

# Supplemental Information

## Q1 2016

Omega Healthcare Investors, Inc. is a Real Estate Investment Trust ("REIT") providing financing and capital to the long-term healthcare industry with a particular focus on skilled nursing facilities located in the United States.

At March 31, 2016, the Company's portfolio of investments included 969 operating healthcare facilities, consisting of skilled nursing facilities, assisted living facilities and other specialty hospitals, located in 41 states (excludes Manhattan land purchase) and the UK (25 facilities), and operated by 83 third-party healthcare operating companies.

As a source of capital to the healthcare industry, Omega continually evaluates the opportunities, trends and challenges affecting the industry. Our goal is to identify long-term investments in quality healthcare properties with out-

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### *Executive Officers*

**Taylor Pickett, President and Chief Executive Officer**  
 Dan Booth, Chief Operating Officer  
 Steven Insoft, Chief Corporate Development Officer  
 Bob Stephenson, Chief Financial Officer  
 Mike Ritz, Chief Accounting Officer

### *Board of Directors*

#### **Bernard J. Korman, Chairman**

Craig M. Bernfield	Harold J. Kloosterman
Norman R. Bobins	Edward Lowenthal
Craig R. Callen	Stephen D. Plavin
Barbara B. Hill	Ben W. Perks
Thomas F. Franke	C. Taylor Pickett

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<b>Stock Symbol:</b>	OHI	<b>Shares &amp; Units Outstanding March 31, 2016:</b>	197,114,424
<b>Exchange:</b>	NYSE	<b>CUSIP Number:</b>	681936100

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*This supplement 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 Omega's or its tenants', operators', borrowers' or managers' 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 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 Omega's expectations. Omega does not undertake a duty to update these forward-looking statements, which speak only as of the date on which they are made.*

*Omega's 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 Omega'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 Omega's operators; (iv) the ability of any of Omega's operators in bankruptcy to reject unexpired lease obligations, modify the terms of Omega's mortgages and impede the ability of 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 Omega's credit ratings and the ratings of its debt securities; (vii) competition in the financing of healthcare facilities; (viii) Omega's ability to maintain its status as a REIT; (ix) Omega's ability to manage, re-lease or sell any owned and operated facilities; (x) Omega's ability to sell closed or foreclosed assets on a timely basis and on terms that allow Omega to realize the carrying value of these assets; (xi) the effect of economic and market conditions generally, and particularly in the healthcare industry; (xii) risks relating to the integration of Aviv's operations and employees into Omega and the possibility that the anticipated synergies and other benefits of the combination with Aviv will not be realized or will not be realized within the expected timeframe; and (xiii) other factors identified in Omega's filings with the Securities and Exchange Commission. Statements regarding future events and developments and Omega's future performance, as well as management's expectations, beliefs, plans, estimates or projections relating to the future, are forward looking statements. Omega undertakes no obligation to update any forward-looking statements contained in this supplement.*

**Operator Information:** This supplement includes information regarding the operators of our facilities such as EBITDAR and EBITDARM coverage ratios. The information related to operators that is provided in this supplement has been provided by the operators. We have not independently verified this information. We are providing this data for informational purposes only.

**Non-GAAP Information:** This supplement also contains certain non-GAAP financial information including EBITDA, Adjusted Total Debt (or Funded Debt), Adjusted Book Capitalization, Adjusted FFO, Total Cash Fixed Charges and certain related ratios. A reconciliation of these non-GAAP disclosures is available in the Financial Performance section of this supplement.

Information is provided as of March 31, 2016, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

**INVESTMENT SUMMARY**

(\$ in thousands)

As of March 31, 2016

Balance Sheet Data	Total No. of Properties <sup>(2)</sup>		% of Investment		Total No. of Operating Properties	No. of Operating Beds
	Properties	Investment	Investment			
Real Property <sup>(1)</sup>	846	\$ 7,108,160	85%		857	85,299
Direct Financing Leases	59	590,622	7%		57	5,695
Loans Receivable	55	660,569	8%		55	5,744
<b>Total Investments</b>	<b>960</b>	<b>\$ 8,359,351</b>	<b>100%</b>		<b>969</b>	<b>96,738</b>

Investment Data	Total No. of Properties <sup>(2)</sup>		% of Investment		Total No. of Operating Properties	No. of Operating Beds	Investment Per Bed
	Properties	Investment	Investment				
Skilled Nursing/Transitional Care <sup>(1)</sup>	864	\$ 7,276,260	87%		867	90,592	\$80
Senior Housing <sup>(3)</sup>	96	1,083,091	13%		102	6,146	177
	960	\$ 8,359,351	100%		969	96,738	\$86

- (1) Total investment includes a \$19.2 million lease inducement and excludes \$73.6 million of properties classified as held-for-sale.
- (2) Total No. of Properties excludes properties classified as held-for-sale, closed and/or are being used for activities other than patient services.
- (3) Includes ALFs, memory care and independent living facilities.

**REVENUE SUMMARY**

(\$ in thousands)

**Revenue by Investment Type**

Three Months Ended  
3/31/2016

Rental Property <sup>(1)</sup>	\$ 176,703	83%
Direct Financing Leases	15,442	7%
Mortgage Notes	16,606	8%
Other Investment Income	4,128	2%
<b>Total</b>	<b>\$ 212,879</b>	<b>100%</b>

**Revenue by Facility Type**

Three Months Ended  
3/31/2016

Skilled Nursing / Transitional Care <sup>(1)</sup>	\$ 188,728	89%
Senior Housing	20,023	9%
Other	4,128	2%
<b>Total</b>	<b>\$ 212,879</b>	<b>100%</b>

- (1) Includes \$0.8 million reduction for lease inducements for the three months ended March 31, 2016.

**PAYOR MIX AND COVERAGE SUMMARY**

Three Months Ended...	% Revenue Mix			Twelve Months Ended...	Occ. % <sup>(2)</sup>	Coverage Data	
	Medicaid	Medicare / Insurance	Private / Other			EBITDARM	EBITDAR
December 31, 2015 <sup>(1)</sup>	53.1%	37.5%	9.4%	December 31, 2015 <sup>(1)</sup>	82.5%	1.8x	1.4x
September 30, 2015 <sup>(1)</sup>	52.7%	37.2%	10.1%	September 30, 2015 <sup>(1)</sup>	81.9%	1.8x	1.4x
June 30, 2015 <sup>(1)</sup>	51.6%	38.9%	9.5%	June 30, 2015 <sup>(1)</sup>	81.9%	1.8x	1.4x
March 31, 2015 <sup>(1)</sup>	51.0%	39.7%	9.3%	March 31, 2015 <sup>(1)</sup>	82.3%	1.8x	1.4x
December 31, 2014 <sup>(1)</sup>	53.2%	37.3%	9.5%	December 31, 2014	84.5%	1.8x	1.4x

- (1) Includes results for Aviv legacy properties.
- (2) Based on available (operating) beds.

**INVESTMENT CONCENTRATION BY OPERATOR**

(\$ in thousands)

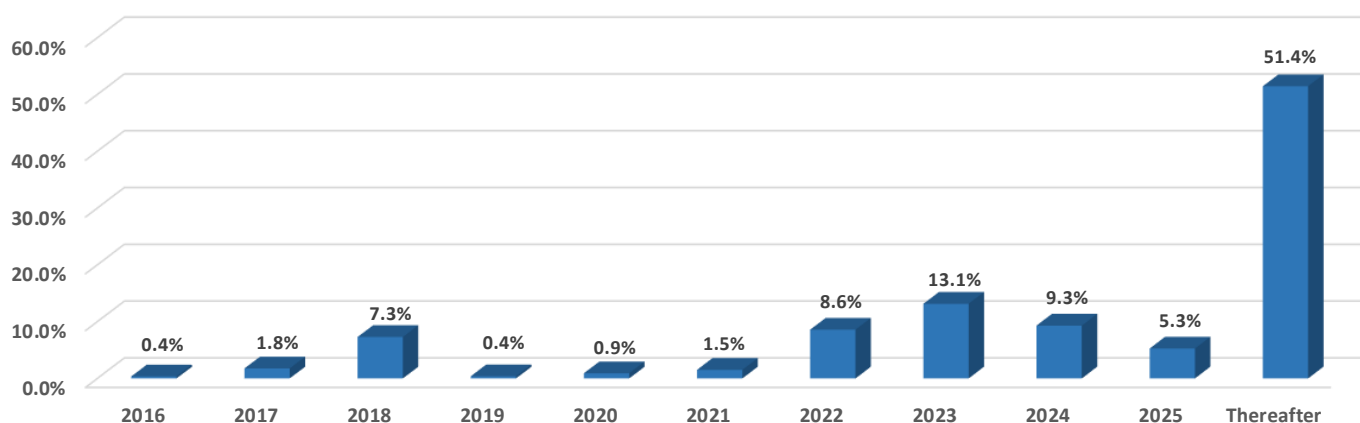
	As of March 31, 2016		
	No. of Properties <sup>(1)</sup>	Investment <sup>(2)</sup>	% Investment
Ciena Healthcare	68	\$ 903,117	11%
New Ark Investment, Inc.	59	597,831	7%
Maplewood Real Estate Holdings, LLC	12	501,922	6%
Saber Health Group	46	482,100	6%
CommuniCare Health Services, Inc.	40	431,839	5%
Genesis Healthcare	58	359,060	4%
Daybreak Venture, LLC	53	353,511	4%
Health & Hospital Corporation	44	304,719	4%
Diversicare Healthcare Services	35	276,380	3%
EmpRes Healthcare Group, Inc.	28	264,447	3%
Remaining 73 Operators	517	3,884,425	47%
	960	\$ 8,359,351	100%

(1) Total No. of Properties excludes those classified as held-for-sale, closed and/or are being used for activities other than patient services.

(2) Investment includes a \$19.2 million lease inducement and excludes \$73.6 million of properties classified as held-for-sale.

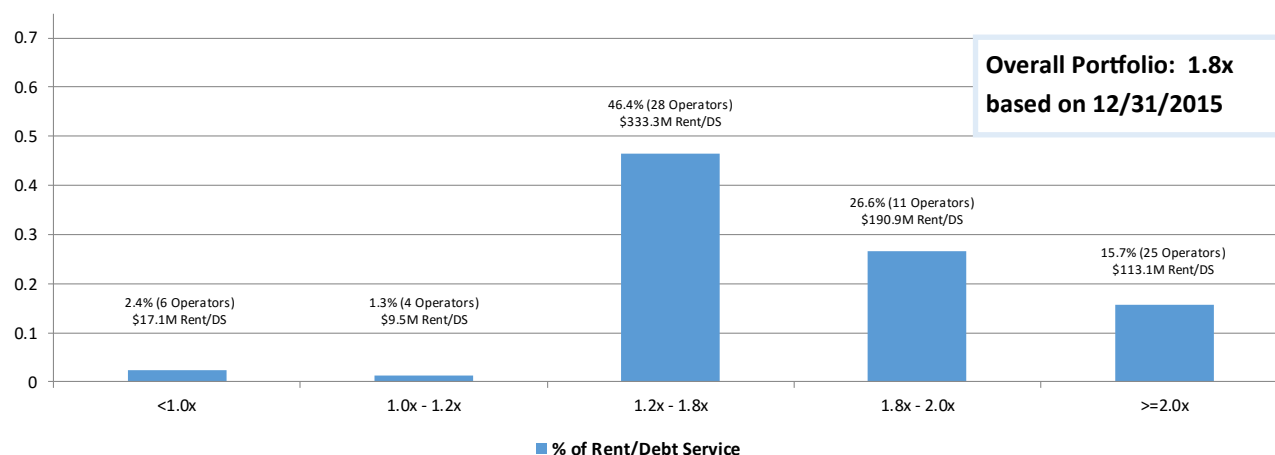
**LEASE AND MORTGAGE EXPIRATIONS**

Year	2016 Contractual		Investment Amounts					Operating Facilities		Operating Beds	
	Revenue	%	Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%
1 2016	\$ 2,824	0.4%	\$ 22,428	\$ -	\$ -	\$ 22,428	0.3%	3	0.3%	320	0.3%
2 2017	13,940	1.8%	149,527	-	-	149,527	1.8%	22	2.3%	2,195	2.3%
3 2018	57,791	7.3%	465,111	-	20,894	486,005	5.8%	79	8.2%	8,318	8.6%
4 2019	2,963	0.4%	41,685	-	-	41,685	0.5%	7	0.7%	535	0.6%
5 2020	7,175	0.9%	72,802	482	6,434	79,718	1.0%	12	1.2%	1,319	1.4%
6 2021	11,986	1.5%	149,702	-	-	149,702	1.8%	26	2.7%	1,421	1.4%
7 2022	68,041	8.6%	589,131	-	7,463	596,594	7.1%	93	9.6%	9,147	9.4%
8 2023	104,152	13.1%	865,908	-	69,928	935,836	11.2%	106	10.9%	12,276	12.7%
9 2024	74,201	9.3%	633,937	-	112,500	746,437	8.9%	75	7.7%	7,116	7.4%
10 2025	41,722	5.3%	430,572	-	1,500	432,072	5.2%	49	5.1%	5,123	5.3%
Thereafter	407,754	51.4%	3,687,357	590,140	441,850	4,719,347	56.5%	497	51.3%	48,968	50.6%
<b>TOTAL</b>	<b>\$ 792,549</b>	<b>100.0%</b>	<b>\$ 7,108,160</b>	<b>\$ 590,622</b>	<b>\$ 660,569</b>	<b>\$ 8,359,351</b>	<b>100.0%</b>	<b>969</b>	<b>100.0%</b>	<b>96,738</b>	<b>100.0%</b>

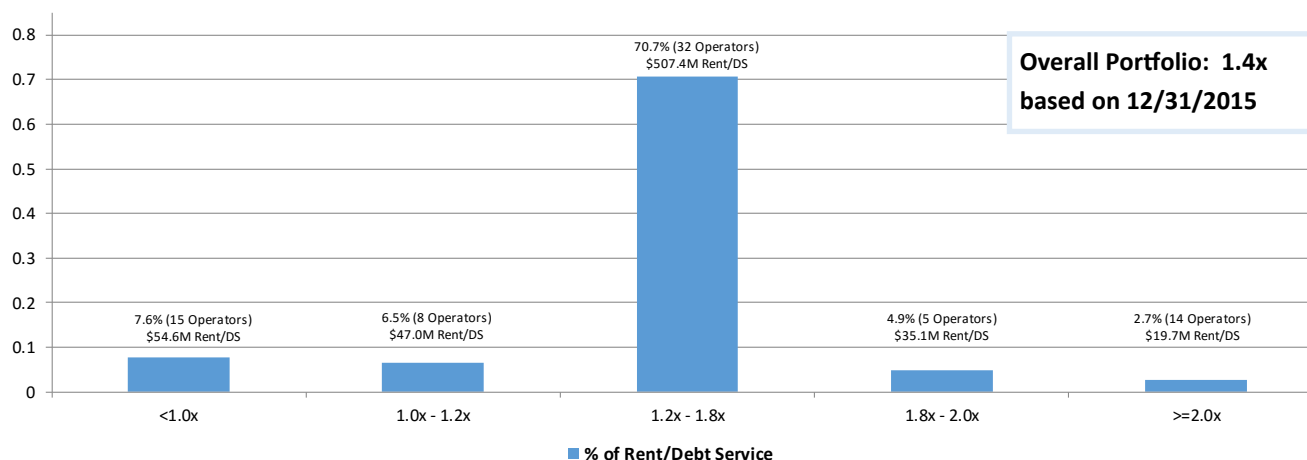




**OPERATOR EBITDARM COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 12/31/2015 TTM**



**OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 12/31/2015 TTM**



NOTE: Represents 93% of current rent/debt service which is representative of all stable properties. Stable properties include generally, any triple-net rental property unless it... 1) is new development that is not yet complete/open; 2) has not yet stabilized and is still within 12 months following the budgeted stabilization date; 3) is held for sale and/or is slated for closure or to be sold; or 4) is slated to be transitioned or has transitioned to a new operator within the last 12 months.

**MASTER LEASES WITH OPERATOR EBITDAR COVERAGE < 1.0X**

Investment Type	EBITDARM Coverage	EBITDAR Coverage	% of Total Rent	Current on Rent (1)	Subordinated Management Fees	Guaranty	Letter of Credit / Security Deposit
SNF	0.56	0.09	0.1%	X		X	X
SNF	0.85	0.41	0.1%	X		X	X
SNF/SH	0.83	0.50	0.2%			X	X
SNF	0.89	0.53	1.5%	X		X	X
SNF	0.80	0.54	0.5%	X	X	X	
SNF	0.79	0.56	0.1%	X	X		X
SNF	1.15	0.71	0.1%	X		X	X
SNF	1.04	0.73	0.2%			X	X
SNF	1.14	0.85	0.7%	X	X	X	X
SNF	1.33	0.87	0.1%	X	X	X	X
SNF	1.37	0.89	0.1%	X		X	X
SNF	1.37	0.90	0.2%	X	X	X	X
SNF/ALF	1.21	0.90	0.4%	X		X	X
SNF	1.08	0.92	0.3%	X	X	X	X
SNF	1.22	0.92	3.1%	X		X	X
			<b>7.6%</b>				

(1) Rent is current if < 30 days outstanding; measured on 4/12/16

## Portfolio: Investment Activity—Last Five Years



(\$ in Thousands)	Closing Date	Investment Amount	State(s)	Facility Types								Totals		
				SNF	Beds	ALF	Beds	Rehab	Beds	ILU	Units	Facilities	Beds	
<b>2012</b>														
Acquisition	6/29/2012	\$ 21,670	IN	4	383	-	-	-	-	-	-	-	4	383
Acquisition	6/29/2012	3,400	IN	1	80	-	-	-	-	-	-	-	1	80
Acquisition	8/31/2012	205,818	IN	17	2,340	4	293	-	-	6	259	-	27	2,892
Acquisition	10/31/2012	2,650	TX	1	90	-	-	-	-	-	-	-	1	90
Acquisition	11/30/2012	20,000	MI	-	-	1	171	-	-	-	-	-	1	171
Mortgage	11/30/2012	1,500	MI	1	60	-	-	-	-	-	-	-	1	60
Acquisition	11/30/2012	60,000	AZ	3	374	1	137	-	-	-	-	-	4	511
Acquisition	11/30/2012	69,231	CA	5	566	-	-	-	-	-	-	-	5	566
Acquisition	12/31/2012	73,156	CA	5	754	-	-	-	-	-	-	-	5	754
Acquisition	12/31/2012	9,500	IN	2	185	-	-	-	-	-	-	-	2	185
Total Acq. & Mtgs.		\$ 466,925		39	4,832	6	601	-	-	6	259	-	51	5,692
Construction-in-Progress		11,968												
CAPEX Funding		29,436												
<b>2012 Total Investments</b>		<b>\$ 508,329</b>												
<b>2013</b>														
Mezz Note	5/2/2013	\$ 24,711		-	-	-	-	-	-	-	-	-	-	-
Acquisition	10/2/2013	10,032	FL	-	-	1	97	-	-	-	-	-	1	97
Acquisition	10/31/2013	22,251	IN	4	384	-	-	-	-	-	-	-	4	384
Acquisition	11/27/2013	528,675	12 States	55	5,385	1	55	-	-	-	-	-	56	5,440
Total Acq. & Mtgs.		\$ 585,669		59	5,769	2	152	-	-	-	-	-	61	5,921
Construction-in-Progress		3,378												
CAPEX Funding		31,397												
<b>2013 Total Investments</b>		<b>\$ 620,445</b>												
<b>2014</b>														
Mortgage	1/17/2014	\$ 112,500	OH, PA	7	704	2	80	-	-	-	-	-	9	784
Acquisition	1/30/2014	4,700	AZ	-	-	1	90	-	-	-	-	-	1	90
Acquisition	6/27/2014	17,300	GA, SC	2	213	-	-	-	-	-	-	-	2	213
Mortgage	6/30/2014	297,758	MI	14	1,510	-	-	-	-	-	-	-	14	1,510
Acquisition	7/1/2014	8,200	TX	1	125	-	-	-	-	-	-	-	1	125
Acquisition	7/31/2014	17,300	SC	1	132	-	-	-	-	-	-	-	1	132
Acquisition	11/20/2014	84,189	PA, AR, OR	-	-	4	371	-	-	-	-	-	4	371
Total Acq. & Mtgs.		\$ 541,947		25	2,684	7	541	-	-	-	-	-	32	3,225
Construction-in-Progress		2,049												
CAPEX Funding		17,628												
Other		3,886												
<b>2014 Total Investments</b>		<b>\$ 565,510</b>												
<b>2015</b>														
Acquisition	1/28/2015	6,300	TX	1	93	-	-	-	-	-	-	-	1	93
Acquisition	5/1/2015	177,484	UK	-	-	23	1,018	-	-	-	-	-	23	1,018
Acquisition	7/1/2015	15,000	NE	6	530	-	-	-	-	-	-	-	6	530
Acquisition	7/1/2015	10,800	GA	-	-	2	125	-	-	-	-	-	2	125
Acquisition	7/1/2015	18,000	WA	1	92	2	69	-	-	-	-	-	3	161
Acquisition	7/30/2015	28,500	VA	1	300	-	-	-	-	-	-	-	1	300
Acquisition	9/29/2015	32,000	FL	2	260	-	-	-	-	-	-	-	2	260
Acquisition	11/30/2015	5,300	TX	1	92	-	-	-	-	-	-	-	1	92
Total Acq. & Mtgs.		\$ 293,384		12	1,367	27	1,212	-	-	-	-	-	39	2,579
Construction-in-Progress		161,265												
CAPEX Funding		52,295												
<b>2015 Total Investments</b>		<b>\$ 506,944</b>												
<b>2016</b>														
Mezz Debt	1/12/2016	6,848		-	-	-	-	-	-	-	-	-	-	-
Acquisition	1/18/2016	8,270	UK	-	-	1	52	-	-	-	-	-	1	52
Acquisition	2/1/2016	170,000	MI, OH, VA	10	985	-	-	-	-	-	-	-	10	985
Mezz Debt	2/26/2016	50,000		-	-	-	-	-	-	-	-	-	-	-
Acquisition	3/1/2016	20,200	GA	-	-	2	164	-	-	-	-	-	2	164
Acquisition	3/15/2016	6,134	UK	-	-	1	33	-	-	-	-	-	1	33
Acquisition	3/1/2016	232,500	NC, VA	21	2,446	-	-	-	-	-	-	-	21	2,446
Total Acq. & Mtgs.		\$ 493,952		31	3,431	4	249	-	-	-	-	-	35	3,680
Construction-in-Progress		14,526												
CAPEX Funding		16,457												
<b>2016 Total Investments</b>		<b>\$ 524,935</b>												

# Capitalization: Capital Structure and Rates



## CAPITAL STRUCTURE

(\$ in thousands)

Financial Instrument	Secured (Y/N)	Debt Capacity 3/31/2016	Month Ending Rate	Type	Latest Maturity	Borrowed as of 3/31/2016	Weighted Avg. Rate on Borrowed	1Q 2016 Debt/Ann. EBITDA
<b>Credit Facility:</b>								
Revolver	(1) N	1,250,000,000	1.73%	V	6/27/19 (2)	530,000,000		
\$200MM Term	N	200,000,000	1.93%	V	6/27/19 (2)	200,000,000		
\$200MM Acquisition Term	N	200,000,000	1.94%	V	6/27/19 (2)	200,000,000		
\$100MM OHI LP Term	N	100,000,000	1.94%	V	6/27/19 (2)	100,000,000		
\$350MM Term	N	350,000,000	1.93%	V	1/29/21 (2)	350,000,000		
\$250MM Term	N	250,000,000	2.23%	V (3)	12/16/22	250,000,000		
Secured Loan	Y	180,000,000	4.11%	V	12/17/19	180,000,000		
\$20M Delta Sub-Notes	N	20,000,000	9.00%	F	12/21/21	20,000,000		
\$400M 5.875% Callable Notes	N	400,000,000	5.88%	F	3/15/24	400,000,000		
\$400M 4.95% Notes	N	400,000,000	4.95%	F	4/1/24	400,000,000		
\$250M 4.50% Notes	N	250,000,000	4.50%	F	1/15/25	250,000,000		
\$600M 5.25% Notes	N	600,000,000	5.25%	F	1/15/26	600,000,000		
\$700M 4.50% Notes	N	700,000,000	4.50%	F	Apr-27	700,000,000		
HUD (12 Loan Summary)	Y	55,895,374	3.06%	F	Feb-45	55,895,374		
<b>Total Debt / Wgtd. Avg. Rate</b>		<b>\$ 4,955,895,374</b>	<b>3.57%</b>			<b>\$ 4,235,895,374</b>	<b>3.77%</b>	<b>4.86 x</b>

**Common Stock:** 188,167,079 shares at \$35.30 per share 6,642,297,889  
**Operating Units:** 8,947,345 units at \$35.30 per unit: 315,841,279

Total Market Capitalization

**\$ 11,194,034,542**

Note: At March 31, 2016, Omega held approximately \$9.4MM of net cash and short-term investments

- 1) Excludes 0.25% annual Facility Fee on the full commitment 3) Forward swap to fixed eff. 12/30/2016  
 2) Latest maturity given optional extensions provided in Agreements

## DEBT MATURITIES

(\$ in thousands)

Year	Secured Debt		Unsecured Debt			Total Debt
	HUD Mortgages (1)	GE Term Loan	Line of Credit (2)(3)	Senior Notes(4)	Sub Notes (5)	
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	180,000	1,750,000	-	-	1,930,000
2020	-	-	-	-	-	-
2021	-	-	350,000	-	20,000	370,000
2022	-	-	250,000	-	-	250,000
2023	-	-	-	-	-	-
Thereafter	55,895	-	-	2,350,000	-	2,405,895
	55,895	180,000	2,350,000	2,350,000	20,000	4,955,895

- (1) Mortgages guaranteed by HUD. (4) Excludes net discounts of \$17.3 million.  
 (2) Reflected at 100% borrowing capacity. (5) Excludes \$0.6 million of fair market valuation adjustments.  
 (3) \$1.75 billion is comprised of a: \$200 million Tranche A-1 term loan, \$100 million term loan to Omega's operating partnership, \$200 million Tranche A-2 term loan and \$1.25 billion revolving credit facility (excluding a \$250 million accordion feature) assuming the exercise of existing extension rights.

## SENIOR UNSECURED CREDIT RATINGS

	CUSIP #	Rating Information		
		S&P	Moody's	Fitch
Common Stock	681936 10 0			
<b>Senior Unsecured Debt</b>				
\$400M, 5.875% 2024 Notes	681936 AZ 3	BBB-	Baa3	BBB-
\$400M, 4.95% 2024 Notes	681936 BB 5	BBB-	Baa3	BBB-
\$250M, 4.50% 2025 Notes	681936 BD 1	BBB-	Baa3	BBB-
\$600M, 5.25% 2026 Notes	681936 BG 4	BBB-	Baa3	BBB-
\$700M, 4.50% 2027 Notes	681936 BE 9	BBB-	Baa3	BBB-
Corporate Rating.....		BBB-		
Outlook.....		Stable	Stable	Stable
Analyst(s).....		Michael Souers (212) 438-2508	Lori Marks (212) 553-1098	Britton O. Costa (212) 908-0524



**SELECTED CREDIT FACILITY COVENANTS <sup>(1)</sup>**

		Consolidated				
		Leverage Ratio	Secured Leverage Ratio	Unsecured Leverage Ratio	Fixed Charge Cov. Ratio	Unsecured Interest Cov. Ratio
6/30/15	Req.	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1
	Actual	42%	3%	39%	4.2	4.7
	Status	Pass	Pass	Pass	Pass	Pass
9/30/15	Req.	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1
	Actual	50%	3%	50%	4.5	4.6
	Status	Pass	Pass	Pass	Pass	Pass
12/31/15	Req.	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1
	Actual	41%	3%	41%	4.8	4.6
	Status	Pass	Pass	Pass	Pass	Pass
3/31/16	Req.	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1
	Actual	46%	3%	46%	5.2	4.9
	Status	Pass	Pass	Pass	Pass	Pass

**SELECTED UNSECURED NOTE COVENANTS <sup>(1)</sup>**

		Debt / Adj. Total Assets	Unencumbered Assets / Unsecured Debt	Secured Debt / Adj. Total Assets
6/30/15	Req.	<= 60%	>= 150%	<= 40%
	Actual	44%	241%	2%
	Status	Pass	Pass	Pass
9/30/15	Req.	<= 60%	>= 150%	<= 40%
	Actual	45%	204%	2%
	Status	Pass	Pass	Pass
12/31/15	Req.	<= 60%	>= 150%	<= 40%
	Actual	45%	204%	2%
	Status	Pass	Pass	Pass
3/31/16	Req.	<= 60%	>= 150%	<= 40%
	Actual	48%	204%	2%
	Status	Pass	Pass	Pass

(1) Covenants are based on terms as defined in the Company's Credit Agreement and Senior Note Indentures

**SELECTED CREDIT STATISTICS**

	2016	2015YE	2014YE	2013YE	2012YE	2011YE
	1Q					
Total Net Funded Debt / Adjusted PF EBITDA <sup>1</sup>	4.9	4.5	4.6	4.4	4.7	4.8
Secured Debt / Adjusted EBITDA <sup>1</sup>	0.3	0.3	0.5	0.6	0.9	0.9
Fixed Charge Coverage	5.0	4.9	4.1	4.0	3.5	3.3
Balance Sheet Cash (\$ 000)	9,407	5,424	4,489	2,616	1,711	351

1) EBITDA is adjusted for non-cash and one-time items, and for leverage ratios includes proforma revenue for investments made in quarter/year; Total Net Funded Debt excludes outstanding L/C's, if any, premium on bonds, fair market valuations & FIN46 consolidations and net of cash & cash equivalents. EBITDA for "Qtr. Ending" periods are annualized.

NOTE: See the Non-GAAP reconciliations provided at the end of this supplement and on our website at [www.omegahealthcare.com](http://www.omegahealthcare.com) under "Financial Information" then "Non-GAAP Financial Measures."

**EQUITY ISSUANCE SUMMARY**

<b>ESP/ATM Program</b>							<b>2016</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
<b>Number of Shares (000s)</b>	6,865	1,419	3,398	6,504	1,848	-	-	-	-	-	-
<b>Average Price per Share</b>	\$ 20.74	\$ 22.61	\$ 23.47	\$ 30.48	\$ 34.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Gross Proceeds (000s)</b>	\$ 142,413	\$ 32,094	\$ 79,749	\$ 198,220	\$ 63,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>DRSPP and Waiver Program</b>							<b>2016</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
<b>Number of Shares (000s)</b>	2,961	2,853	5,062	1,930	2,083	4,184	660	-	-	-	660
<b>Average Price per Share</b>	\$ 20.45	\$ 20.78	\$ 22.11	\$ 28.94	\$ 34.32	\$ 36.06	\$ 29.84	\$ -	\$ -	\$ -	\$ 29.84
<b>Gross Proceeds (000s)</b>	\$ 60,539	\$ 59,269	\$ 111,941	\$ 55,872	\$ 71,502	\$ 150,871	\$ 19,691	\$ -	\$ -	\$ -	\$ 19,691
<b>Secondary</b>							<b>2016</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
<b>Number of Shares (000s)</b>	-	-	-	2,875	-	10,925	-	-	-	-	-
<b>Average Price per Share</b>	\$ -	\$ -	\$ -	\$ 29.48	\$ -	\$ 42.00	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Gross Proceeds (000s)</b>	\$ -	\$ -	\$ -	\$ 84,755	\$ -	\$ 458,850	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Totals</b>							<b>2016</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>YTD</b>
<b>Number of Shares (000s)</b>	9,826	4,272	8,460	11,309	3,932	15,109	660	-	-	-	660
<b>Average Price per Share</b>	\$ 20.65	\$ 21.39	\$ 22.66	\$ 29.96	\$ 34.32	\$ 40.36	\$ 29.84	\$ -	\$ -	\$ -	\$ 29.84
<b>Gross Proceeds (000s)</b>	\$ 202,952	\$ 91,363	\$ 191,690	\$ 338,847	\$ 134,954	\$ 609,721	\$ 19,691	\$ -	\$ -	\$ -	\$ 19,691

Percentages of total debt to book capitalization, adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at March 31, 2016 were 50.4%, 51.1% and 37.2%, respectively. Adjusted total debt is total debt plus the discount or less the premium derived from the sale of unsecured borrowings and fair market value adjustment of assumed debt. Book capitalization is defined as total debt plus stockholders' equity. Adjusted book capitalization is defined as adjusted total debt plus stockholders' equity. Adjusted total debt, adjusted book capitalization and related ratios are non-GAAP financial measures. Total market capitalization is the total market value of our securities as of March 31, 2016 plus adjusted total debt.

**Unaudited**  
(In thousands)

	<b>At March 31, 2016</b>
Revolving line of credit.....	\$ 530,000
Term loans.....	1,100,000
Secured borrowings.....	235,895
Unsecured borrowings.....	2,370,000
FMV adjustment of assumption of debt .....	581
Premium/(discount) unsecured borrowings (net).....	(17,284)
Total debt.....	\$ 4,219,192
Deduct debt borrowed to fund UK acquisitions (1).....	(121,027)
Deduct FMV adjustment of assumption of debt .....	(581)
Add back discount (deduct premium) on unsecured borrowings (net).....	17,284
Adjusted total debt.....	\$ 4,114,868
 <b>BOOK CAPITALIZATION.....</b>	
Total debt.....	\$ 4,219,192
Omega Stockholders' equity.....	3,693,035
Noncontrolling interest .....	359,498
Book capitalization.....	\$ 8,271,725
Deduct debt borrowed to fund UK acquisitions (1).....	(121,027)
Deduct FMV adjustment of assumption of debt .....	(581)
Add back discount (deduct premium) on unsecured borrowings (net).....	17,284
Adjusted book capitalization.....	\$ 8,167,401
 <b>MARKET CAPITALIZATION.....</b>	
Omega common shares and OP units outstanding at 3/31/2016.....	197,114
Market price of common stock at 3/31/2016.....	\$ 35.30
Market capitalization of common stock at 3/31/2016.....	6,958,124
Market capitalization of publicly traded securities.....	6,958,124
Add adjusted total debt.....	4,114,868
Total market capitalization.....	\$ 11,072,992
<b>Total debt / book capitalization.....</b>	<b>51.0%</b>
<b>Adjusted total debt / adjusted book capitalization.....</b>	<b>50.4%</b>
<b>Adjusted total debt / total market capitalization.....</b>	<b>37.2%</b>

(1) On March 31, 2016, we borrowed \$121 million to prefund the UK acquisition of 10 facilities that closed on April 1, 2016. This amount was recorded in Other assets on the Consolidated Balance Sheets at March 31, 2016.

# Financial Performance: Historical AFFO, FAD and Dividends



Year	Quarter Ended	Ending Share Price	Div. * Yield	Quarterly				Omega AFFO Guidance <sup>1</sup>	Annually					
				AFFO/Share	Dividend	Payout Ratio	FAD/Share		FAD Payout Ratio	AFFO/Share	% Change	FAD/Share	% Change	Annual Dividend
2003	3/31/2003	\$2.30	n/a	\$ 0.24	\$ -			n/a						
	6/30/2003	\$5.25	n/a	0.21	-									
	9/30/2003	\$7.68	n/a	0.20	0.15	74.7%								
	12/31/2003	\$9.33	6.4%	0.20	0.17	83.2%			\$0.85				\$0.64	
2004	3/31/2004	\$10.87	6.3%	\$ 0.23	\$ 0.18	77.2%		\$0.92 - \$0.94						
	6/30/2004	\$10.04	7.2%	0.23	0.18	77.8%								
	9/30/2004	\$10.76	6.7%	0.24	0.19	80.0%	\$0.23		84.0%					
	12/31/2004	\$11.80	6.4%	0.25	0.20	79.6%	0.24		83.3%	\$0.95	11.7%	\$0.47	\$0.75	17.2%
2005	3/31/2005	\$10.98	7.3%	\$ 0.27	\$ 0.21	78.8%	\$0.25	83.0%	\$1.05 - \$1.07					
	6/30/2005	\$12.86	6.5%	0.28	0.22	79.6%	0.27	82.7%						
	9/30/2005	\$13.92	6.3%	0.29	0.22	77.0%	0.27	80.9%						
	12/31/2005	\$12.59	7.0%	0.28	0.23	81.7%	0.27	86.0%		\$1.11	17.0%	\$1.06	\$0.88	17.3%
2006	3/31/2006	\$14.02	6.6%	\$ 0.30	\$ 0.23	77.4%	\$0.28	81.7%	\$1.13 - \$1.17					
	6/30/2006	\$13.22	7.0%	0.30	0.24	79.1%	0.29	83.9%						
	9/30/2006	\$15.01	6.4%	0.32	0.25	78.5%	0.30	84.3%						
	12/31/2006	\$17.72	5.6%	0.32	0.26	80.4%	0.31	82.8%		\$1.24	11.2%	\$1.18	11.3%	\$0.98
2007	3/31/2007	\$17.15	6.1%	\$ 0.34	\$ 0.27	80.0%	\$0.31	86.0%	\$1.32 - \$1.36					
	6/30/2007	\$15.83	6.8%	0.34	0.27	80.2%	0.32	85.2%						
	9/30/2007	\$15.53	7.0%	0.35	0.28	80.0%	0.33	84.2%						
	12/31/2007	\$16.05	7.0%	0.35	0.29	82.0%	0.34	84.9%		\$1.38	11.1%	\$1.31	10.8%	\$1.11
2008	3/31/2008	\$17.36	6.7%	\$ 0.36	\$ 0.30	82.4%	\$0.36	82.3%	\$1.41 - \$1.43					
	6/30/2008	\$16.65	7.2%	0.38	0.30	78.6%	0.37	80.2%						
	9/30/2008	\$19.66	6.1%	0.34	0.30	88.6%	0.31	96.5%						
	12/31/2008	\$15.97	7.5%	0.37	0.30	81.1%	0.34	88.3%		\$1.45	5.6%	\$1.39	6.4%	\$1.20
2009	3/31/2009	\$14.08	8.5%	\$ 0.37	\$ 0.30	81.1%	\$0.36	84.1%	\$1.47 - \$1.50					
	6/30/2009	\$15.52	7.7%	0.37	0.30	81.1%	0.36	83.7%						
	9/30/2009	\$16.02	7.5%	0.37	0.30	81.1%	0.35	84.6%						
	12/31/2009	\$19.45	6.2%	0.36	0.32	88.9%	0.34	94.0%		\$1.47	1.1%	\$1.41	1.5%	\$1.22
2010	3/31/2010	\$19.49	6.6%	\$ 0.38	\$ 0.32	84.2%	\$0.37	86.0%	\$1.60 - \$1.68					
	6/30/2010	\$19.93	6.4%	0.37	0.36	97.3%	0.40	91.0%						
	9/30/2010	\$22.45	6.4%	0.45	0.37	81.7%	0.42	87.8%						
	12/31/2010	\$22.44	6.6%	0.46	0.37	80.4%	0.41	90.9%		\$1.66	13.1%	\$1.60	13.2%	\$1.42
2011	3/31/2011	\$22.34	6.6%	\$ 0.44	\$ 0.38	86.4%	\$0.40	94.9%	\$1.80 - \$1.86					
	6/30/2011	\$21.01	7.2%	0.47	0.40	84.2%	0.43	92.1%						
	9/30/2011	\$15.93	10.0%	0.48	0.40	83.3%	0.44	91.2%						
	12/31/2011	\$19.35	8.3%	0.50	0.41	82.0%	0.46	90.1%		\$1.91	15.1%	\$1.73	8.3%	\$1.59
2012	3/31/2012	\$21.26	7.7%	\$ 0.55	\$ 0.42	76.8%	\$0.47	88.6%	\$2.06 - \$2.12					
	6/30/2012	\$22.50	7.5%	0.53	0.42	80.0%	0.45	92.6%						
	9/30/2012	\$22.73	7.4%	0.54	0.44	82.2%	0.47	93.6%						
	12/31/2012	\$23.85	7.4%	0.58	0.45	77.9%	0.52	86.3%		\$2.19	14.1%	\$1.92	11.0%	\$1.73
2013	3/31/2013	\$30.36	5.9%	\$ 0.63	\$ 0.46	72.8%	\$0.57	80.1%	\$2.45 - \$2.50					
	6/30/2013	\$31.02	5.9%	0.62	0.47	75.5%	0.56	83.7%						
	9/30/2013	\$29.87	6.3%	0.63	0.48	76.8%	0.57	84.2%						
	12/31/2013	\$29.80	6.4%	0.65	0.49	75.7%	0.59	83.6%		\$2.53	15.6%	\$2.29	19.4%	\$1.90
2014	3/31/2014	\$33.52	5.8%	\$ 0.71	\$ 0.50	70.3%	\$0.65	76.9%	\$2.69 - \$2.72					
	6/30/2014	\$36.86	5.4%	0.69	0.51	74.4%	0.63	81.5%						
	9/30/2014	\$34.19	6.0%	0.73	0.52	71.0%	0.67	77.7%						
	12/31/2014	\$39.07	5.3%	0.72	0.53	73.3%	0.66	80.0%		\$2.85	12.9%	\$ 2.61	13.8%	\$2.06
2015	3/31/2015	\$40.57	5.2%	\$ 0.71	\$ 0.54	76.2%	0.65	83.2%	\$2.98 - \$3.04					
	6/30/2015	\$36.86	5.9%	0.77	0.55	71.5%	0.70	78.6%						
	9/30/2015	\$35.15	6.3%	0.79	0.56	70.8%	0.72	77.8%						
	12/31/2015	\$34.98	6.4%	0.81	0.57	70.7%	0.72	78.8%		\$3.08	7.8%	\$ 2.79	7.1%	\$2.22
2016	3/31/2016	\$35.30	6.5%	\$ 0.83	\$ 0.58	69.6%	0.75	77.5%	\$3.25 - \$3.30					

1. Except for 2015, guidance provided at the beginning of each fiscal year

\* Based on the annualized dividend announced the previous quarter

No. of consecutive quarterly dividends paid since 2003:	51
No. of quarterly dividend increases since 2003:	37
No. of consecutive quarterly dividend increases:	15

**2016 Guidance: AFFO: \$3.25—\$3.30 FAD: \$2.95—\$3.00**

NOTE: See the Non-GAAP reconciliations provided at the end of this supplement and on our website at [www.omegahealthcare.com](http://www.omegahealthcare.com) under "Financial Information" then "Non-GAAP Financial Measures."

Omega expects its 2016 annual FAD available to common stockholders to be between \$2.95 and \$3.00 per diluted share and its 2016 annual AFFO available to common stockholders to be between \$3.25 and \$3.30 per diluted share. The table below outlines Omega’s 2016 guidance for both FAD and AFFO available to common stockholders:

**2016 AFFO and FAD Guidance and Reconciliation**

2016 Quarterly Adjusted FFO <sup>(1)(2)</sup> and FAD Guidance Range (per diluted common share)	
	Full Year
Net Income	\$1.76 - \$1.81
Depreciation	1.33
Gain on Assets Sold	(0.12)
Real estate impairments	0.17
FFO	\$3.14 - \$3.19
Adjustments:	
Transaction costs	0.02
Provision for uncollectible accounts	0.03
Stock-based compensation expense	0.07
AFFO	\$3.25 - \$3.30
Non-cash interest expense	0.04
Capitalized Interest	(0.03)
Non-cash revenue	(0.31)
FAD	\$2.95 - \$3.00

Note: All per share numbers rounded to 2 decimals.

- 1) The Company's FAD and Adjusted FFO guidance for 2016 includes approximately \$745 million of combined new investments (including the \$220 million of new investments complete in Q2 2016) and planned capital renovation projects; however, it excludes the impact of gains and losses from the sale of assets, certain revenue and expense items, interest refinancing expense, capital transactions, acquisition and merger related costs, provisions for uncollectable receivables and stock-based compensation expense. A reconciliation of the FAD and Adjusted FFO guidance to the Company's projected GAAP earnings is provided on schedules attached to this press release. The Company may, from time to time, update its publicly announced FAD and Adjusted FFO guidance, but it is not obligated to do so. The Company's FAD and Adjusted FFO guidance is based on a number of assumptions, which are subject to change and many of which are outside the Company's control. If actual results vary from these assumptions, the Company's expectations may change. Without limiting the generality of the foregoing, the timing and completion of acquisitions, divestitures, capital and financing transactions, and variations in restricted stock amortization expense may cause actual results to vary materially from our current expectations. There can be no assurance that the Company will achieve its projected results.
- 2) Based on approximately 200 million fully diluted weighted average common shares outstanding.

(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2016	2015
<b>Revenue</b>		
Rental income .....	\$176,703	\$100,964
Income from direct financing leases.....	15,442	14,346
Mortgage interest income.....	16,606	16,579
Other investment income – net.....	4,128	1,531
Total operating revenues.....	<u>212,879</u>	<u>133,420</u>
<b>Expenses</b>		
Depreciation and amortization .....	62,433	30,610
General and administrative.....	7,677	4,404
Stock-based compensation .....	2,778	1,610
Acquisition and merger related costs.....	3,771	4,868
Impairment loss on real estate properties.....	34,558	5,982
Provisions for uncollectible mortgages, notes and accounts receivable.....	5,124	(2)
Total operating expenses.....	<u>116,341</u>	<u>47,472</u>
<b>Income before other income and expense.....</b>	<b>96,538</b>	<b>85,948</b>
<b>Other income (expense)</b>		
Interest income.....	8	193
Interest expense .....	(37,222)	(32,359)
Interest – amortization of deferred financing costs .....	(2,132)	(1,353)
Interest – refinancing costs .....	(298)	(9,377)
Realized loss on foreign exchange .....	(22)	-
Total other expense .....	<u>(39,666)</u>	<u>(42,896)</u>
<b>Income before gain on assets sold .....</b>	<b>56,872</b>	<b>43,052</b>
Gain on assets sold – net .....	1,571	-
<b>Income from continuing operations before income taxes.....</b>	<b>58,443</b>	<b>43,052</b>
Income taxes .....	(247)	-
<b>Net income .....</b>	<b>58,196</b>	<b>43,052</b>
<b>Net income attributable to noncontrolling interest</b>	<u>(2,641)</u>	<u>-</u>
<b>Net income available to common stockholders.....</b>	<b><u>\$ 55,555</u></b>	<b><u>\$ 43,052</u></b>
<b>Income per common share available to common stockholders:</b>		
<b>Basic:</b>		
Net income available to common stockholders.....	<u>\$ 0.30</u>	<u>\$ 0.32</u>
<b>Diluted:</b>		
Net income.....	<u>\$ 0.29</u>	<u>\$ 0.32</u>
Dividends declared and paid per common share .....	<u>\$ 0.57</u>	<u>\$ 0.53</u>
Weighted-average shares outstanding, basic.....	<u>188,228</u>	<u>134,346</u>
Weighted-average shares outstanding, diluted .....	<u>198,350</u>	<u>134,806</u>

Unaudited (in thousands)

	March 31, 2016	December 31, 2015
	(Unaudited)	
<b>ASSETS</b>		
Real estate properties		
Land and buildings .....	\$ 7,088,960	\$ 6,743,958
Less accumulated depreciation .....	(1,067,023)	(1,019,150)
Real estate properties – net .....	6,021,937	5,724,808
Investments in direct financing leases – net .....	590,622	587,701
Mortgage notes receivable .....	660,569	679,795
	7,273,128	6,992,304
Other investments .....	203,832	89,299
	7,476,960	7,081,603
Assets held for sale – net .....	73,589	6,599
Total investments .....	7,550,549	7,088,202
Cash and cash equivalents .....	9,407	5,424
Restricted cash .....	12,327	14,607
Accounts receivable – net .....	208,269	203,862
Goodwill .....	645,568	645,683
Other assets .....	189,332	61,231
Total assets .....	\$ 8,615,452	\$ 8,019,009
<b>LIABILITIES AND EQUITY</b>		
Revolving line of credit .....	\$ 530,000	\$ 230,000
Term loans .....	1,100,000	750,000
Secured borrowings – net .....	235,895	236,204
Unsecured borrowings – net .....	2,353,297	2,352,882
Accrued expenses and other liabilities .....	328,932	333,706
Deferred income taxes .....	14,795	15,352
Total liabilities .....	4,562,919	3,918,144
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 188,167 shares as of March 31, 2016 and 187,399 as of December 31, 2015 .....	18,817	18,740
Common stock – additional paid-in capital .....	4,629,423	4,609,474
Cumulative net earnings .....	1,428,077	1,372,522
Cumulative dividends paid .....	(2,361,580)	(2,254,038)
Accumulated other comprehensive loss .....	(21,702)	(8,712)
Total stockholders' equity .....	3,693,035	3,737,986
Noncontrolling interest .....	359,498	362,879
Total equity .....	4,052,533	4,100,865
Total liabilities and equity .....	\$ 8,615,452	\$ 8,019,009

Unaudited (in thousands)

	Three Months Ended March 31,	
	2016	2015
<b>Cash flows from operating activities</b>		
Net income .....	\$ 58,196	\$ 43,052
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization .....	62,433	30,610
Provision for impairment on real estate properties .....	34,558	5,982
Provision for uncollectible mortgages, notes and accounts receivable .....	5,124	(2)
Amortization of deferred financing costs and refinancing costs .....	2,430	10,730
Accretion of direct financing leases .....	(2,921)	(2,614)
Stock-based compensation .....	2,778	1,610
Gain on assets sold – net.....	(1,571)	—
Amortization of acquired in-place leases - net .....	(4,300)	(1,192)
Change in operating assets and liabilities – net of amounts assumed/acquired:		
Accounts receivable, net.....	560	(196)
Straight-line rent receivables .....	(9,947)	(5,275)
Lease inducements.....	647	(2,110)
Effective yield receivable on mortgage notes .....	(819)	(1,120)
Other operating assets and liabilities .....	(19,989)	23,819
Net cash provided by operating activities .....	127,179	103,294
<b>Cash flows from investing activities</b>		
Acquisition of real estate – net of liabilities assumed and escrows acquired .....	(416,104)	(6,300)
Investment in construction in progress .....	(16,316)	(5,851)
Deposit to acquire real estate.....	(113,816)	—
Placement of mortgage loans.....	(6,162)	(2,002)
Proceeds from sale of real estate investments .....	2,392	255
Capital improvements to real estate investments .....	(9,544)	(5,604)
Proceeds from other investments .....	1,461	2,155
Investments in other investments .....	(116,003)	(1,468)
Collection of mortgage principal .....	312	288
Net cash used in investing activities.....	(673,780)	(18,527)
<b>Cash flows from financing activities</b>		
Proceeds from credit facility borrowings .....	670,000	6,000
Payments on credit facility borrowings .....	(370,000)	(91,000)
Receipts of other long-term borrowings .....	350,000	689,822
Payments of other long-term borrowings .....	(309)	(347,883)
Payments of financing related costs .....	(3,576)	(21,318)
Receipts from dividend reinvestment plan .....	19,596	5,414
Payments for exercised options and restricted stock - net .....	(2,381)	(1,906)
Net proceeds from issuance of common stock .....	—	440,019
Dividends paid .....	(107,500)	(68,261)
Redemption of OP Units.....	(10)	—
Distributions to OP Unit Holders .....	(5,131)	—
Net cash provided by financing activities .....	550,689	610,887
Increase in cash and cash equivalents .....	4,088	695,654
Effect of foreign currency translation on cash and cash equivalents.....	(105)	—
Cash and cash equivalents at beginning of period .....	5,424	4,489
Cash and cash equivalents at end of period.....	\$ 9,407	\$ 700,143
Interest paid during the period, net of amounts capitalized.....	\$ 33,157	\$ 25,829



**FFO, Adjusted FFO and FAD  
(unaudited)**

(in thousands, except per share data)

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>Net income</b> .....	\$ 58,196	\$ 43,052
Deduct gain from real estate dispositions .....	(1,571)	—
Sub – total .....	56,625	43,052
Elimination of non-cash items included in net income:		
Depreciation and amortization .....	62,433	30,610
Add back non-cash provision for impairments on real estate properties .....	34,558	5,982
<b>Funds from operations</b> .....	<b>\$ 153,616</b>	<b>\$ 79,644</b>
Weighted-average common shares outstanding, basic .....	188,228	134,346
Restricted stock and PRSUs .....	1,175	460
Operating Partnership Units .....	8,947	—
Weighted-average common shares outstanding, diluted .....	198,350	134,806
<b>Funds from operations available per share</b> .....	<b>\$ 0.77</b>	<b>\$ 0.59</b>
<b>Adjustments to calculate adjusted funds from operations:</b>		
Funds from operations available to common stockholders .....	\$ 153,616	\$ 79,644
Deduct one-time cash revenue .....	(235)	—
Add back (deduct) non-cash provision for uncollectible mortgages, notes and accounts receivable .....	5,124	(2)
Add back interest refinancing expense .....	298	9,377
Add back acquisition and merger related costs .....	3,771	4,868
Add back non-cash stock-based compensation expense .....	2,778	1,610
<b>Adjusted funds from operations</b> .....	<b>\$ 165,352</b>	<b>\$ 95,497</b>
<b>Adjustments to calculate funds available for distribution:</b>		
Non-cash interest expense .....	2,100	1,420
Capitalized interest .....	(1,720)	(20)
Non-cash revenues .....	(17,209)	(9,387)
<b>Funds available for distribution</b> .....	<b>\$ 148,523</b>	<b>\$ 87,510</b>

See definitions of FFO, Adjusted FFO and FAD on the following page.

Funds From Operations (“FFO”), Adjusted FFO and Adjusted Funds Available for Distribution (“FAD”) are non-GAAP financial measures. For purposes of the Securities and Exchange Commission’s Regulation G, a non-GAAP financial measure is a numerical measure of a company’s historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable financial measure calculated and presented in accordance with GAAP in the statement of operations, balance sheet or statement of cash flows (or equivalent statements) of the company, or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable financial measure so calculated and presented. As used in this supplement, GAAP refers to generally accepted accounting principles in the United States of America. Pursuant to the requirements of Regulation G, the Company has provided reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

The Company calculates and reports FFO in accordance with the definition and interpretive guidelines issued by the National Association of Real Estate Investment Trusts (“NAREIT”), and consequently, FFO is defined as net income available to common stockholders, adjusted for the effects of asset dispositions and certain non-cash items, primarily depreciation and amortization and impairments on real estate assets. The Company believes that FFO, Adjusted FFO and FAD are important supplemental measures of its operating performance. Because the historical cost accounting convention used for real estate assets requires depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time, while real estate values instead have historically risen or fallen with market conditions. The term FFO was designed by the real estate industry to address this issue. FFO described herein is not necessarily comparable to FFO of other real estate investment trusts, or REITs, that do not use the same definition or implementation guidelines or interpret the standards differently from the Company.

The Company uses FFO, Adjusted FFO and FAD among the criteria to measure the operating performance of its business. The Company further believes that by excluding the effect of depreciation, amortization, impairments on real estate assets and gains or losses from sales of real estate, all of which are based on historical costs and which may be of limited relevance in evaluating current performance, FFO can facilitate comparisons of operating performance between periods and between other REITs. The Company offers these measures to assist the users of its financial statements in analyzing its operating performance and not as measures of liquidity or cash flow. FFO, Adjusted FFO and FAD are not measures of financial performance under GAAP and should not be considered as measures of liquidity, alternatives to net income or indicators of any other performance measure determined in accordance with GAAP. Investors and potential investors in the Company’s securities should not rely on this measure as a substitute for any GAAP measure, including net income.

Adjusted FFO is calculated as FFO available to common stockholders excluding the impact of non-cash stock-based compensation and certain revenue and expense items identified above. FAD is calculated as Adjusted FFO less non-cash interest expense and non-cash revenue, such as straight-line rent. The Company believes these measures provide an enhanced measure of the operating performance of the Company’s core portfolio as a REIT. FAD is calculated as Adjusted FFO less non-cash interest expense and non-cash revenue, such as straight-line rent. The Company’s computation of adjusted FFO and FAD are not comparable to the NAREIT definition of FFO or to similar measures reported by other REITs, but the Company believes that they are appropriate measures for this Company.

For information regarding Adjusted Total Debt and Adjusted Book Capitalization, see the “Capitalization: Book and Market Capitalization with Ratios” section of this supplement.

**EBITDA Reconciliation and Debt Coverage Ratio Calculation**

**Unaudited**

(in thousands)

Our ratios of Funded Debt to annualized EBITDA, Funded Debt to adjusted annualized EBITDA and Funded Debt to adjusted pro forma annualized EBITDA as of March 31, 2016 were 6.4x, 5.0x and 4.9x, respectively. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA eliminates items such as acquisition and merger related costs and stock-based compensation expense and adds back certain non-cash expenses, if any, to EBITDA. Adjusted pro forma EBITDA adds to adjusted EBITDA the incremental EBITDA from new investments made during the 1st quarter assuming an January 1 purchase date. EBITDA, adjusted EBITDA, adjusted pro forma EBITDA and related ratios are non-GAAP financial measures. Annualized EBITDA, adjusted annualized EBITDA and adjusted pro forma annualized EBITDA assume the current quarter results multiplied by four, and are not projections of future performance. Below is the reconciliation of EBITDA and adjusted EBITDA to net income.

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
Net income.....	\$ 58,196	\$ 43,052
Depreciation and amortization.....	62,433	30,610
Interest.....	39,652	43,089
Income Taxes.....	247	-
<b>EBITDA.....</b>	<b>\$ 160,528</b>	<b>\$ 116,751</b>
Deduct gain on assets sold - net .....	(1,571)	-
Add back non-cash provision for impairments on real estate properties.....	34,558	5,982
Add back non-cash provision for uncollectible mortgages, notes and accounts receivable.....	5,124	(2)
Add back acquisition and merger related costs.....	3,771	4,868
Add back stock-based compensation expense.....	2,778	1,610
<b>Adjusted EBITDA.....</b>	<b>\$ 205,188</b>	<b>\$ 129,209</b>
Add incremental proforma EBITDA from new investments in 1st Quarter .....	6,189	151
<b>Adjusted proforma EBITDA.....</b>	<b>\$ 211,377</b>	<b>\$ 129,360</b>
<b>DEBT</b>		
Revolving line of credit.....	\$ 530,000	\$ -
Term loan.....	1,100,000	200,000
Secured borrowings .....	235,895	89,998
Unsecured borrowings.....	2,370,000	2,345,000
FMV adjustment of assumption of debt .....	581	4,433
Premium/(discount) on unsecured borrowings (net).....	(17,284)	(12,055)
<b>Total debt.....</b>	<b>\$ 4,219,192</b>	<b>\$ 2,627,376</b>
Deduct balance sheet cash and cash equivalents.....	(9,407)	(700,143)
<b>Net total debt.....</b>	<b>\$ 4,209,785</b>	<b>\$ 1,927,233</b>
Deduct debt borrowed to fund UK acquisitions (1).....	(121,027)	-
Deduct FMV adjustment of assumption of debt .....	(581)	(4,433)
Add back discount (deduct premium) on unsecured borrowings (net).....	17,284	12,055
<b>Adjusted total debt (aka Funded Debt)</b>	<b>\$ 4,105,461</b>	<b>\$ 1,934,855</b>
<b>Funded Debt / annualized EBITDA ratio.....</b>	<b>6.4 x</b>	<b>4.1 x</b>
<b>Funded Debt / adjusted annualized EBITDA ratio.....</b>	<b>5.0 x</b>	<b>3.7 x</b>
<b>Funded Debt / adjusted pro forma annualized EBITDA ratio.....</b>	<b>4.9 x</b>	<b>3.7 x</b>

(1) On March 31, 2016, we borrowed \$121 million to prefund the UK acquisition of 10 facilities that closed on April 1, 2016. This amount was recorded in Other assets on the Consolidated Balance Sheets at March 31, 2016.

**EBITDA Reconciliation and Fixed Charge and Interest Coverage Ratio Calculation**

**Unaudited**

(in thousands)

Our EBITDA to total interest expense ratio, adjusted EBITDA to total interest expense ratio and adjusted EBITDA to fixed charges as of March 31, 2016 were 4.0x, 5.2x and 5.0x, respectively. Fixed charge coverage is the ratio determined by dividing EBITDA by our fixed charges. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA eliminates items such as acquisition and merger related costs and stock-based compensation expense and adds back certain non-cash expenses, if any, to EBITDA.

Fixed charges consist of interest expense, amortization of other non-cash interest charges, amortization of deferred financing costs and refinancing costs. EBITDA, adjusted EBITDA and interest expense ratio are non-GAAP measures. Below is the reconciliation of EBITDA to net income.

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
Net income.....	\$ 58,196	\$ 43,052
Depreciation and amortization.....	62,433	30,610
Interest.....	39,652	43,089
Income Taxes.....	247	-
EBITDA.....	<u>\$ 160,528</u>	<u>\$ 116,751</u>
Deduct gain on assets sold - net.....	(1,571)	-
Add back non-cash provision for impairments on real estate properties.....	34,558	5,982
Add back non-cash provision for uncollectible mortgages, notes and accounts receivable.....	5,124	(2)
Add back acquisition and merger related costs.....	3,771	4,868
Add back stock-based compensation expense.....	2,778	1,610
Adjusted EBITDA.....	<u>\$ 205,188</u>	<u>\$ 129,209</u>
<b>FIXED CHARGES</b>		
Interest expense.....	\$ 37,222	\$ 32,292
Amortization mortgage insurance premium.....	-	304
Amortization HUD fair market value adjustment.....	-	(237)
Amortization of non-cash deferred financing charges.....	2,132	1,353
Refinancing costs.....	298	9,377
Total interest expense.....	<u>39,652</u>	<u>43,089</u>
Add: capitalized interest.....	1,720	-
Less: refinancing charges.....	(298)	(9,377)
Total fixed charges.....	<u>\$ 41,074</u>	<u>\$ 33,712</u>
<b>EBITDA / Total interest expense ratio.....</b>	<u><b>4.0 x</b></u>	<u><b>2.7 x</b></u>
<b>Adjusted EBITDA / Total interest expense ratio.....</b>	<u><b>5.2 x</b></u>	<u><b>3.0 x</b></u>
<b>Adjusted EBITDA / Fixed charge coverage ratio.....</b>	<u><b>5.0 x</b></u>	<u><b>3.8 x</b></u>