OHI



**Bob Stephenson**  
Chief Financial Officer

37 years in industry  
22 years at OHI



**Gail Makode**  
Chief Legal Officer

24 years in industry  
4 years at OHI



**Neal Ballew**  
Chief Accounting Officer

13 years in industry  
3 years at OHI



**Matthew Gourmand**  
SVP, Corporate Strategy

25 years in industry  
6 years at OHI



**Vikas Gupta**  
SVP, Acquisitions  
& Development

20 years in industry  
12 years at OHI



**Megan Krull**  
SVP, Operations

23 years in industry  
13 years at OHI

# Strategy that Supports Long-Term Shareholder Value Creation





# COVID-19 Update

## Impact

1

COVID-19 is particularly impactful to the old and frail, a key cohort of SNFs and Assisted Living Facilities (ALFs)

2

Staff at SNFs and ALFs have risked their health and the health of their families to protect residents

3

Operators implemented new and evolving protocols to limit the spread of COVID-19

4

Occupancy declined ~13% between February 2020 and January 2021

5

Expenses increased by as much as \$45 from January of 2020 due to staffing and PPE

## Response

1

Federal and many State governments provided significant and necessary relief to the industry

2

However, State relief has varied significantly, and Federal relief has slowed in the last 18 months

3

Many states have increased their Medicaid reimbursement rates to reflect increased cost pressures

4

CMS finalized their Medicare FFS SNF rate increase of 2.7% and phased in the PDPM claw back of 4.6% over 2 years

## Outcomes

1

Operators still face a difficult, albeit improving, environment

2

Expenses per patient day have eased but remain elevated compared to January of 2020, primarily due to higher staffing related costs

3

Occupancy has increased ~6% from the low in January of 2021

4

However, operators representing ~10% of our 3Q22 contractual rent and mortgage payments, had stopped paying rent as of September 2022

*\*See next page for more information*

# COVID-19 Operator Update

As previously disclosed, as of the end of 3Q22, operators representing approximately 12% of our 3Q22 annualized contractual rent and mortgage obligations did not pay all of their contractual obligations in 3Q22.

In October 2022, Omega collected rent from operators representing approximately 91% of our 3Q22 annualized contractual rent and mortgage obligations.

We continue to work diligently to resolve our outstanding operator issues. However, until we reach agreements with these operators, the ultimate resolution of these operator issues is unknown.

Furthermore, with many operators continuing to struggle with the impact of COVID-19 on both occupancy and staffing, there remains an elevated risk that additional operators may be unable to pay in accordance with their contractual terms.

For additional information, please refer to our 3<sup>rd</sup> Quarter 2022 Form 10-Q at [www.omegahealthcare.com](http://www.omegahealthcare.com)





# COVID-19 Operator Update – Maplewood Senior Living

## Background

Maplewood specializes in operating high-end assisted living facilities in upscale urban and suburban locations. At the end of 3Q22, they operated 17 Omega facilities.

The pandemic resulted in a decline in occupancy and an increase in costs, particularly labor costs, at their facilities. At the same time, supply chain constraints resulted in elevated costs and delayed openings at their Manhattan and Princeton developments.

Assisted living facilities did not receive the same level of federal and state financial support as SNFs, and the support that Maplewood did receive was not sufficient to fully offset the liquidity impact of the pandemic on their portfolio.

While we believe Maplewood's occupancy has predominantly rebounded, robust resident rate increases have still been unable to keep pace with cost inflation. With the Manhattan and Princeton facilities still in lease-up, Maplewood's current cash flows, absent a portfolio restructuring, are insufficient to cover their rent and interest obligations to us in the near-term.

## Proposed Restructuring

Under our legacy lease agreement, in the event of a sale, Maplewood is entitled to a portion of the sales proceeds in excess of our gross investment. We believe the value of our Maplewood portfolio significantly exceeds our gross investment.

Under our proposed restructuring, Omega intends to:

- 1) Defer the rent escalators through 2025.
- 2) Defer (PIK) the 7% interest on the \$250.5M secured revolving credit facility in 2023. Cash interest payments will be phased in, starting in 2024.
- 3) Increase the secured credit facility by ~\$13M to support the near-term liquidity needs around the 2<sup>nd</sup> Avenue and Princeton facility lease-ups.
- 4) As of 4Q22, place Maplewood on a cash basis for revenue recognition.

This restructuring is still ongoing and therefore may be subject to change.

We believe that stabilization of the Manhattan and Princeton facilities, as well as further underlying operating improvements, may allow Maplewood to return to paying full contractual rent and interest. However, to the extent that these deferred payments are not fully repaid when operating performance improves, in the event of a sale, the remaining accrued balance will be reflected in the allocation of sales proceeds.

## Financial Impacts

We expect the proposed restructuring will result in:

- 1) Annual cash rent payments from Maplewood through 2025 of ~\$69.2M. In 4Q22 and FY22, Omega received cash rents from Maplewood of \$17.3M and \$68.4M, respectively.
- 2) ~\$19M of contractual interest will be paid in kind in 2023. As the loan is on a cash basis, no interest income will be recognized for PIK interest in Revenue, NAREIT FFO, AFFO, or FAD. In 4Q22 and FY22, Omega received cash interest payments from Maplewood of \$4.3M and \$15.9M, respectively.
- 3) In addition, in 4Q22, we expect to record a non-cash write-off of straight-line accounts receivable and lease inducements, amounting to \$29.3M, as a result of placing Maplewood on a cash basis for revenue recognition. This would be reflected as a reduction to rental income in 4Q22.

# COVID-19 Operator Update – LaVie (f/k/a Consulate)

## Background

At the end of 3Q22, LaVie operated 85 Omega-owned skilled nursing facilities in FL (51), NC (13), PA (9), MS (6), LA (4) and VA (2).

Due to the pandemic, occupancy fell from 88.8% in 1Q20 to 76.1% in 1Q21. While there has been a modest rebound, occupancy as of 3Q22 still sits at approximately ~900 bps below pre-pandemic levels.

As a result, costs per patient day have increased ~21% from 1Q20 to 3Q22 and LaVie's current cash flows do not cover their rent obligations to us. Therefore, we are working with them to restructure their lease as follows, which we expect will include further downsizing of Omega's LaVie portfolio.

## Proposed Restructuring

- 1) On 12/30/22, we sold 11 properties to a third party for \$129.8M and provided seller financing of \$104.8M at a rate of 8.0%.
- 2) We are likely to sell additional LaVie properties in the coming months in connection with this restructuring, for which we may provide additional seller financing.
- 3) This restructuring will likely result in at least several months of partially deferred rent.
- 4) As of 4Q22, we have placed LaVie on a cash basis for revenue recognition.

This restructuring is still ongoing and therefore may be subject to change.

## Financial Impacts

We expect the proposed restructuring will result in the following:

- 1) Upon conclusion of the restructuring, we believe we will be able to achieve the majority of pre-restructuring contractual rent in rent and rent equivalents. In 4Q22 and FY22, Omega received cash rent payments from LaVie of \$24.8M and \$98.3M, respectively.
- 2) We also intend to include a rent reset as part of the restructuring, such that, if LaVie's coverage exceeds a threshold, we would be entitled to further upside.
- 3) In addition, in 4Q22, we expect to record a non-cash write-off of \$58.0M of straight-line accounts receivable and lease inducements, as a result of placing LaVie on a cash basis for revenue recognition. This write-off will be reflected as a reduction to rental income in 4Q22.
- 4) We expect to incur \$35M of transition costs in 4Q22, in connection with LaVie's assistance in transitioning facilities expected to be sold in the restructuring. \$10M would be paid by Omega and \$25M would be assumed by the buyer of the 11 facilities sold in 4Q22.



# COVID-19 Operator Update – Healthcare Homes

## Background

At the end of 3Q22, Healthcare Homes operated 42 Omega-owned care homes in the UK.

Operating performance held up quite well during the pandemic, as occupancy declines were more modest than in the US. In addition, the UK government provided financial support to the industry.

However, in late 2022, due to the timing of the expiration of their prior utility contracts, energy costs increased in excess of 300%, based on October 2022 financials, which, along with continuing provisions for agency costs, impinged the operator's near-term liquidity.

## Proposed Restructuring

- 1) We have agreed to allow a deferral up to 4 months of rent for Healthcare Homes – January through April 2023. In 4Q22 and FY22, Omega received cash rents from Healthcare Homes of £5.0M and £19.8M, respectively.
- 2) Healthcare Homes may choose not to defer any or all of this rent.
- 3) We are also providing nominal short-term financing to Healthcare Homes.

This restructuring is still ongoing and therefore may be subject to change.

## Financial Impacts

We expect the proposed restructuring will result in:

- 1) While FFO and AFFO will be unchanged as a result of this deferral, FAD to decline to the extent Healthcare Homes does not pay their contractual rent. 1Q23 contractual rents for Healthcare Homes are £5.0M.

# Omega and Industry Outlook

As a result of these restructurings, we expect both EBITDA and FAD to decline from 4Q22 to 1Q23.

While Agemo is scheduled to resume paying rent in 2Q23, as we continue to work through the restructuring of the operators noted above, EBITDA and FAD will continue to be negatively impacted.

This will result in both our dividend payout ratio and our near-term leverage being higher than our historical range during this period of time.

However, based on the expected outcomes of these restructurings, we continue to believe that both our dividend payout ratio and our leverage will return to our historical range upon resolution of these operator issues.

We also believe that operator fundamentals continue to improve.

For example:

- (1) Occupancy in the second half of 2022 continued to increase.
- (2) A Medicare rate increases of 2.7% was implemented in October 2022.
- (3) Many states have implemented strong Medicaid rate increases in the second half of 2022.
- (4) According to multiple operators, the labor market appears to be improving.

*\* The accounting treatment for each of these restructurings will be more fully reflected in our YE22 financial results, in which we expect to record, among other things, impairments of certain of the properties sold or expected to be sold and additional provisions for expected credit losses.*



# What Will Happen Next Regarding COVID-19?

## While Questions Remain ...



When will the pandemic end?



Will government financial support continue to be both sufficient and timely through the conclusion of this crisis?



How quickly will occupancy recover to pre-COVID-19 levels?



Will operator costs remain elevated for the foreseeable future due to increased infection control protocols?



If these costs occur, will they be covered by increased government reimbursement?

## ... We Have Confidence in the Future



Skilled nursing facilities still fulfill an essential need within the healthcare continuum



The secular tailwind of improving demographics will remain in place after this pandemic



Our relationship with our operators will be even stronger for having faced this pandemic together





# 2

## Why Invest?



# Investment Thesis

1



**Established,  
Experienced and  
Diversified**

2



**Consistent  
Growth, High-Yield**

3



**Anchored  
Operating Model**

4



**Strong  
Balance Sheet  
Management**

5



**Well Positioned to  
Capitalize on  
Future Growth**

# Investment Thesis and Supporting Elements

1



## Established, Experienced and Diversified

- Experienced and proven management team
- A diversified portfolio provides consistency
- Long leases and limited new supply provide clarity
- Quality operators bring patient care expertise

2



## Consistent Growth, High-Yield

- Prudent fixed rent escalators provide tenant durability
- Strong dividend yield provides equity support
- Triple-net leases provide earnings dependability
- High margins provide superior yields

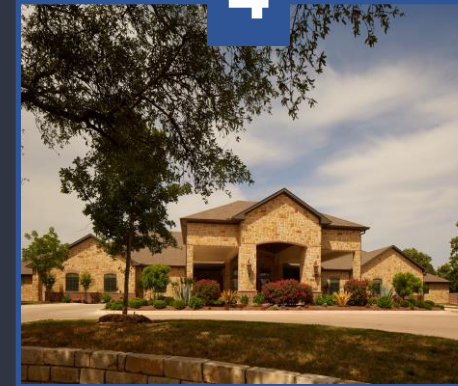
3



## Anchored Operating Model

- A low cost, needs-based service offering provides security
- A stable discharge and reimbursement environment provides resiliency

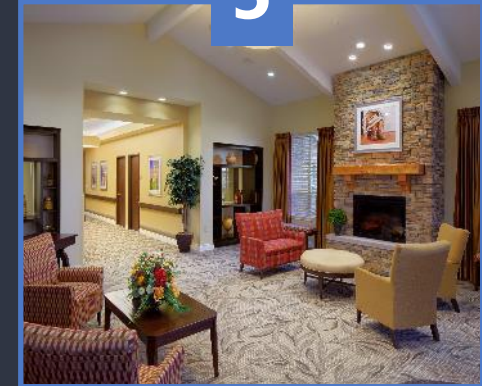
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## Strong Balance Sheet Management

- A conservative balance sheet and well-laddered debt provides stability
- Significant liquidity provides flexibility
- Proven access to capital markets provides predictability

5

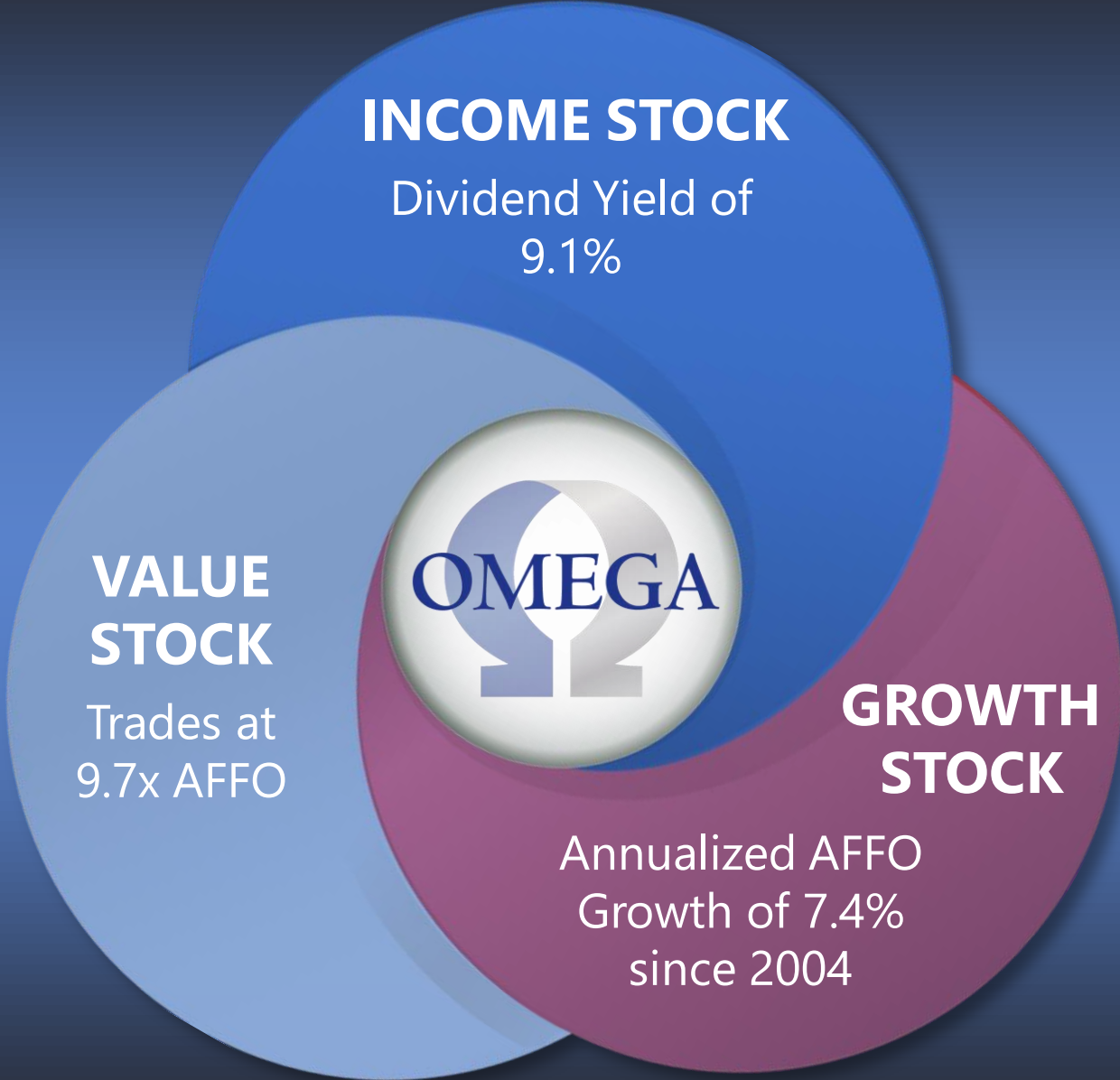


## Well Positioned to Capitalize on Future Growth

- A growing aging population provides opportunity
- Leveraging existing operator relationships provides demand
- Acquisitions and development provide growth



# Attractive Investment Opportunity





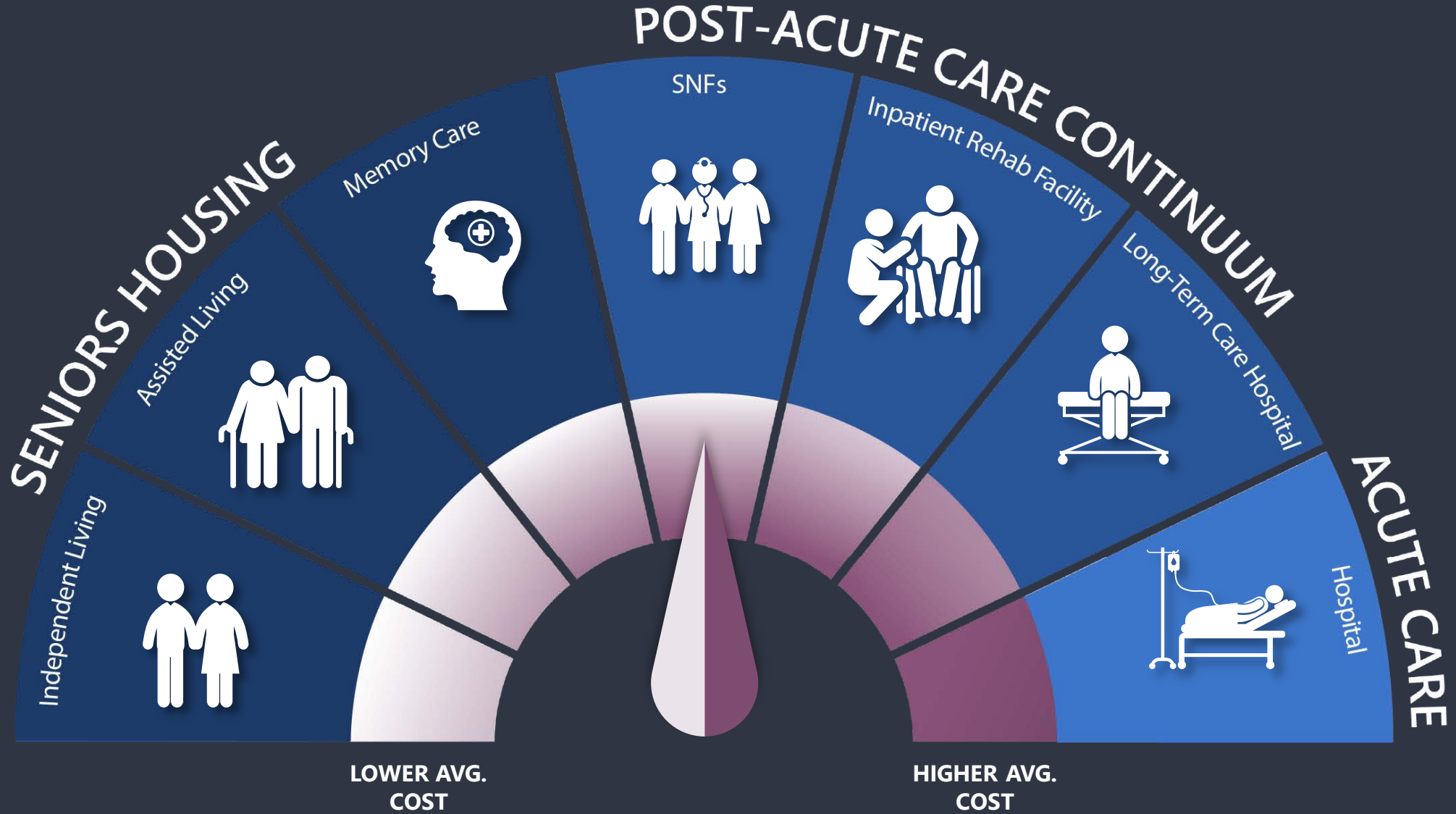
# 3

## Skilled Nursing Facilities: What Makes it an Attractive Asset Class?



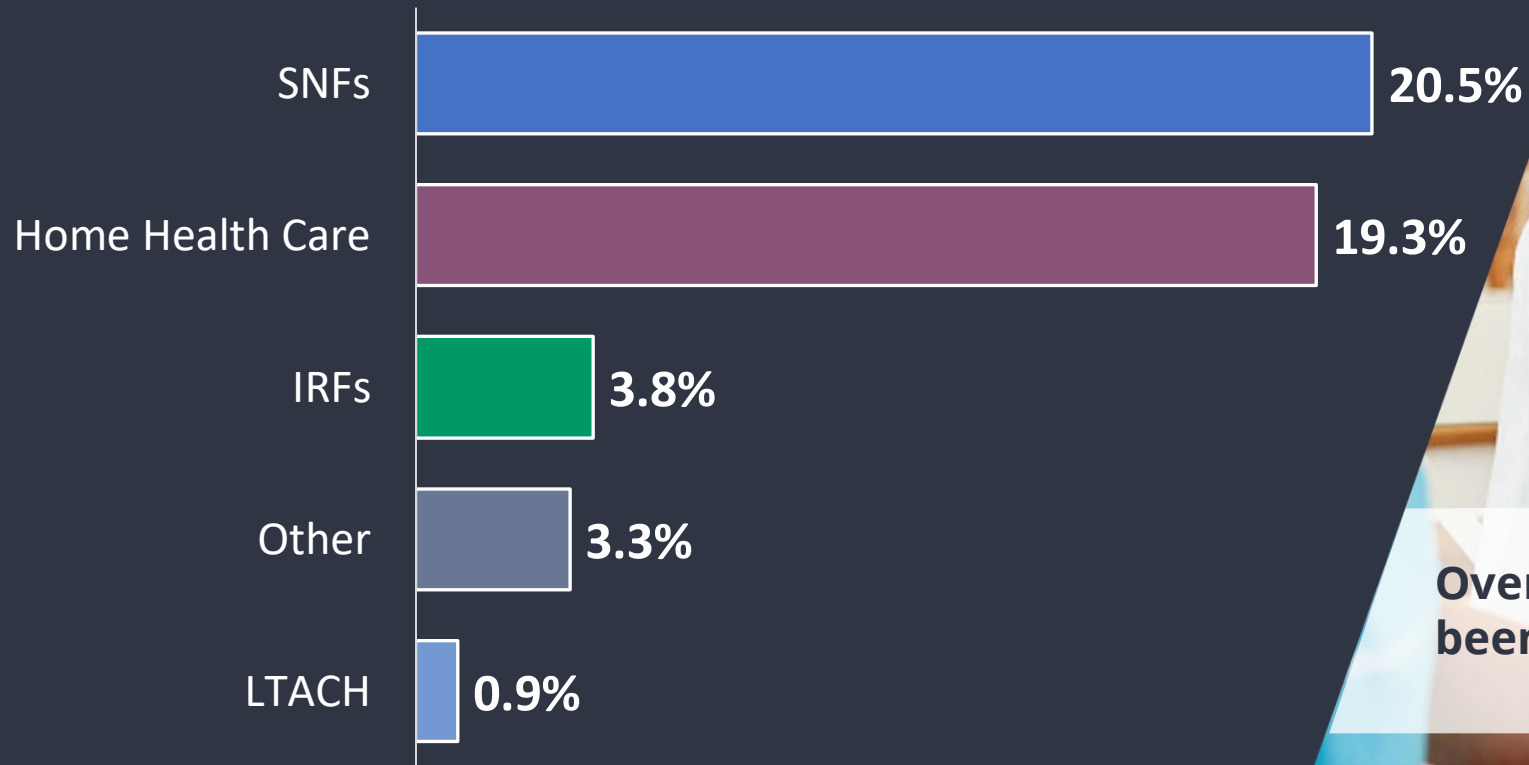


# Skilled Nursing Facilities Meet an Essential Need



# More Patients Are Discharged to Skilled Nursing Facilities Than to Any Other Type of Facility

## MEDICARE FFS HOSPITAL DISCHARGE DESTINATIONS

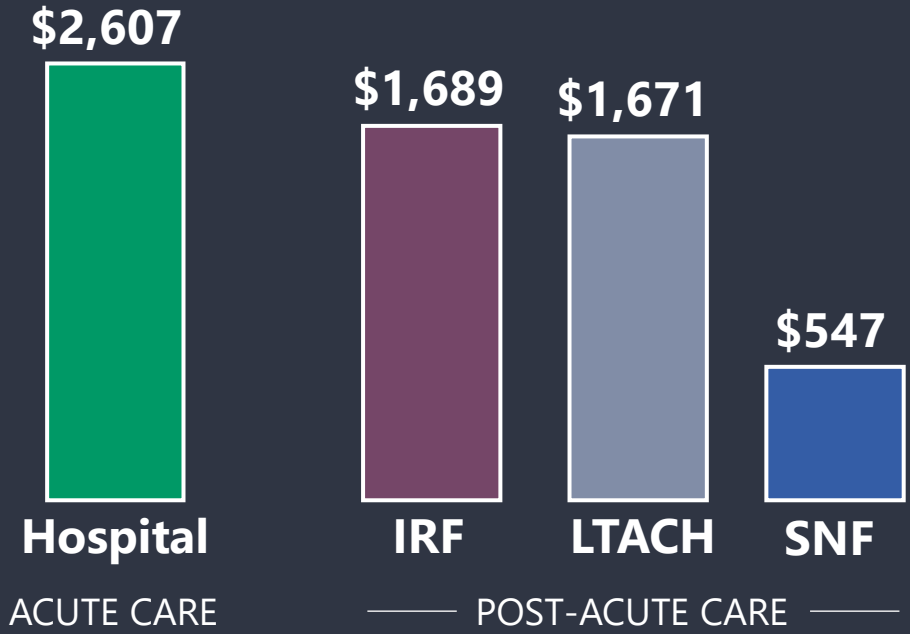


Over the last decade, SNFs have consistently been the highest discharge destination

# Lowest Cost Provider of Post-Acute 24-Hour Nursing Care

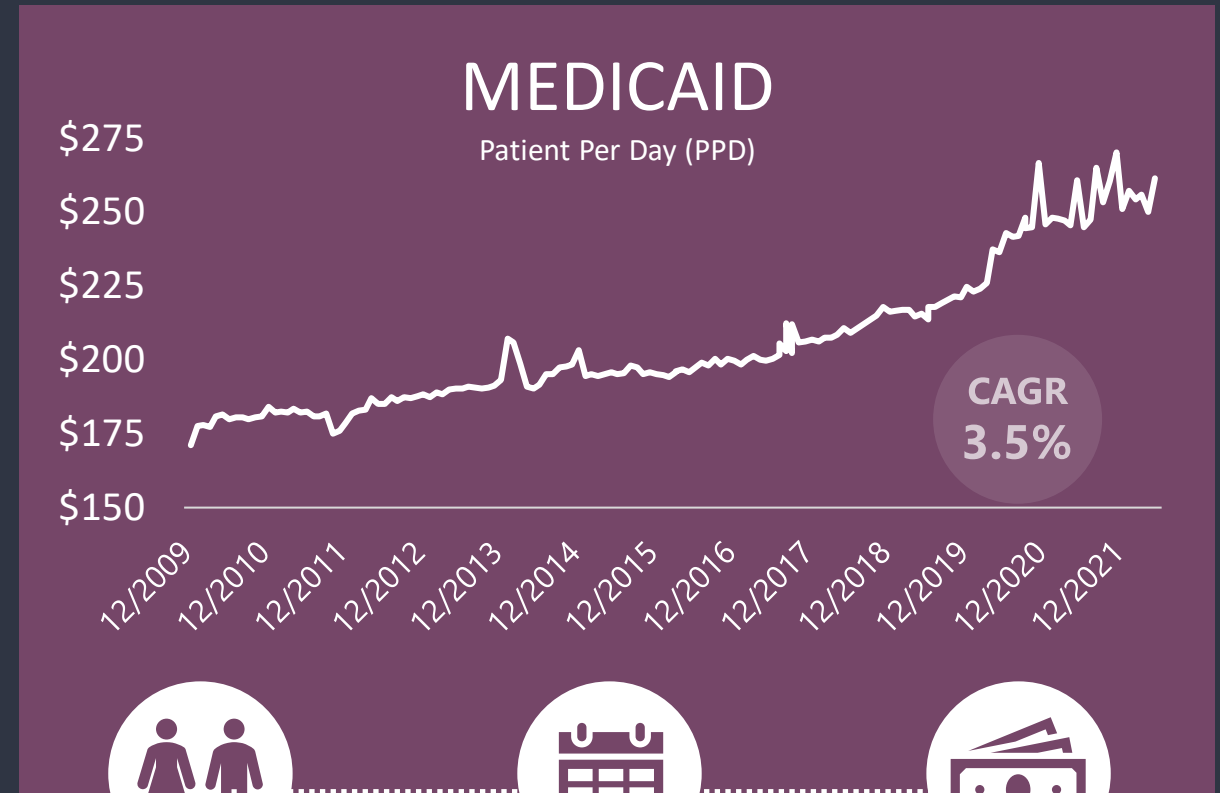
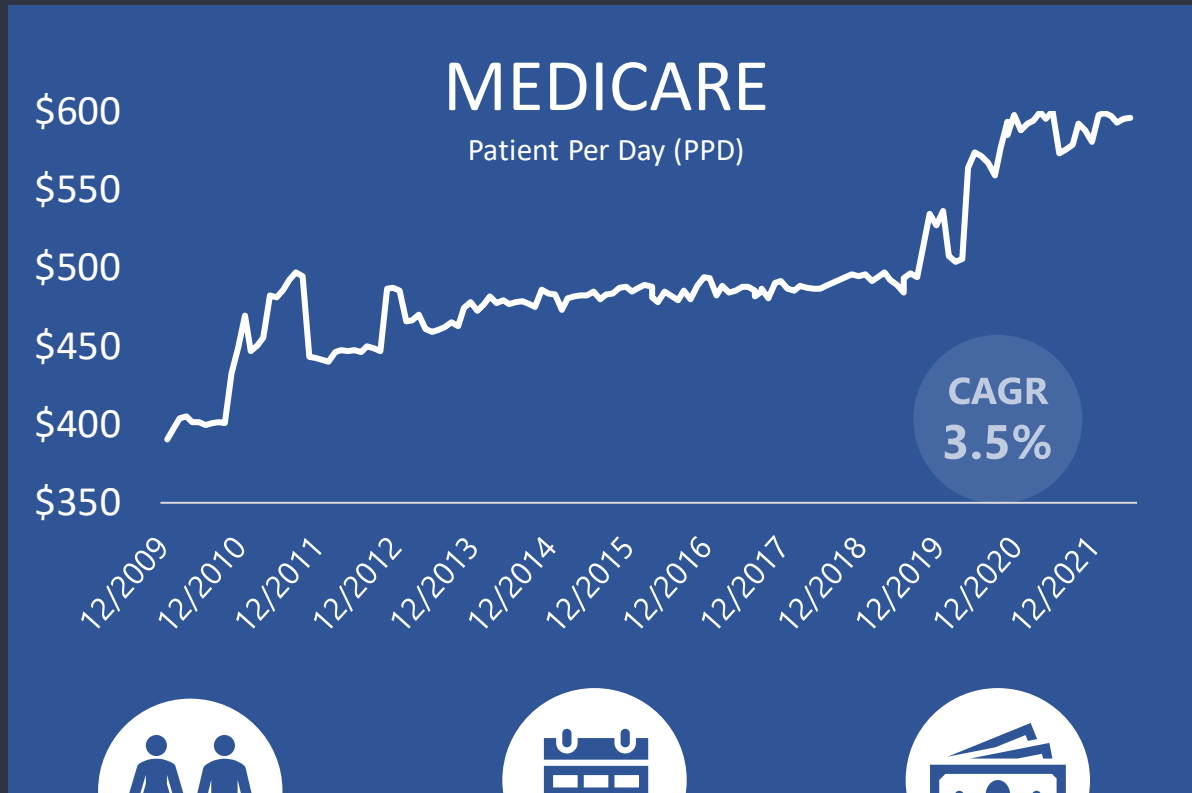
SNFs provide care for much higher acuity patients that can be handled in Senior Housing or Home Health settings – so hospital discharges to SNFs have held steady

**AVG. COST PER DAY PER CARE SETTING**





# Skilled Nursing Facilities are Primarily Funded Through Medicare and Medicaid



**Early 80's**  
Age of Resident



**20-25 Days**  
Length of Stay



**\$450-\$575**  
Cost Per Day



**Early 80's**  
Age of Resident



**18 Months**  
Length of Stay



**\$250**  
Cost Per Day

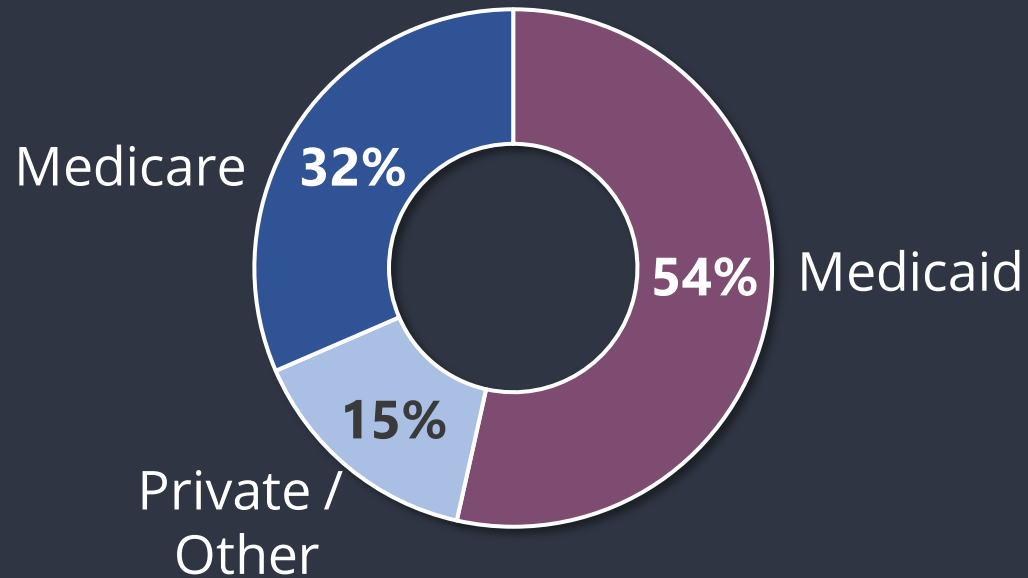
AVERAGES

# Omega's Average Facility Statistics

**~100**  
Avg. Beds in Facility

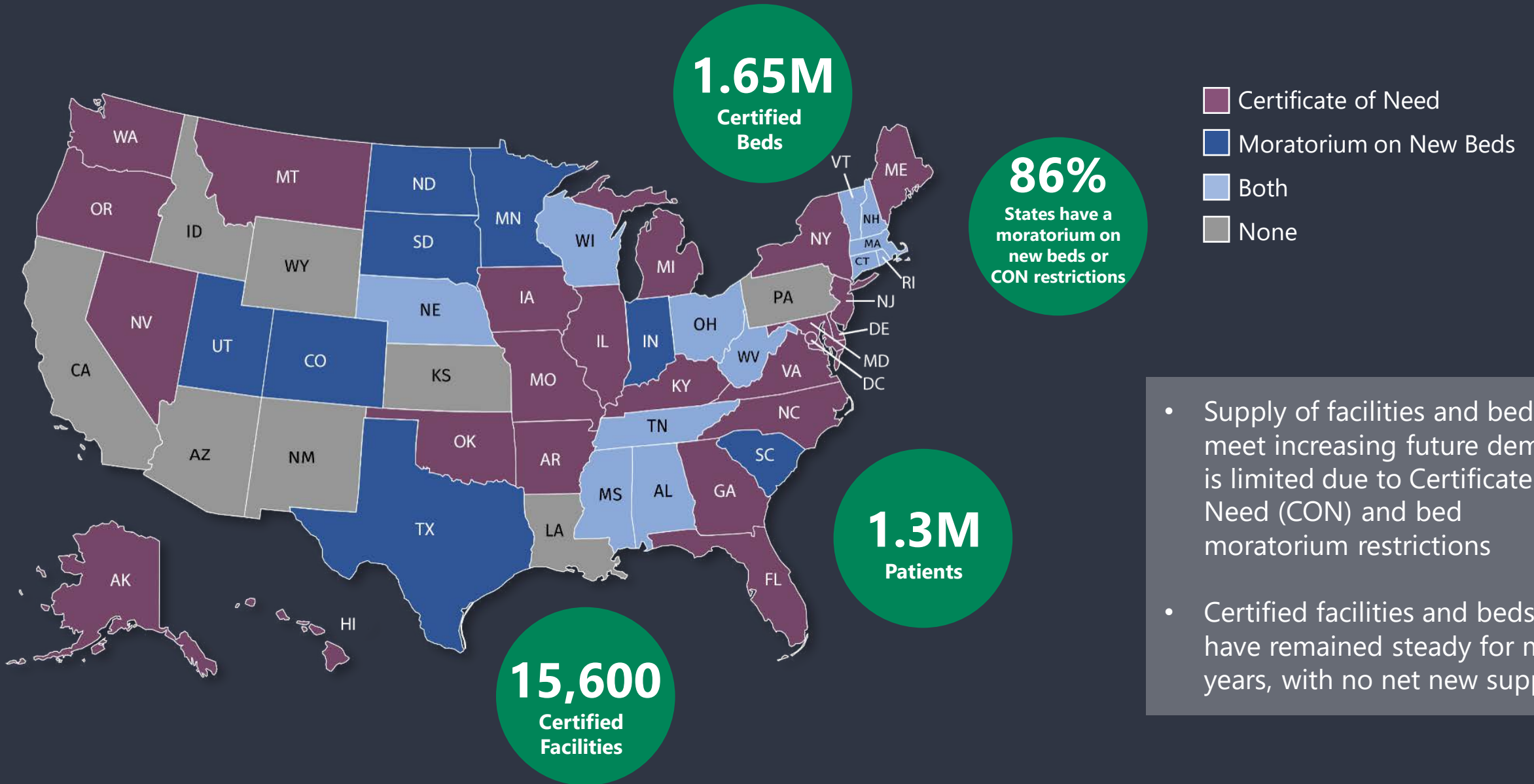
**75.8%**  
Occupancy

## OPERATOR PAYOR MIX





# Limited Supply Growth Due to Regulatory Restrictions



# “Stroke-of-the-Pen” Risk Overstated

1

## SNFs are a necessary part of the healthcare continuum

- Most patients are too sick to care for at home, even with home health support
- However, they do not require hospital care

4

## Efficient and lean business model

- SNFs are a low-margin business
- Reimbursement cuts could impact patient care. Not in anyone’s interests

2

## Current reimbursement model aligned with patient care and operator efficiency

- Patient Driven Payment Model (PDPM) rewards quality of care and efficiency
- “Cost-plus” reimbursement model of the 1990s did not achieve this goal and was therefore modified

5

## Reliant on skilled operators

- Partnership between governments and private companies places care of aging populations in the hands of skilled operators
- Government prefers to regulate private operators to ensure high quality of care

3

## SNFs offer value for money

- SNFs represent the lowest cost post-acute healthcare setting
- Medicaid patients receive room, board and access to 24-hour healthcare for about \$240 a day on average

6

## Federal match encourages states to maintain levels of funding

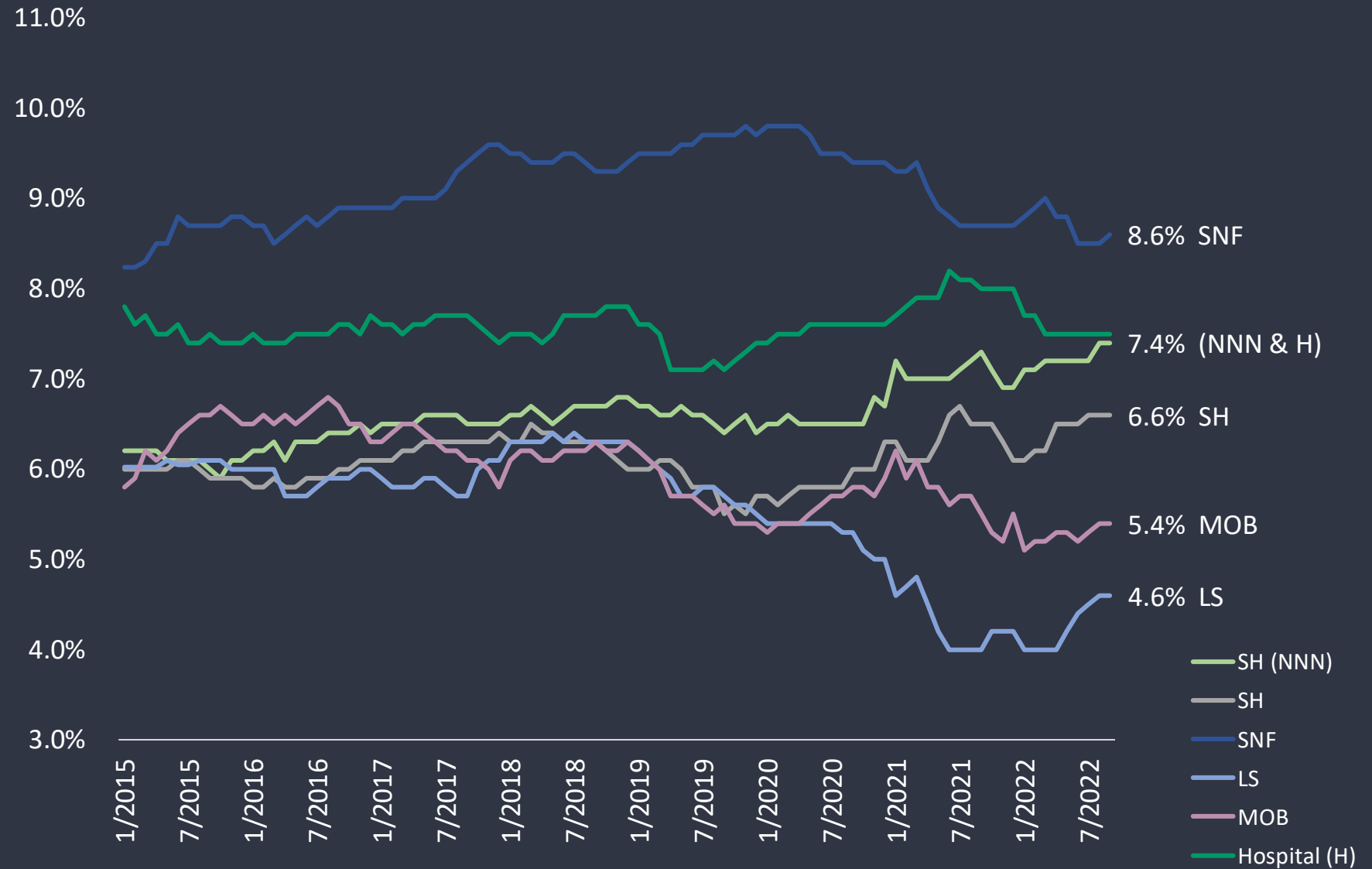
- With such a high percentage of Medicaid patients needing care, states are required to provide funding
- Federal match discourages states from cutting funding to Medicaid



# Highest Investment Yields Compared to Other Healthcare Real Estate Assets

Investment yields in SNFs have consistently been favorable to all other sectors

Average yield over the last five years:  
**9.2%**





An architectural rendering of a modern, multi-story building with a prominent courtyard. The building features a grid-like facade with large windows and balconies. The courtyard is lush with greenery, including pink cherry blossom trees and various plants. People are depicted in various settings: some are sitting at tables in the courtyard, others are standing and talking, and a few are visible on the balconies. The lighting is warm, suggesting an evening or dusk setting. The overall aesthetic is contemporary and sophisticated.

# 4

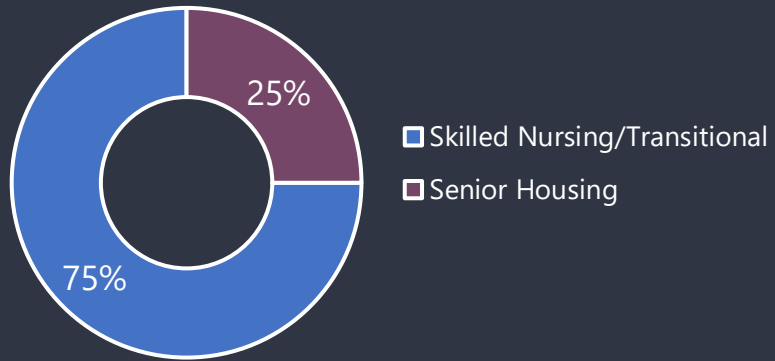
## Strong Portfolio of Skilled Operators



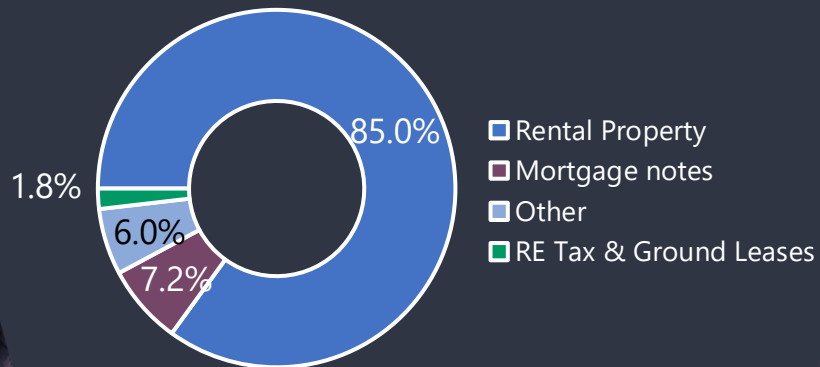
# Portfolio Overview

Long-term Triple Net Master Leases:  
Operators are responsible for all property expenses

## FACILITY INVESTMENT TYPES



## RENT/INTEREST



## GEOGRAPHIC & OPERATOR DIVERSIFICATION

**916**

Properties

**63**

Operators

**42**

States + the UK

## STRONG OPERATOR COVERAGE

**1.39x**  
EBITDARM

**1.06x**  
EBITDAR

## NEAR-TERM SUPPLY & DEMAND OUTLOOK



**FAVORABLE**

## EXPIRATIONS & RENEWAL RISK

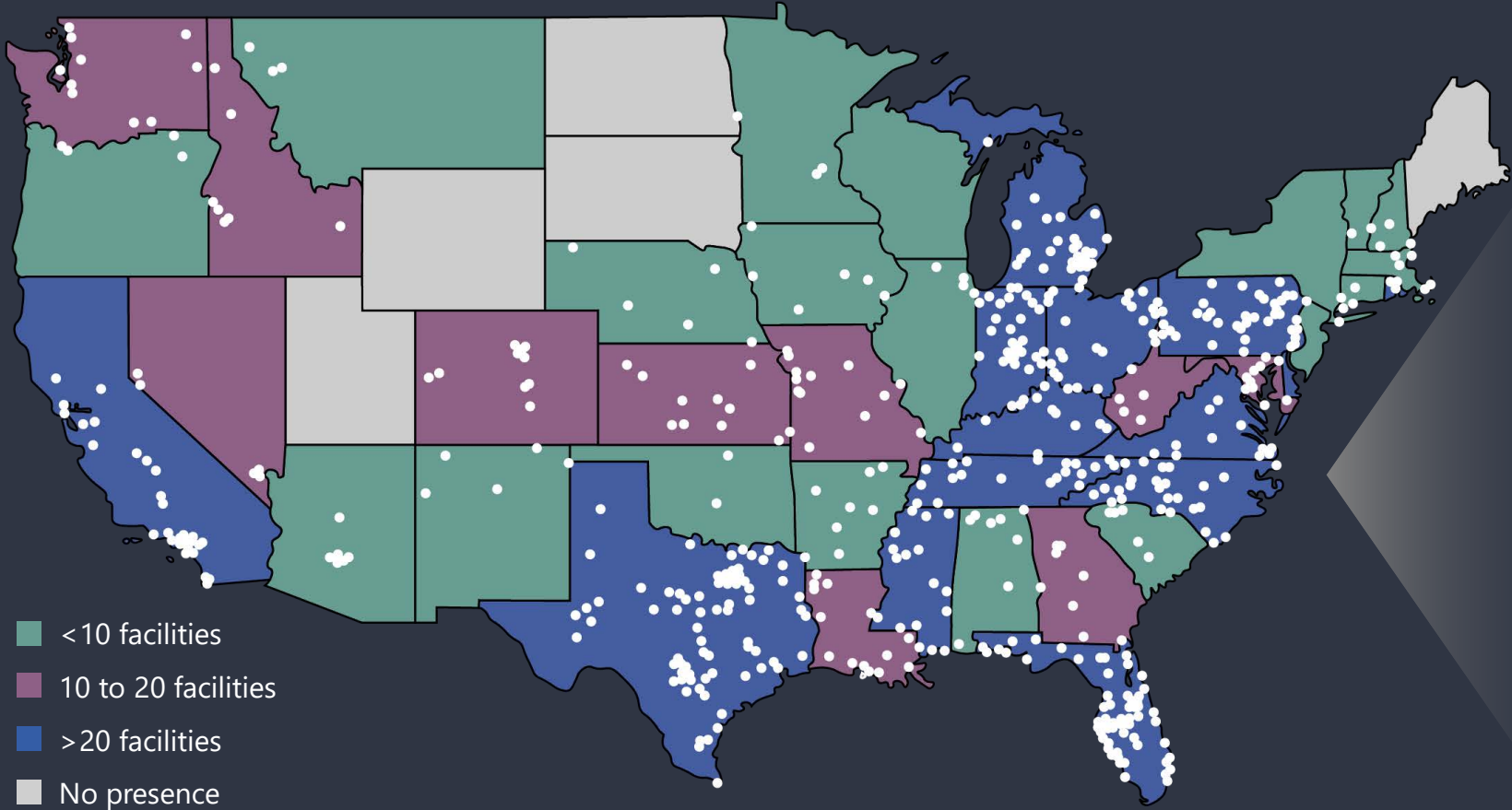
Minimal near-term  
lease expirations

Limited material  
lease renewal risk

# Diversified Geographic Portfolio

- 63**  
Operators
- 916**  
Facilities
- 42**  
States
- 1**  
Foreign Country

Omega’s geographic diversification helps minimize impact of regulatory or reimbursement changes in any individual state



- <10 facilities
- 10 to 20 facilities
- >20 facilities
- No presence

### Investment Concentration by Location

Florida	12.0%
Texas	10.5%
Indiana	6.7%
California	6.0%
Ohio	5.7%
Michigan	5.3%
Pennsylvania	5.2%
United Kingdom	5.1%
Virginia	4.5%
New York	3.6%
Remaining States	35.4%



# United Kingdom: An Attractive and Profitable Market



## 1 Highly Compelling Supply/Demand Dynamic:

Between 2012 and 2018, care home beds declined 1.5% while the population over 75 increased by 9.6%

## 2 Attractive Investment Yields:

Initial cash yields standardly 8%+ with annual escalators of ~2.5%

## 3 Public/Private Reimbursement Model:

Private pay augmented by needs-based local authority "top-ups" provides a balanced reimbursement system

## 4 Consolidation of a Fragmented Market:

The top 10 operators only have 22% of the beds in service. Our experienced operators provide an efficient and professionalized level of service to a fragmented industry

# Triple-Net Leases Provide a Secure, Steady Source of Revenue

Long-term triple-net master leases with cross collateralization provisions

- Seek strong credit profiles
- Security deposits of generally 3 to 6 months
- Monthly reporting requirements

Expenses are generally operator's responsibility (insurance, property taxes, capital expenditures)

Omega receives fixed rent payment from tenants, with annual escalators

**97%**  
Revenues tied  
to Master  
Leases

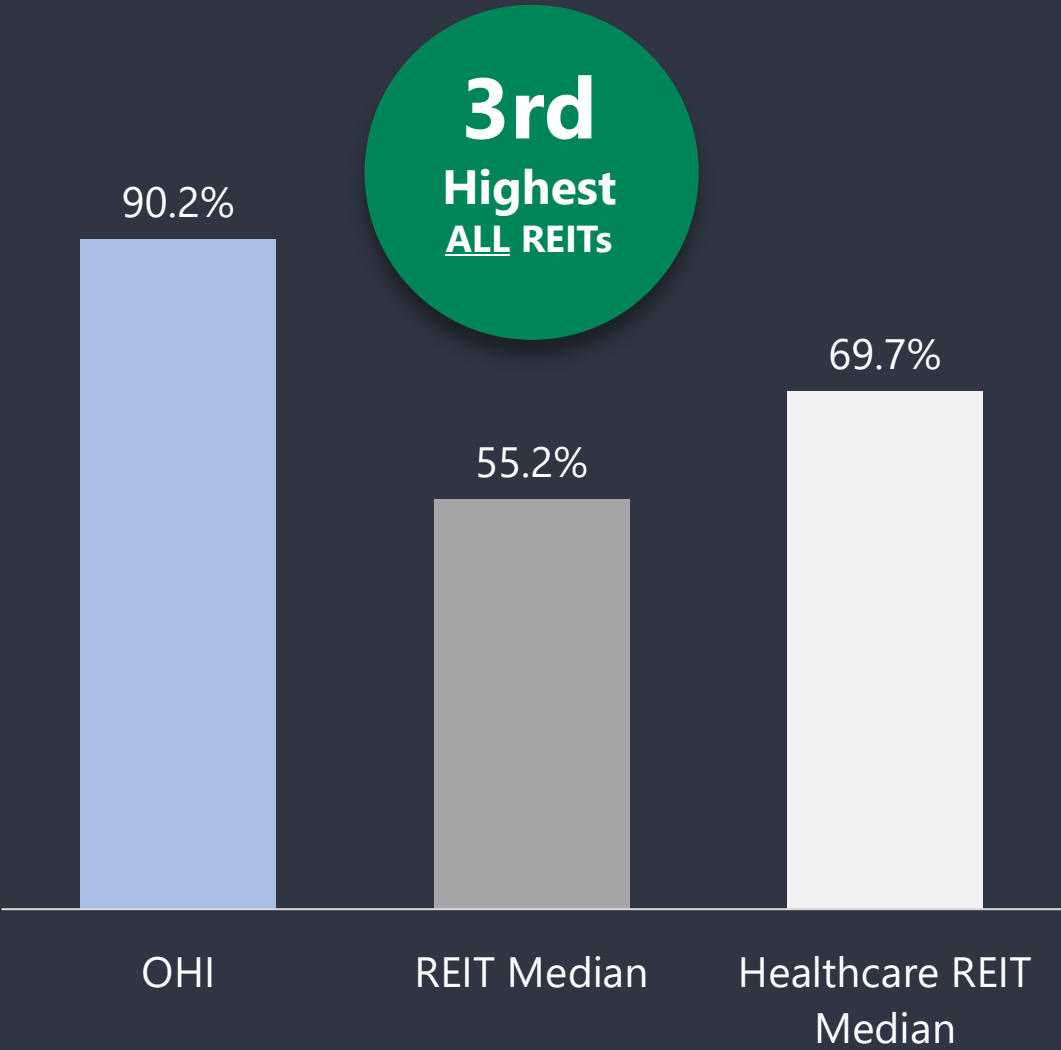
**95%**  
Revenues tied to  
Fixed-Rate  
Escalators

**2.3%**  
Weighted-Avg.  
Fixed Escalator

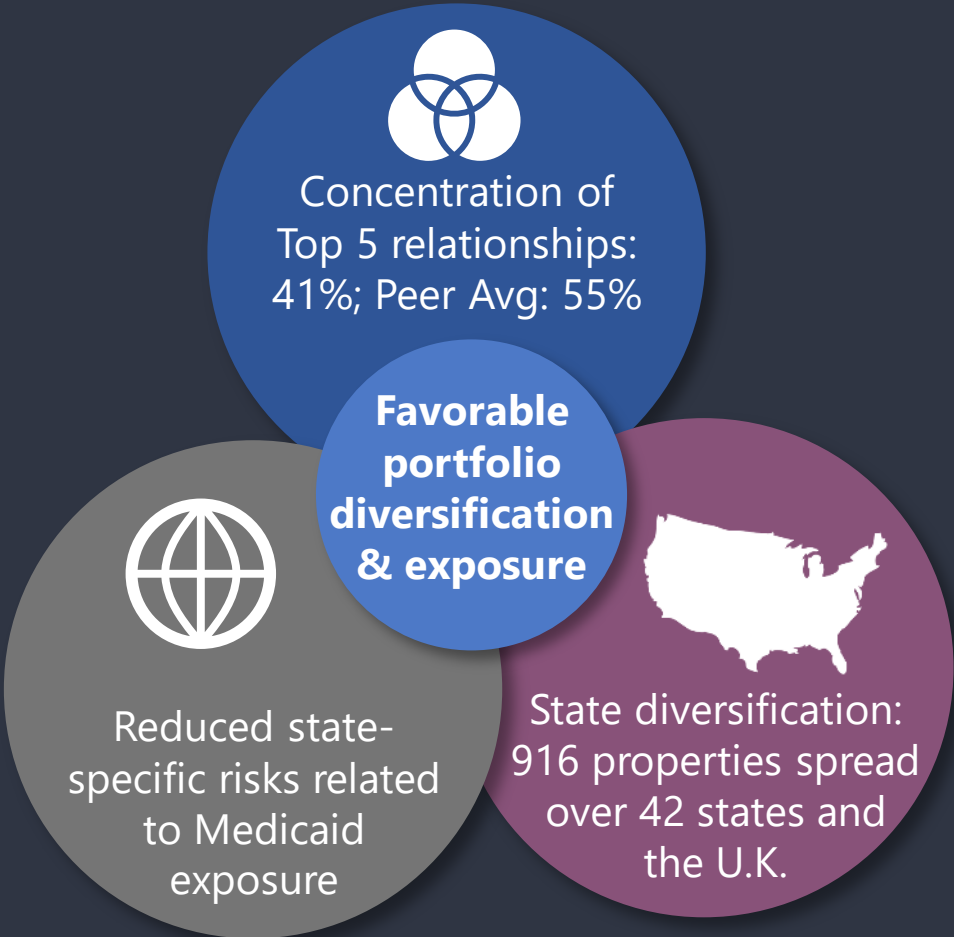


# Favorable Portfolio Composition to Peers

EBITDA / Total Revenue



Compared to other Healthcare REITS

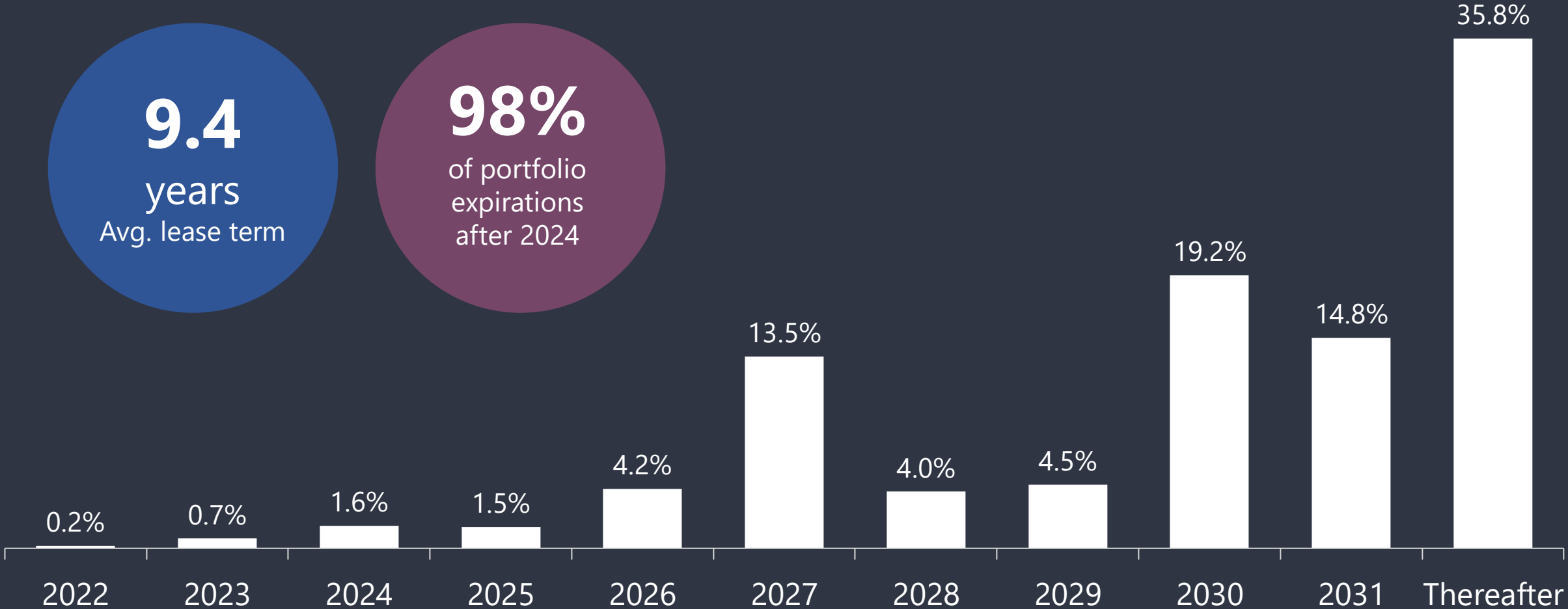


# Long-Term Leases with Minimal Near-Term Expirations

% OF PORTFOLIO LEASE AND MORTGAGE EXPIRATIONS BY YEAR

**9.4**  
years  
Avg. lease term

**98%**  
of portfolio  
expirations  
after 2024





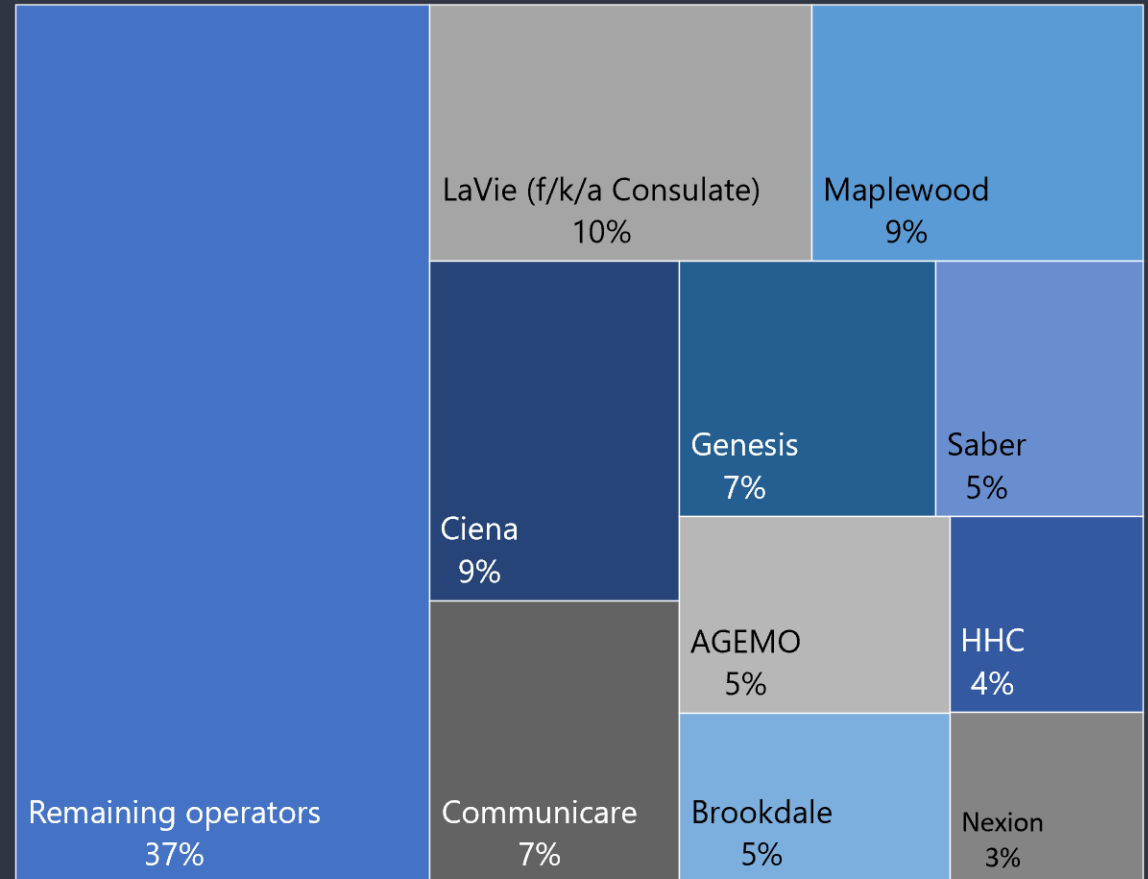
# Strong Returns Start with Strong Operators

Diversified Group of Operators

70% of all investments in the past five years have been with current operators



## OPERATOR CONCENTRATION



# Skilled Operators with Extensive Patient Expertise



## Highly Reputable

Typically repeat business with strong relationships to local doctors and hospitals.



## Highly Engaged

Over 80% of our operator businesses are privately owned and operated.



## Highly Experienced

Our average operator has been in business/our tenant for over 10 years.



## Geographic Experts

Over 85% of our operators specialize in 5 or fewer states. Deep understanding of state-specific regulatory guidelines.



## Sophisticated care providers

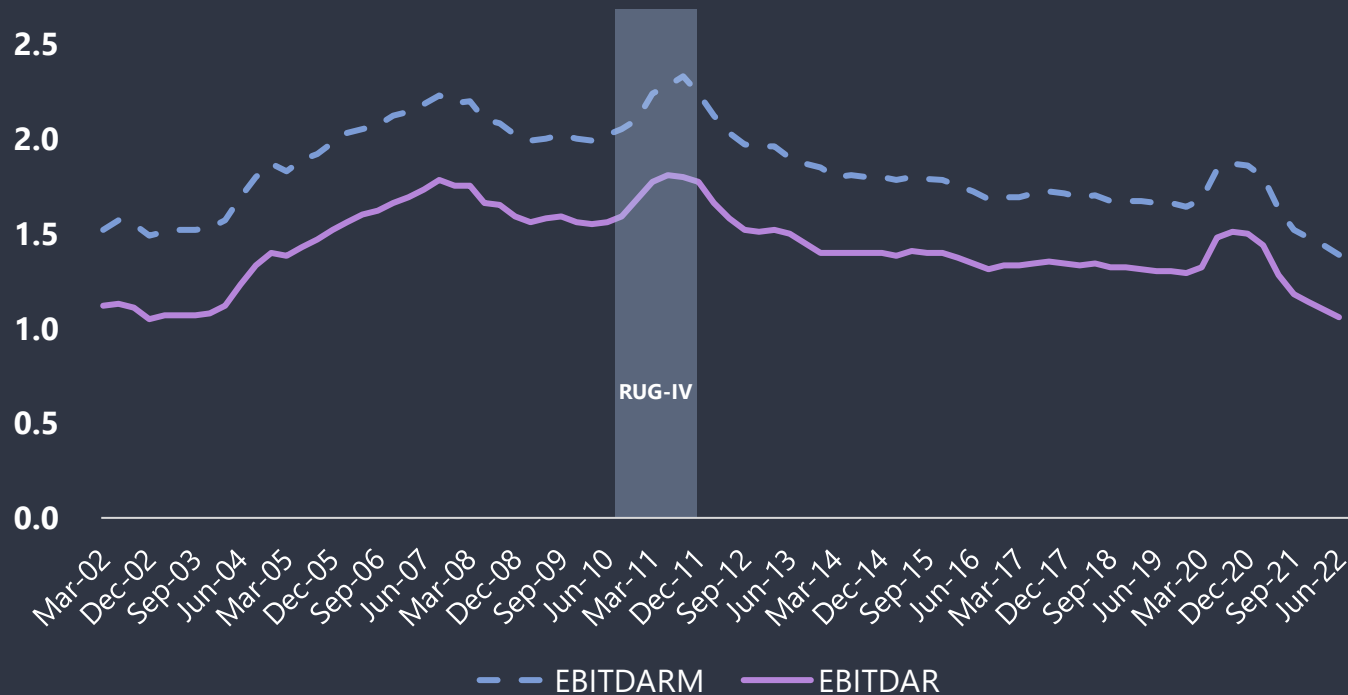
Our operators take care of over 150,000 Medicare and 80,000 Medicaid patients annually.



# Operators Continue to be Profitable

Since 2007, despite declining operator EBITDAR coverage across healthcare REITs, our operators continue to be profitable.

### TTM Operator EBITDARM & EBITDAR Coverage



## RECENT HEADWINDS

### The Baby Bust

Average birth rate between 1928 and 1940 was 15% lower than prior decade. This smaller cohort drove lower occupancy in the past decade.

### Migration to Medicare Advantage

In 2020, nearly 40% of all Medicare beneficiaries were enrolled in Medicare Advantage plans, up from 24% in 2010. The resulting lower reimbursement rate and length of stay compounded occupancy headwinds.

### Wage Pressures

Increasingly tight employment environment resulted in wage growth outpacing reimbursement growth since 2010.

**Headwinds are moderating and demographic tailwinds should drive occupancy and operator performance going forward.**



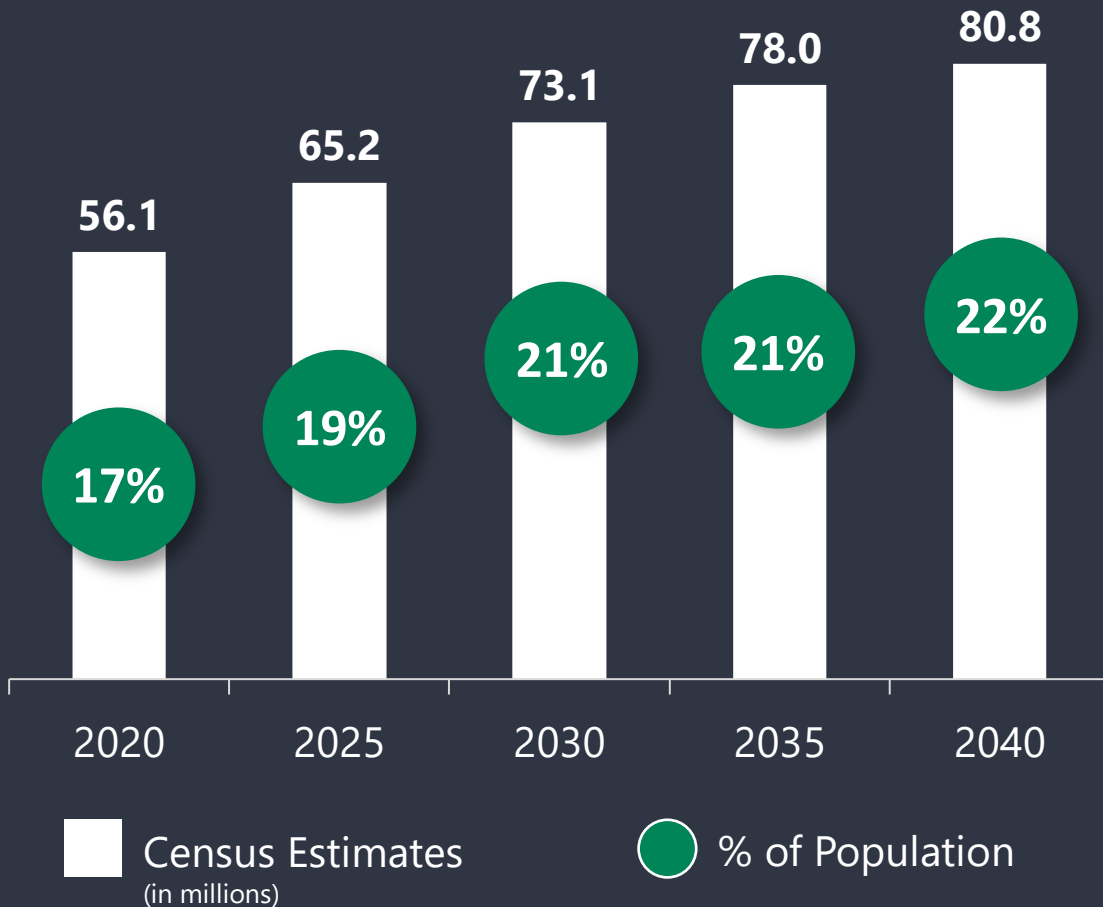
# 5

## Benefits of Investing in Long-term Care



# A Growing Aging Population Provides Opportunity

## 65+ Age Population



- 1** Aging Baby Boomers expected to drive a multi-decade increase in demand for SNFs
- 2** 44% projected increase in Adults 65+ in the next 20 years
- 3** Increasing occupancy should improve operator profitability and rent coverage

# Demographic Tailwinds Expected to Drive Occupancy Growth For the Next 20 Years



The SNF industry has been battling with unfavorable demographics for more than a decade with the aging of the "baby bust" generation



Based on birth rates beginning in the 1940s and current SNF utilization information, we believe the industry is at the beginning of a 20+ year secular tailwind. This belief is based on:



1

Medicare utilization of SNFs materially increases from 75 years old

2

This utilization increases through their late 80s

3

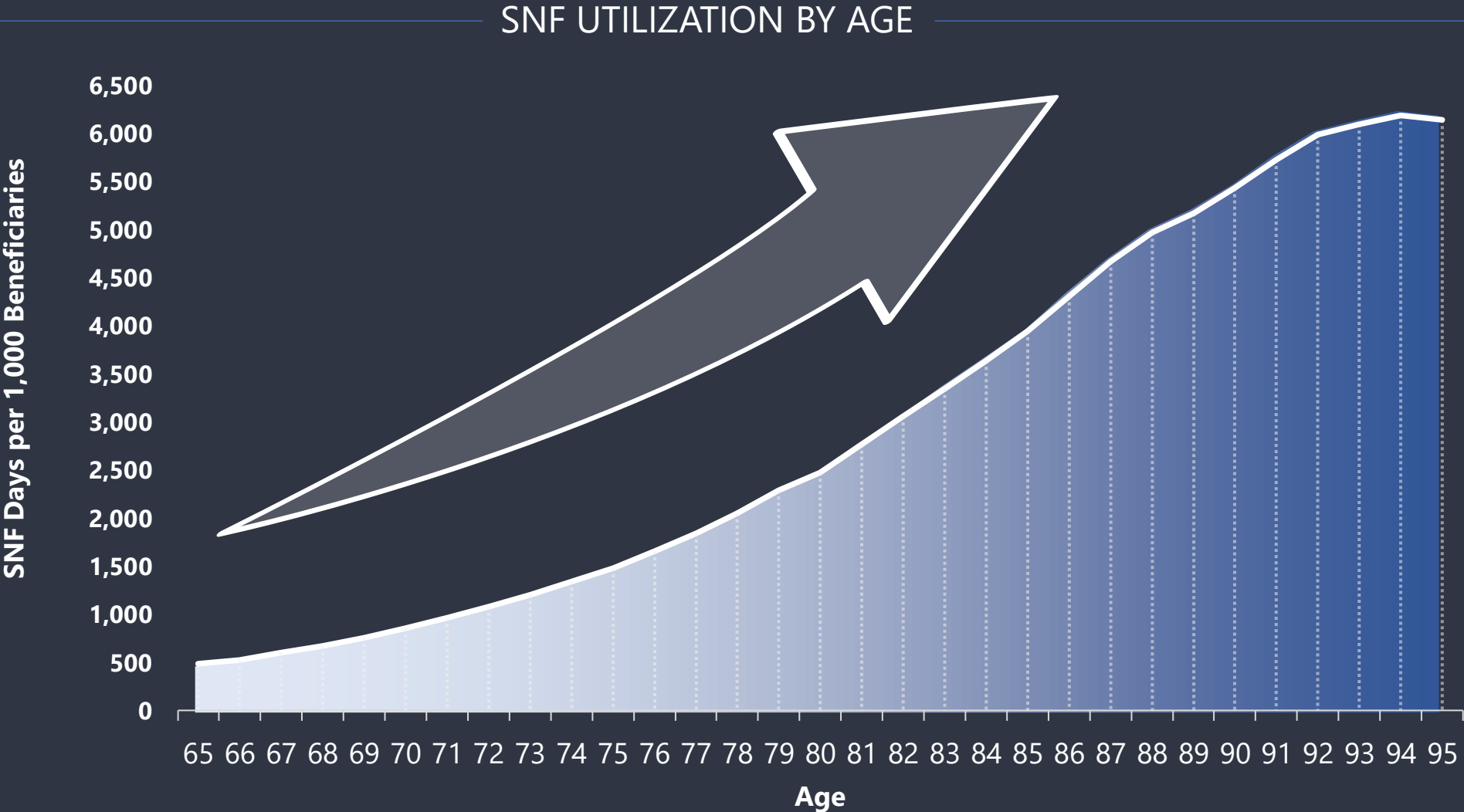
"Baby boomers" started turning 75 in 2016

4

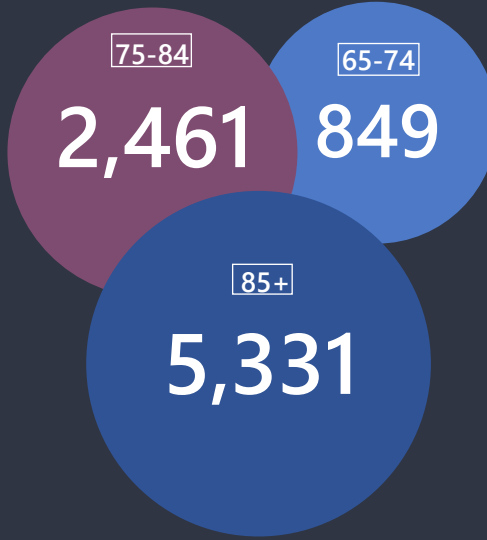
The age 75+ cohort will grow on both an absolute and relative basis through at least 2040 as the baby boomers replace the baby bust generation within the 75+ population



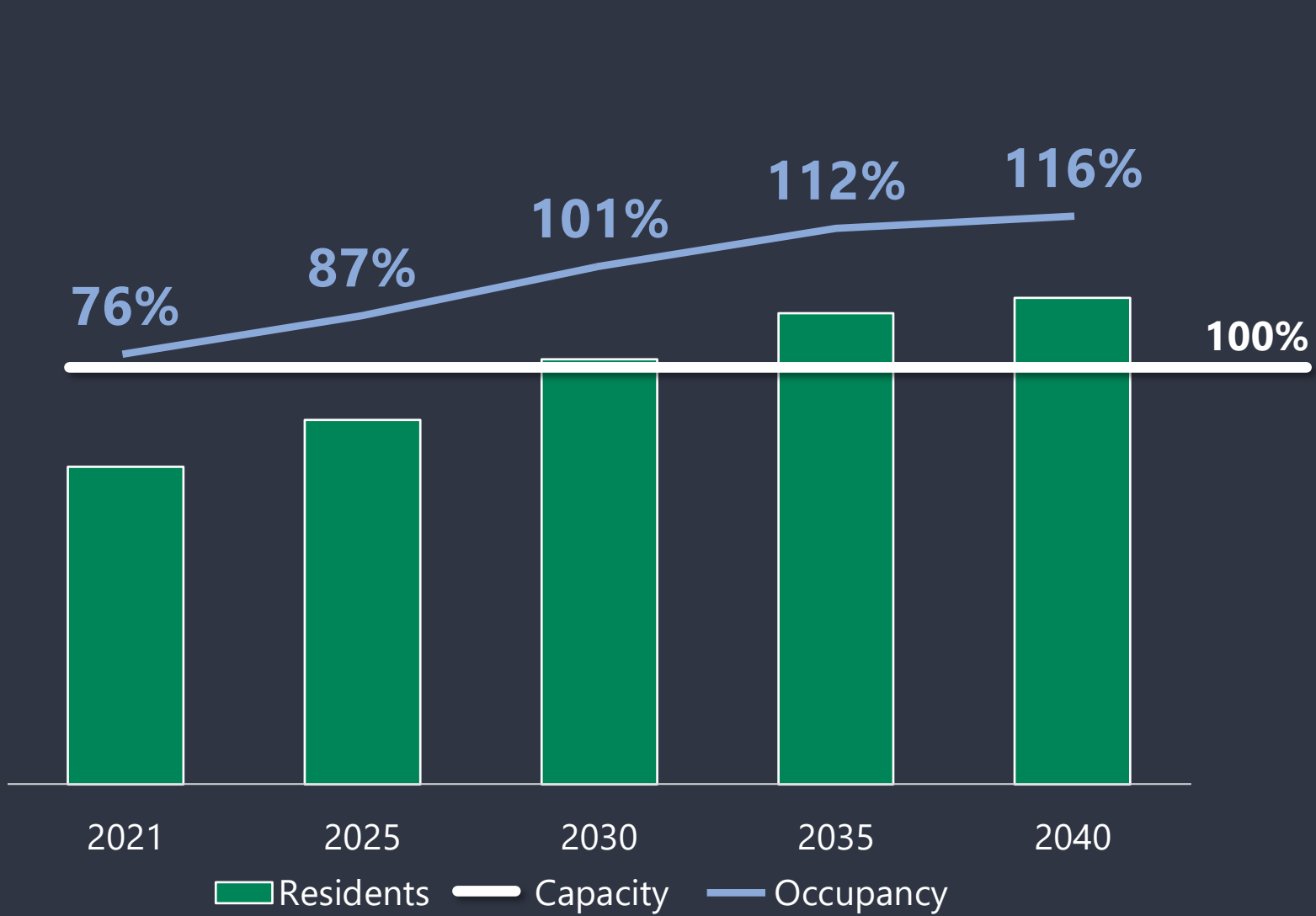
# Significant Increase in SNF Utilization by Those Aged 75+



AVERAGE SNF DAYS PER 1,000 BENEFICIARIES BY AGE RANGE



# SNF Demand Estimated to Outstrip Supply by 2030



**1**  
Aging demographics should drive SNF occupancy beyond capacity in the next decade.

**2**  
Prudent incremental supply will create additional development growth opportunities.

6

Excellent  
Financials and  
Execution Track  
Record

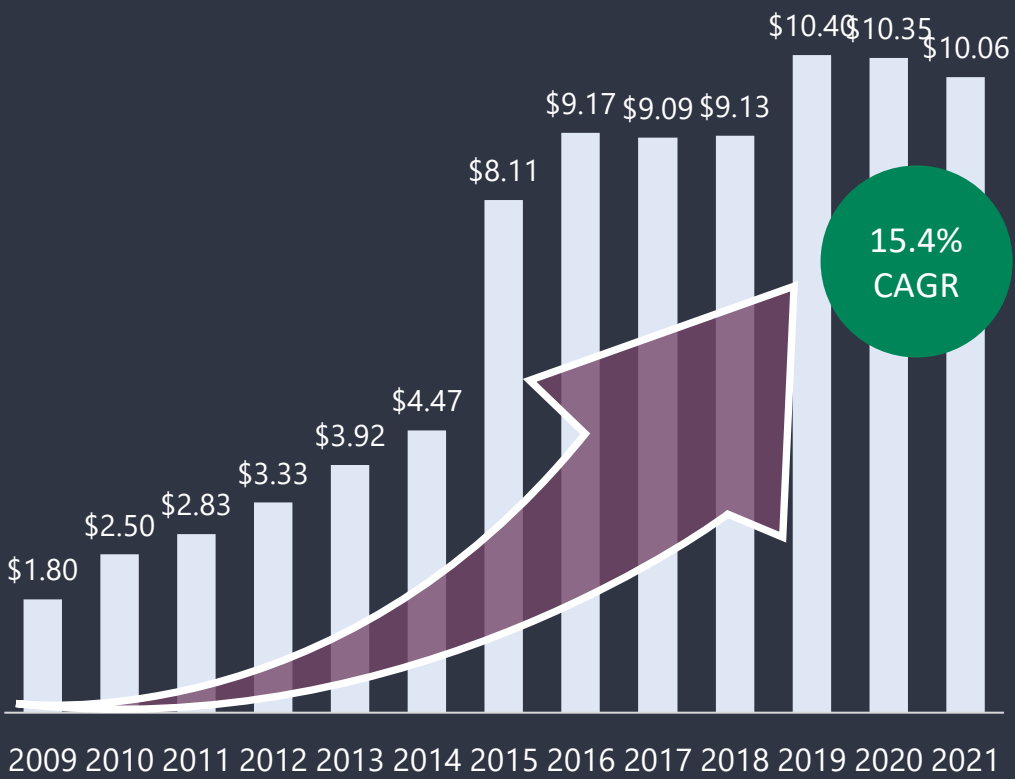




# Consistently Performing and Growing

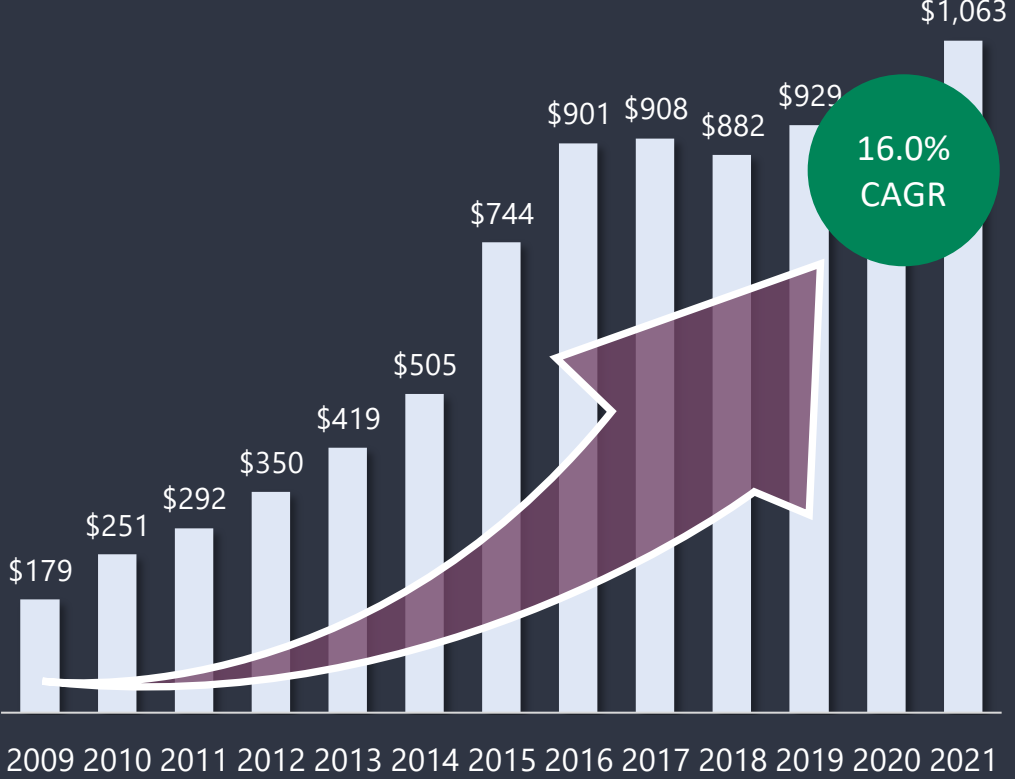
## Omega Gross Investments

(\$ in billions)



## Omega Core Operations Revenue

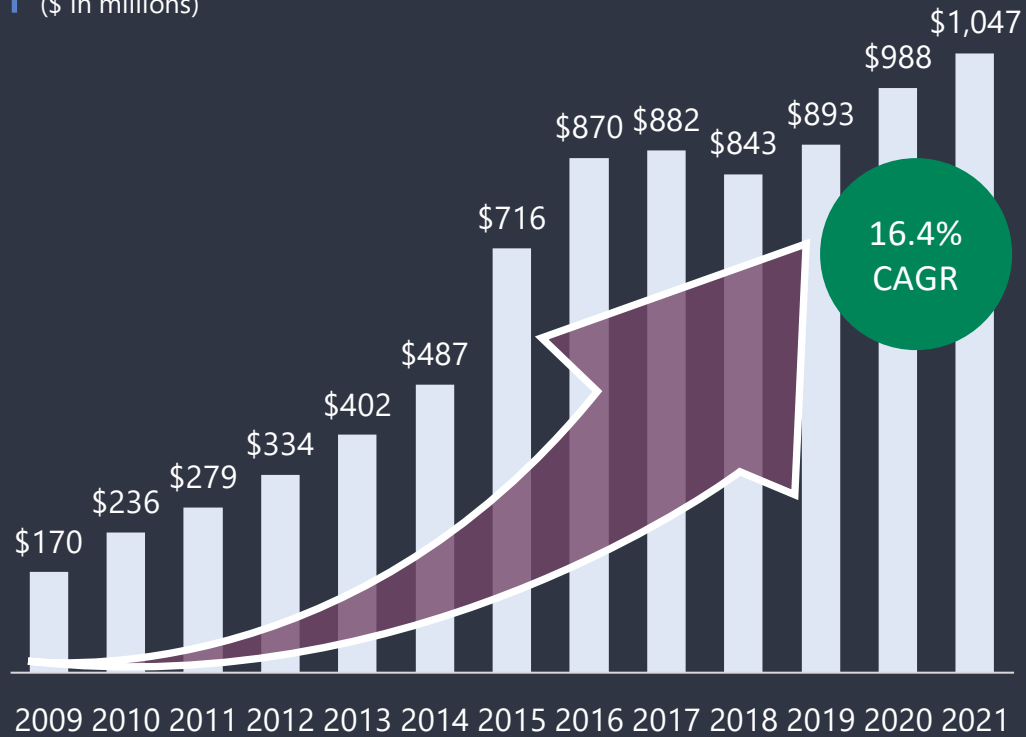
(\$ in millions)



# Strong Growth in Profitability

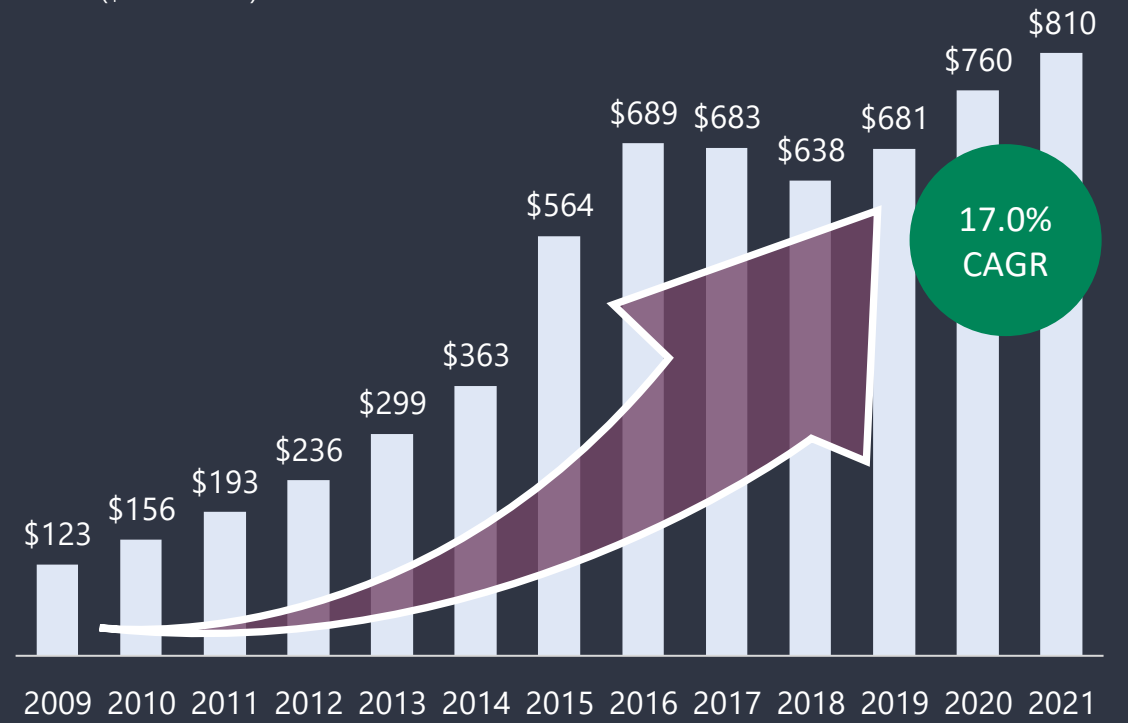
## Adjusted EBITDA

(\$ in millions)



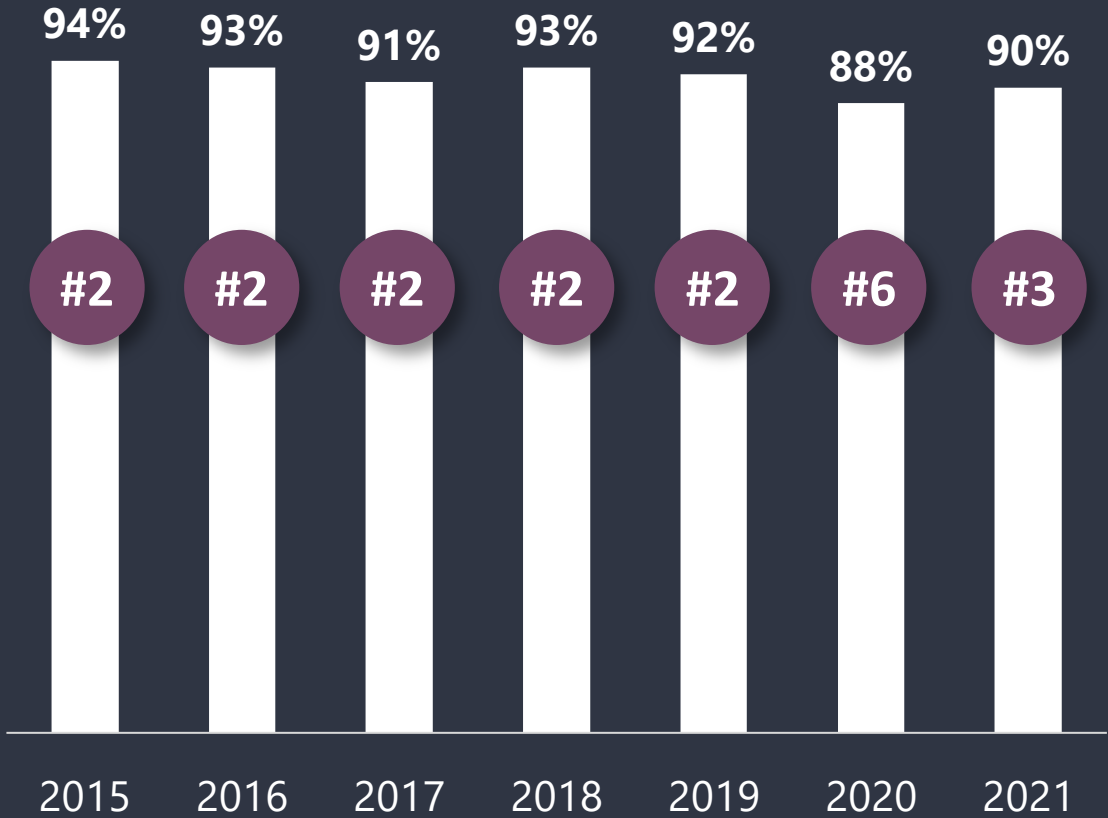
## Adjusted Funds from Operations

(\$ in millions)



# Outstanding Financial Performance Among ALL REITs

## EBITDA / TOTAL REVENUES



Rank vs. ALL REITs

### Exceptional EBITDA margins are driven by:

Consistency of Revenue Streams

Genuine Triple-Net Nature of Leases

Conservative G&A Load

### Resulting in:

1

Surplus free cash to be reinvested at compelling yields

2

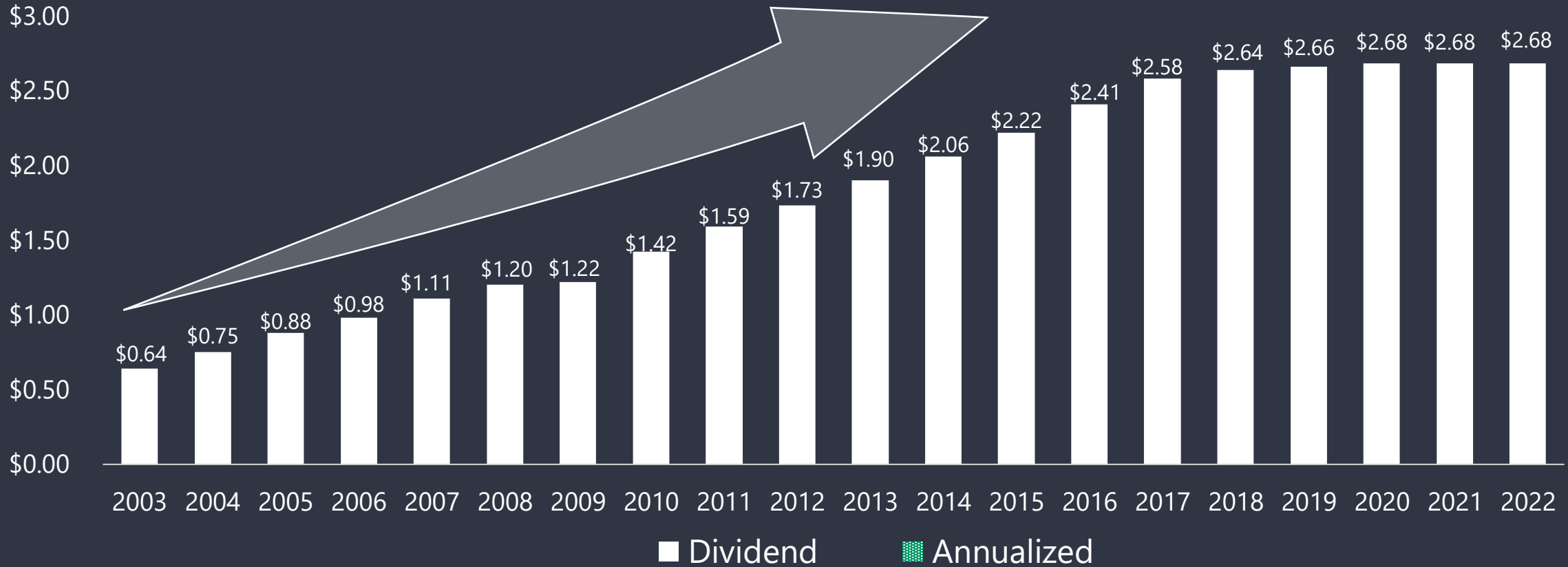
High return of capital through dividends

3

Dependable levels of profitability



# High-Yield and Historically Consistent Dividend



Dividend  
Yield

**9.1%**

Dividend  
CAGR

**7.8%**

5 Year  
Growth

**11.2%**

10 Year  
Growth

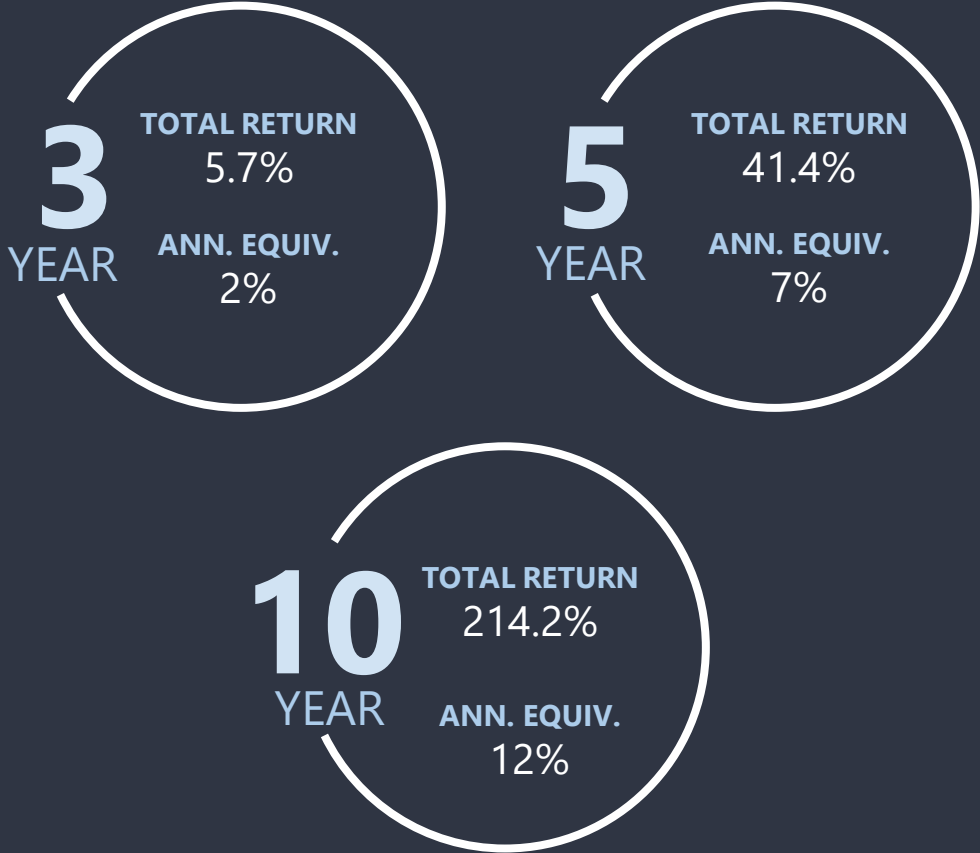
**68.6%**

2021 AFFO  
Payout

**86.9%**

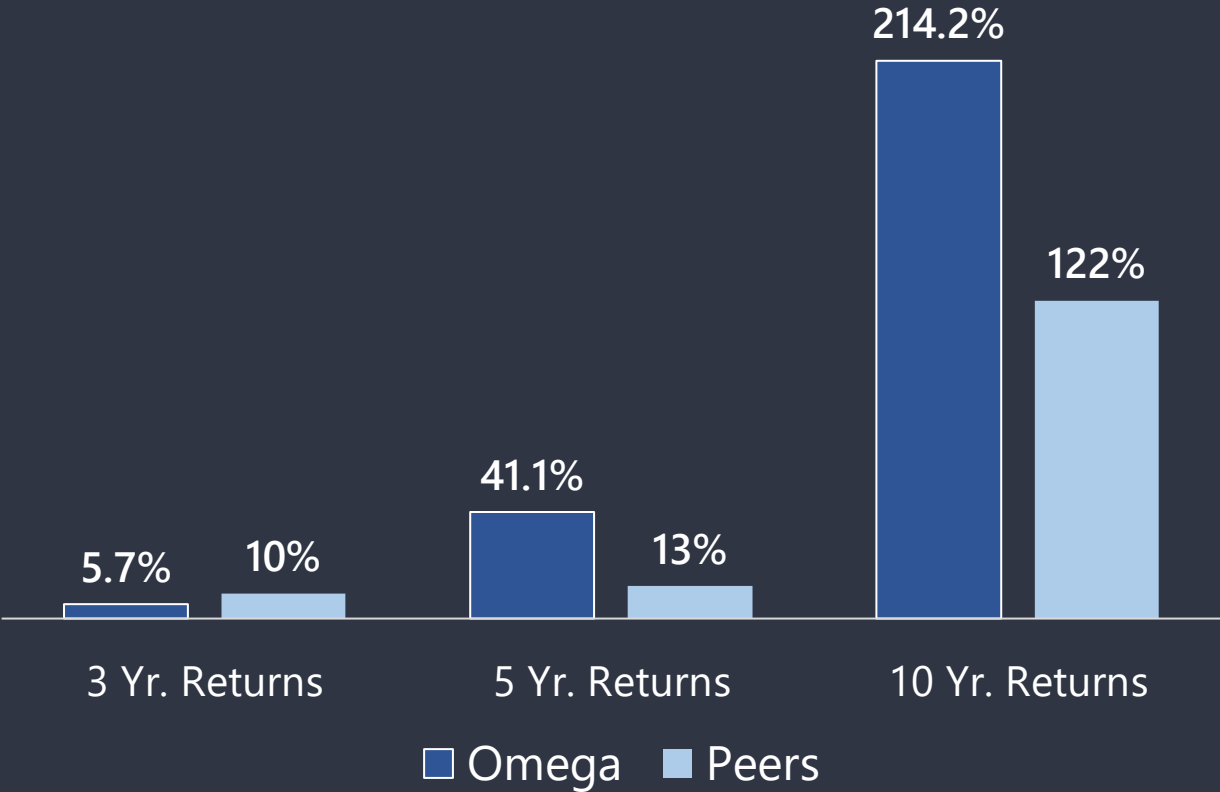
# Top-Tier Total Shareholder Returns

## Shareholder Returns Through 12/31/21



## OHI Total Returns vs. Healthcare REIT Averages

(Years ending 12/31/2021)



# 7 Proven Investment Strategy for Future Growth

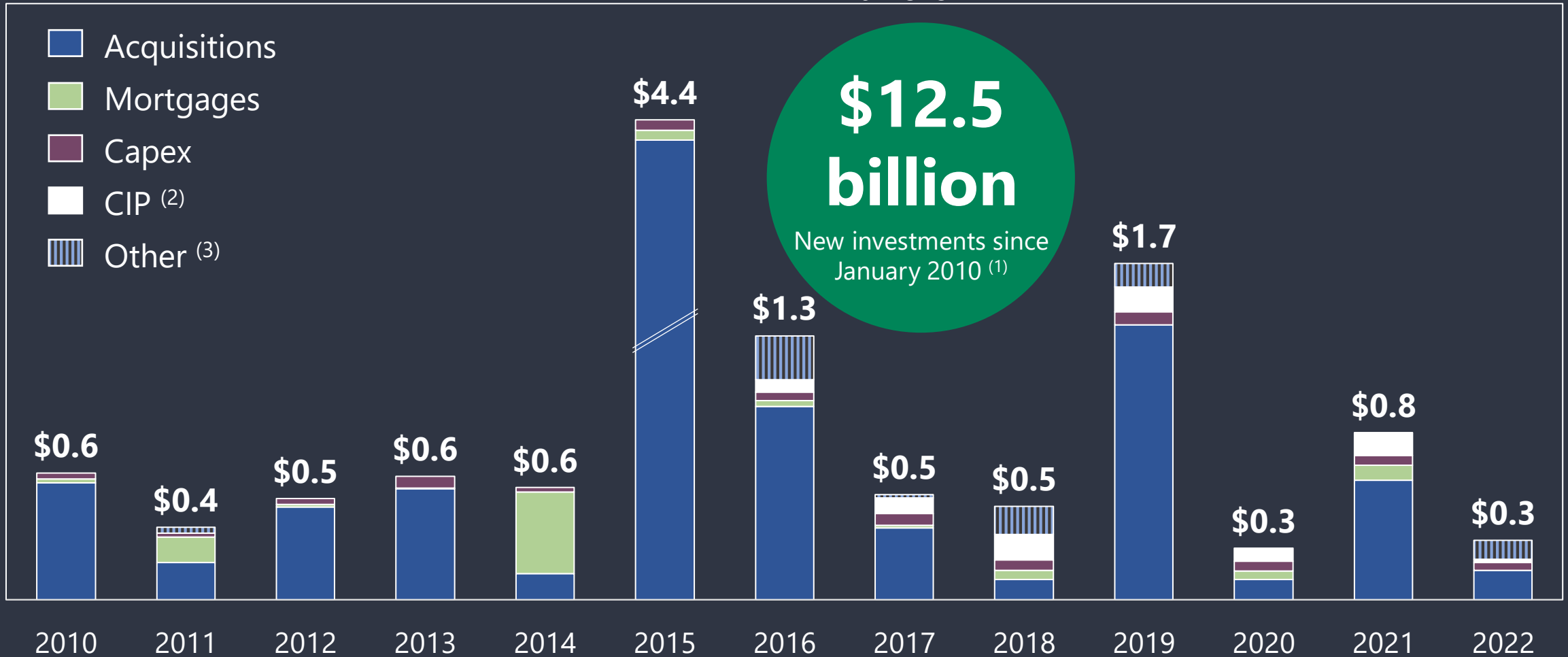




# A Long History of Prudent Capital Allocation

## INVESTMENTS

In billions



# External Growth Augmented by Development

## New Builds by In-Service Year

2023E



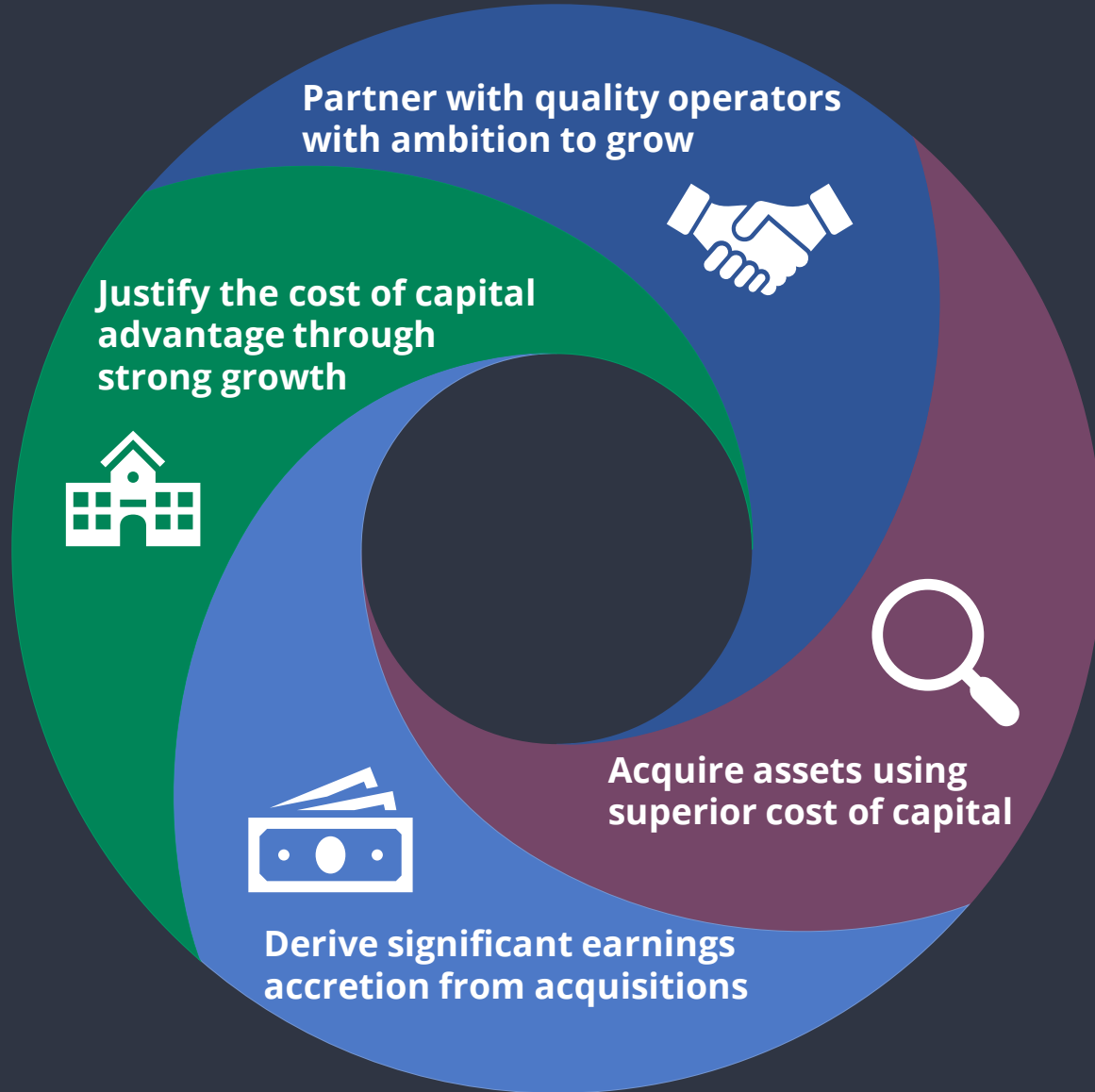
**\$26M** **154** **1**  
Investment Beds Projects

2024E



**\$178M** **174** **1**  
Investment Beds Projects

# Proven Investment Strategy for Future Growth



- 1 Continue to pursue accretive transactions
- 2 Leverage existing 63 operator relationships
- 3 Invest primarily in current core markets
- 4 Maintain focus on senior care facilities
- 5 Use credit facility to make acquisitions and replenish availability with long-term debt and equity issuances
- 6 Proven ability to execute on strategies
- 7 Proven ability to handle troubled assets



# Ample Opportunity to Expand Portfolio

## SNF OWNERSHIP

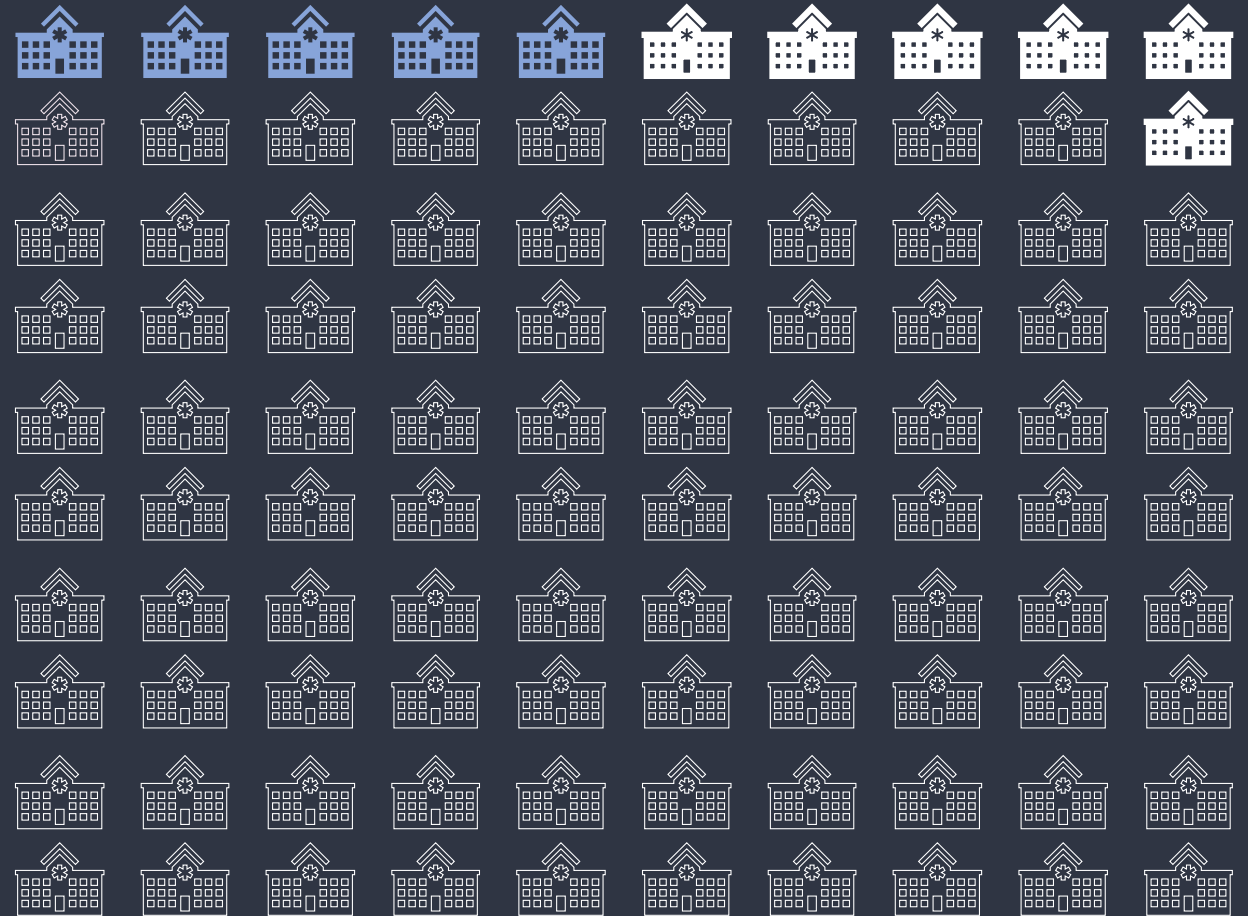
 Omega     Publicly Traded REITs     Other

Even as the largest owner of SNFs, we still only own 5% of the market.

Given the accretion created from acquisitions, the fragmented ownership of SNFs provides a significant opportunity for further growth.

### **EXPECTATION:**

Double in size in the next 10 years



# 8

## Liquidity Structure & Credit Profile



# Effective Balance Sheet Management Provides Financial Flexibility

## CONSERVATIVE CAPITALIZATION

Debt to adjusted pro forma EBITDA ratio:

**5.31x**

## SIGNIFICANT LIQUIDITY

Availability under \$1.45B revolving credit facility:

**~\$1.38B**

Well-laddered debt maturities:

**No material maturities until August 2023**

## FINANCIAL FLEXIBILITY

Minimal encumbered assets:

**4.8%**

Of gross real estate assets are encumbered

Funded Debt to TAV:

**50%**

(Determined pursuant to bond covenants)

Adjusted Fixed Charge Ratio >1.5x:

**4.1x**

## DIVIDEND PAYOUT RATIOS

AFFO Payout Ratio:

**88.3%**

FAD Payout Ratio:

**94.5%**

Consistent dividend increases:

**\$0.67**

(\$2.68 annualized)

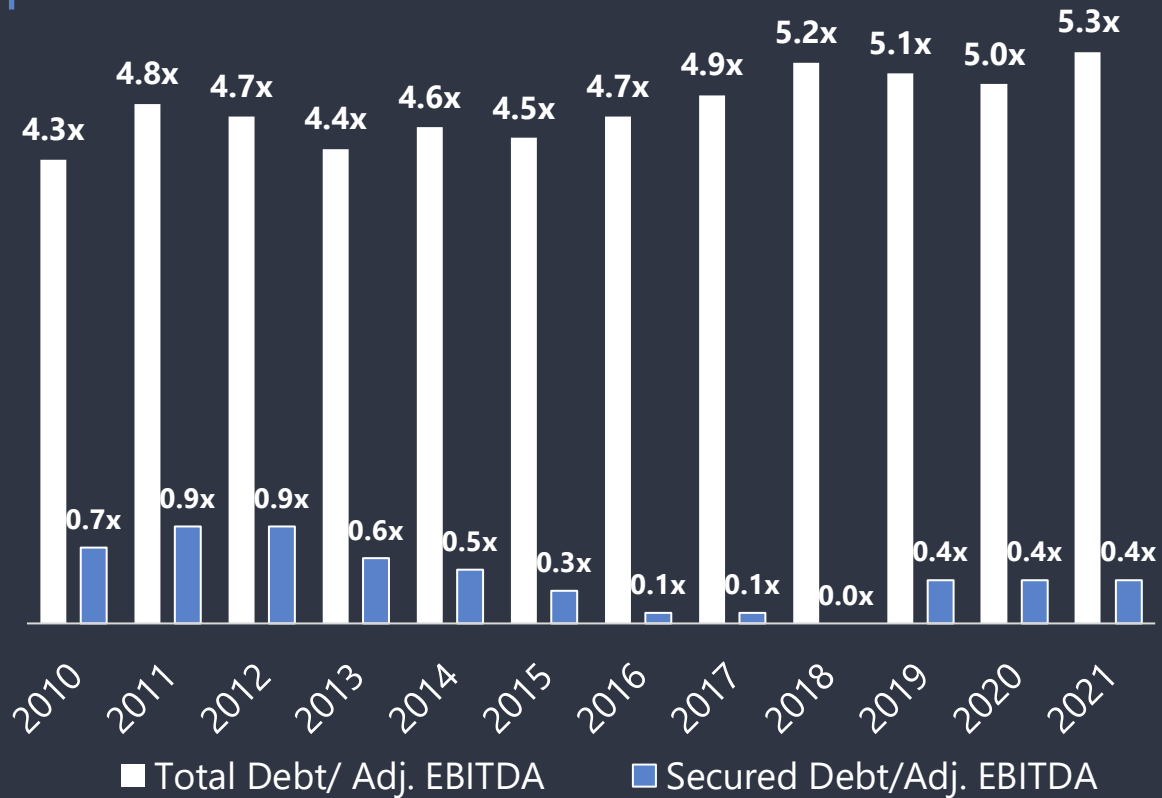


# Conservative Capitalization Policy

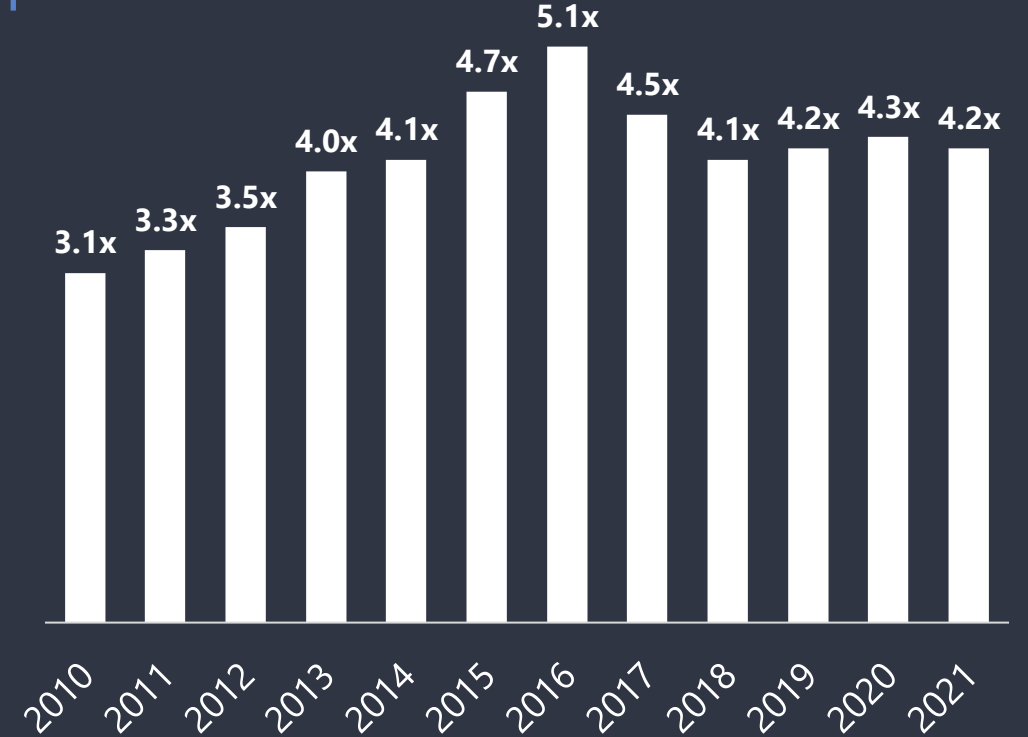
**Targeted Funded Debt to Adjusted EBITDA Ratio**  
**4.0x – 5.0x**

Typically have used borrowings under the revolver to make acquisitions and replenished revolver availability with long-term debt and equity issuances

## Leverage

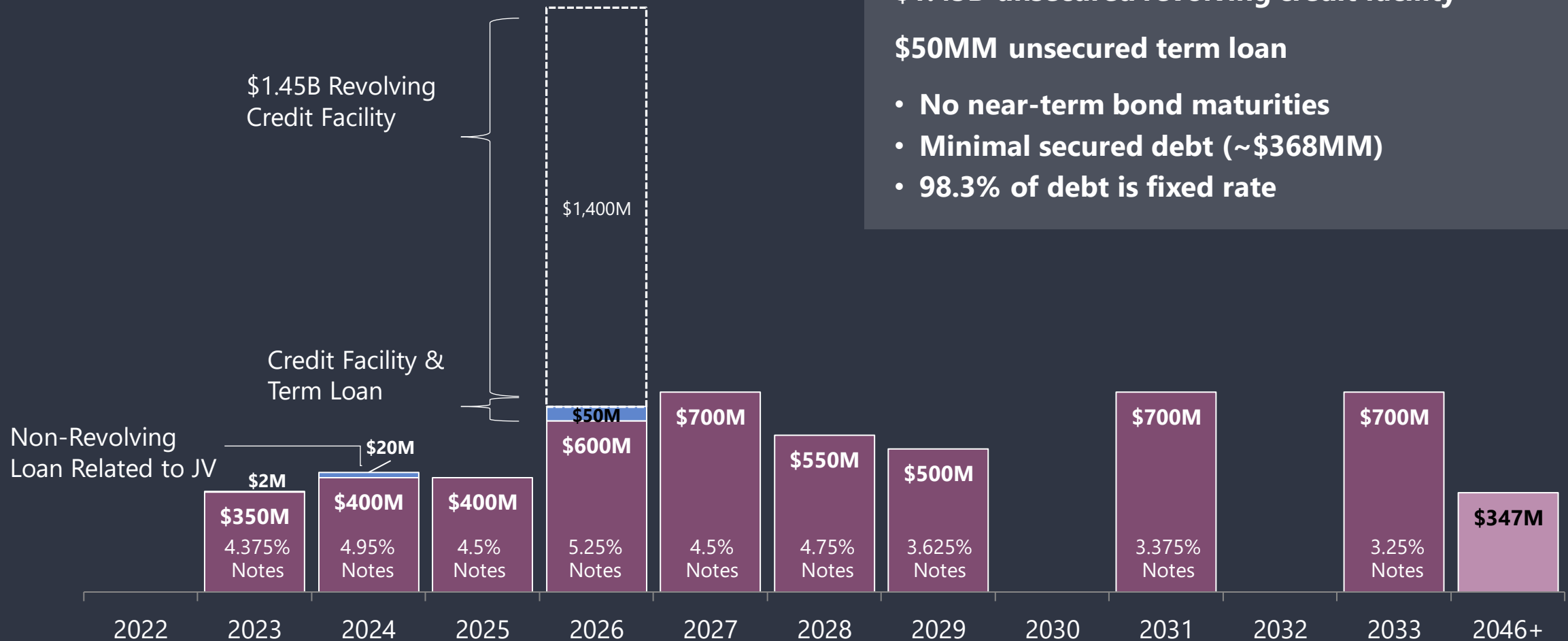


## Fixed Charge Coverage



# Well-Laddered Debt Provides Stability

## Debt Maturity Schedule as of 6/30/22





**\$1.45B unsecured revolving credit facility**

**\$50MM unsecured term loan**

- **No near-term bond maturities**
- **Minimal secured debt (~\$368MM)**
- **98.3% of debt is fixed rate**

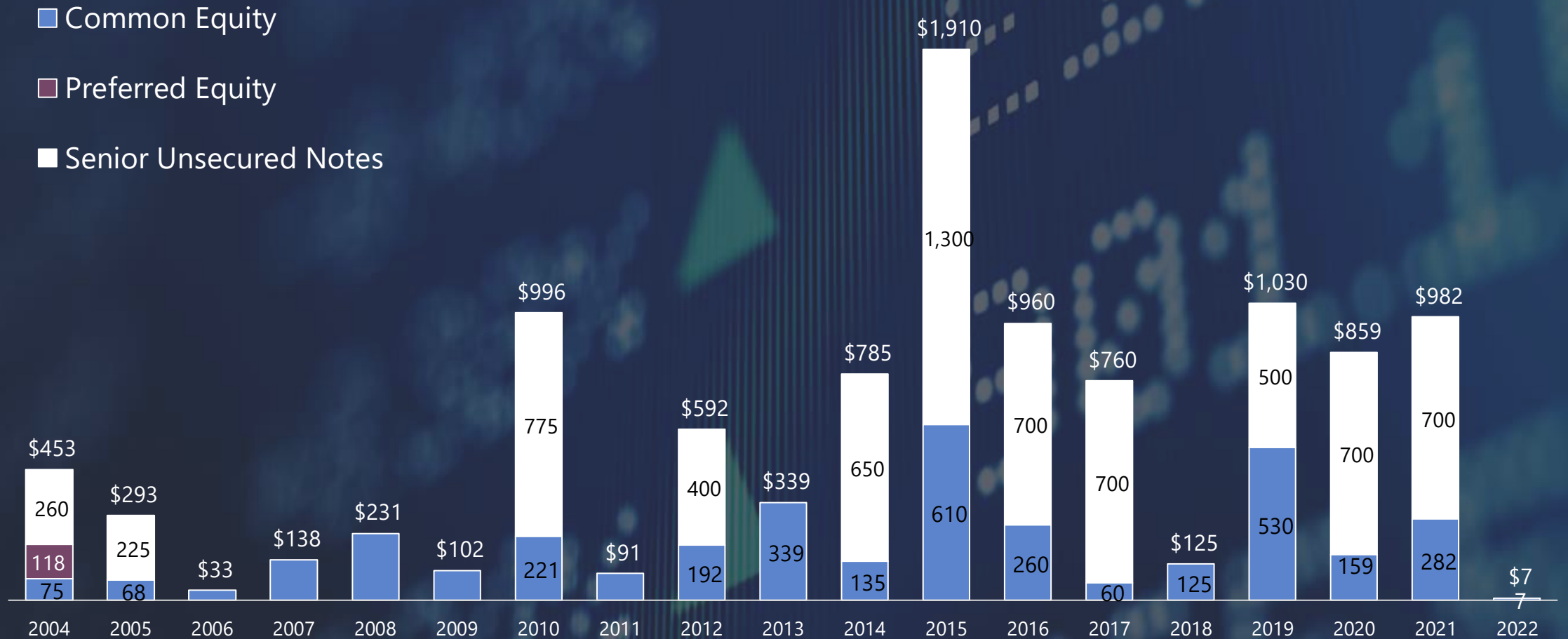
# Strong Balance Sheet and Secure Credit Ratings

 <b>BBB-</b>  <hr/> <b>S&amp;P Global</b> Ratings  <b>Fitch</b> Ratings	Funded Debt/Adj. Ann. EBITDA	<b>5.33x</b>	 <b>Baa3</b>  <b>MOODY'S</b>
	Adj. EBITDA/Total Interest Expense Ratio	<b>4.2x</b>	
	Adj. Total Debt/Adj. Book Capitalization	<b>57.8%</b>	
	Adj. EBITDA/Fixed Coverage Ratio	<b>4.1x</b>	
	Adj. Total Debt/Total Market Capitalization	<b>42.9%</b>	
	3Q22 Funds Available for Distribution per share	<b>\$0.71</b>	



# Readily Accessible Capital Markets as a Seasoned Issuer

## Capital Markets Accessibility





# 9

## Commitment to ESG Principles



# Prudent and Responsible ESG Program



## STEWARDS OF THE ENVIRONMENT

**65%+**

Of Omega's development in the past five years has been built to LEED certification standards



Moved corporate HQ in 2017 to a LEED Silver-certified Building



Provide capital to support our tenants' energy-efficient CAPEX programs

## SOCIAL RESPONSIBILITY



One of 15 US REITs to be included in the 2022 Bloomberg Gender-Equality Index



Comprehensive Human Rights Policy shaped by UN's "Universal Declaration on Human Rights" & ILO's "Declaration on Fundamental Principles and Rights at Work"



Extensive employee support and development, including:

- Extremely competitive benefits program
- Financial support for continued employee training and education
- Philanthropic support including employee charitable donation matching program

## STRONG CORPORATE GOVERNANCE



### Independence

88% of directors are independent, including the Chairman



### Gender Diversity

38% of directors are female



### No Board Staggering

Voluntarily opted out of the Maryland Unsolicited Takeovers Act (MUTA), which would have allowed for staggering of the Board without shareholder approval



# Sources & Appendix

# SOURCE INDEX

Page 5 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com). 5-Year TSR as of 6/30/2022.

Page 9 - Information as of 11/3/2022

Page 10 - Information as of 11/3/2022

Page 11 - Information as of 1/9/2023

Page 12 - Information as of 1/9/2023

Page 13 - Information as of 1/9/2023

Page 19 - Historical AFFO and dividend information can be found in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com). AFFO per share based on TTM and share price as of 9/30/2022

Page 22 - From proprietary analysis of Medicare Fee for Service (FFS) Standard Analytic File (SAF)

Page 23 - KFF.org Hospital Adjusted Expenses per Inpatient Day; MedPac Report to the Congress, March 2021

Page 24 - Average Medicare and Medicaid Rates by Quarter for Omega's Entire Portfolio (through December 31, 2021)

Page 25 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 26 - Appendix A of VIG Digest - <https://vigdigest.com/>

Page 28 - Source – Public filings and disclosures of public healthcare REITs; 3rd party transaction reports.

Page 30 - TTM Rent Coverage at 9/30/2022. Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 31 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 32 - Source: <https://www.gov.uk/government/publications/end-of-life-care-profiles-february-2019-data-update/statistical-commentary-end-of-life-care-profiles-february-2019-update>

Page 34 - Source of EBITDA / Total Revenue is "December 2021 KeyBanc Capital Markets: The Leaderboard"

Page 35 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 36 - Represents 3Q22 Annualized Contractual Rent/Interest. Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 38 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 40 - Source: US Census Bureau - Projected Age Groups and Sex Composition of the Population: Main Projections Series for the United States, 2017-2060

Page 42 - Source: Avalere analysis of Medicare Part A 100% Standard Analytic File (SAF)

Page 43 - Sources: Supply data compiled by American Health Care Association (AHCA) Research Department from CMS OSCAR/CASPER survey data. Demand information based on census information at [CDC.gov](http://CDC.gov).

Page 45 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 46 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 47 - Source for ranking is "2021 KeyBanc Capital Markets: The Leaderboard" as of 12/31/2021

Page 48 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)

Page 49 - Source: "2021 KeyBanc Capital Markets: The Leaderboard" as of 12/31/2021. Peer returns are simple average of returns of NHI, HR, LTC, SABRA, VTR, and WELL

# SOURCE INDEX

- Page 51 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com). 1) Includes the \$3.9 billion 2015 Aviv acquisition; and the \$623 million 2019 MRT acquisition 2) Included in "Acquisitions" prior to 2016 3) Consists primarily of mezzanine and JV investments
- Page 56 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 57 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 58 - Current supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com). 1) Represents current HUD debt balance assumed via acquisition of the Encore portfolio on 4/30/2021
- Page 59 - All supporting information and reconciliations can be found in the current supplemental information report (pages 11, 17, 19, and 20) located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 60 - Current and historic supplemental information report located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 66 - Current and historic earnings report press releases located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 67 - Current and historic earnings report press releases located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 68 - Current and historic earnings report press releases located in the Investor Relations tab at [www.omegahealthcare.com](http://www.omegahealthcare.com)
- Page 69 - Source: CDC.gov
- Page 70 - Source: Inpatient, SNF, Home Health and Enrollment Standard Analytic Files, 2015-2019
- Page 71 - Compiled by American Health Care Association (AHCA) Research Department from CMS OSCAR/CASPER survey data (2009-2018)



# 2020 Quarterly Highlights

1Q 2020	2Q 2020	3Q 2020	4Q 2020
<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly common stock dividend</li> <li>• Sold six facilities for \$18 million in cash proceeds generating \$2 million in gains</li> <li>• Completed \$19 million in investments</li> <li>• Invested \$39 million in capital renovation and construction-in-progress projects</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly common stock dividend</li> <li>• Sold seven facilities for \$38 million in cash proceeds generating \$13 million in gains</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly common stock dividend</li> <li>• Invested \$22 million in capital renovation and construction-in-progress projects</li> <li>• Revised its revenue recognition accounting treatment related to operators with going concern disclosures</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly common stock dividend</li> <li>• Issued \$700 million aggregate principal amount of 3.375% Senior Notes due 2031</li> <li>• Completed \$78 million of investments</li> <li>• Invested \$19 million in capital renovation and construction-in-progress projects</li> </ul>

# 2021 Quarterly Highlights

1Q 2021	2Q 2021	3Q 2021	4Q 2021
<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly common stock dividend</li> <li>• Completed a \$510 million acquisition</li> <li>• Included in the 2021 Bloomberg Gender-Equality Index</li> <li>• Issued \$700 million aggregate principal amount of 3.250% Senior Notes due 2033</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Completed \$6M of investments</li> <li>• Implemented a new \$1.0B ATM program</li> <li>• Closed a \$1.45 billion unsecured credit facility</li> <li>• Closed a \$50 million term loan to an Omega operating partnership subsidiary</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Invested \$96 million in capital renovation and construction-in-progress projects</li> <li>• Completed \$66 million of mortgage loan investments</li> <li>• Completed \$10 million of real estate acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Invested \$20 million in capital renovation and construction-in-progress projects</li> <li>• Sold 3 facilities for \$8 million in cash proceeds, generating a \$1 million gain</li> </ul>

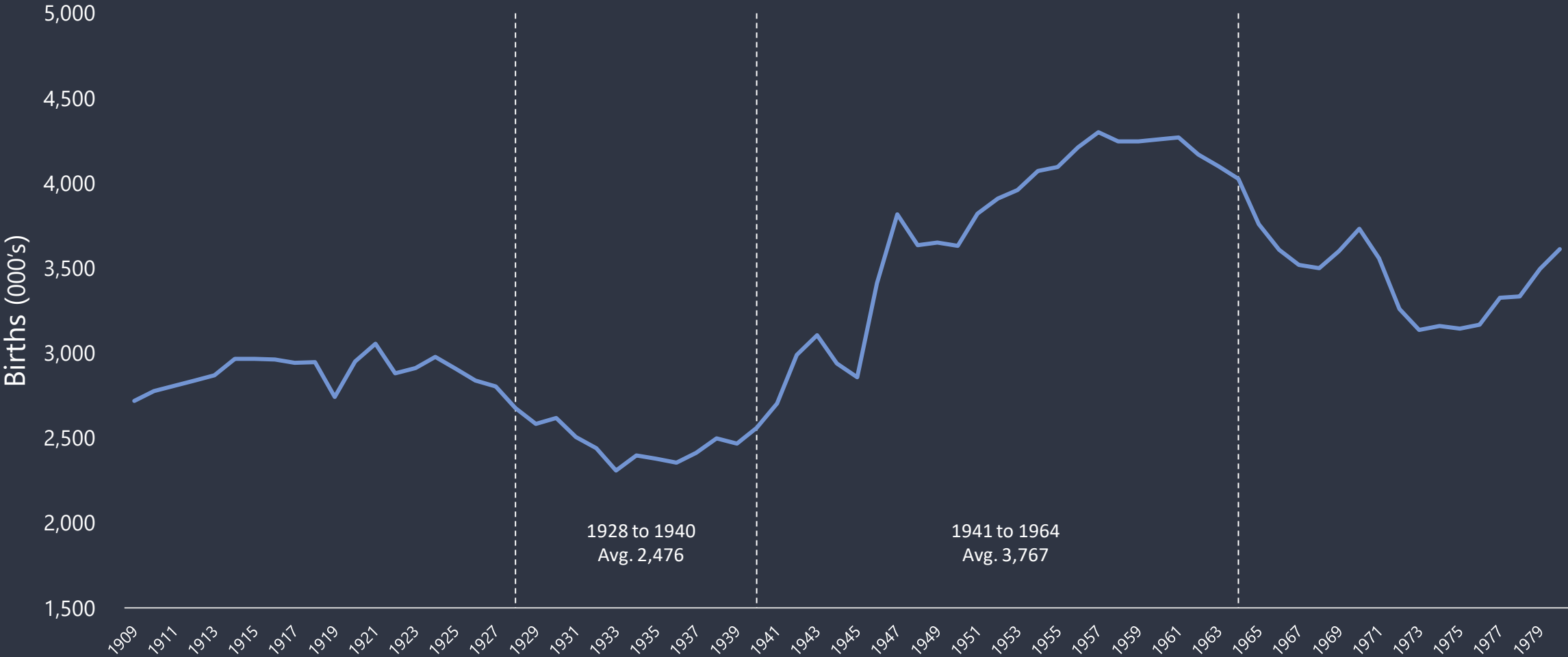
# 2022 Quarterly Highlights

1Q 2022	2Q 2022	3Q 2022	4Q 2022
<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Completed \$121 million of real estate acquisitions</li> <li>• Invested \$20 million in capital renovation and construction-in-progress projects</li> <li>• Repurchased 981 thousand common shares for \$27 million</li> <li>• Sold 27 facilities for \$333 million in cash proceeds, generating a \$114 million gain</li> <li>• Was included in the Bloomberg Gender-Equality Index for the 3rd consecutive year</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Invested \$56 million in two loans that bear interest at 12.0% per annum</li> <li>• Funded \$17 million in capital renovation and construction-in-progress projects</li> <li>• Repurchased 4.2 million common shares for \$115 million</li> <li>• Sold 13 facilities for \$54 million in cash proceeds, generating a \$25 million gain</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> <li>• Completed \$28 million in real estate acquisitions</li> <li>• Invested \$40 million in a new loan that bears interest at 12.0% per annum</li> <li>• Funded \$19 million in capital renovation and construction-in-progress projects</li> <li>• Sold four facilities for \$51 million in cash proceeds, generating a \$41 million gain</li> </ul>	<ul style="list-style-type: none"> <li>• Paid a \$0.67 per share quarterly cash dividend on common stock</li> </ul>



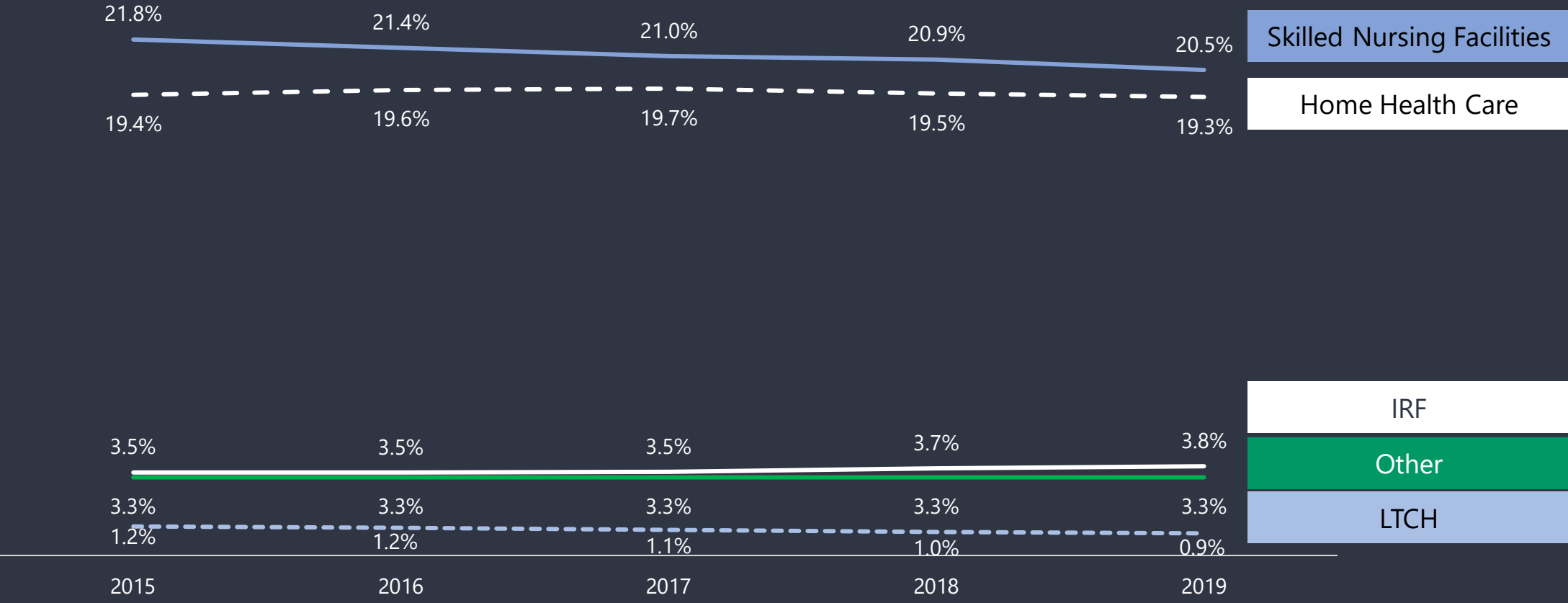
# Industry Overview: Baby Boomers Started Turning 75 in 2016

## U.S. Birthrates, 1909 to 1980



# Industry Overview: Percentage of Historical Hospital Discharges to SNFs has Remained Steady in Recent Years

## Discharge Disposition by Year



# Industry Overview: Limited Supply Availability

## Trend in Certified Nursing Facilities, Beds and Residents

