

Supplemental Information

Q2 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 June 30, 2016, the Company's portfolio of investments included 973 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 (35 facilities), and operated by 84 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 outstanding operators that provide the most favorable risk/reward ratio to our investors.

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

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Stock Symbol: OHI **Shares & Units Outstanding June 30, 2016:** 199,361,755
Exchange: NYSE **CUSIP Number:** 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 June 30, 2016, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

INVESTMENT SUMMARY

(\$ in thousands)

As of June 30, 2016

Balance Sheet Data	Total No. of Properties ⁽²⁾	Investment	% of Investment	Total No. of Operating Properties	No. of Operating Beds	
	Real Property ⁽¹⁾	856	\$ 7,307,251	86%	866	86,035
Direct Financing Leases	58	593,646	7%	57	5,695	
Loans Receivable	50	625,134	7%	50	5,225	
Total Investments	964	\$ 8,526,031	100%	973	96,955	

Investment Data	Total No. of Properties ⁽²⁾	Investment	% of Investment	Total No. of Operating Properties	No. of Operating Beds	Investment Per Bed
	Skilled Nursing/Transitional Care ⁽¹⁾	855	\$ 7,273,454	85%	857	89,580
Senior Housing ⁽³⁾	109	1,252,577	15%	116	7,375	170
	964	\$ 8,526,031	100%	973	96,955	\$88

(1) Total investment includes a \$19.2 million lease inducement and excludes \$52.5 million of properties classified as assets held for sale.

(2) Total No. of Properties excludes properties classified as assets held for sale.

(3) Includes ALFs, memory care and independent living facilities.

REVENUE SUMMARY

(\$ in thousands)

Revenue by Investment Type	Three Months Ended 6/30/2016		Six Months Ended 6/30/2016	
	Rental Property ⁽¹⁾	\$ 186,454	82%	\$ 363,157
Direct Financing Leases	15,521	7%	30,963	7%
Mortgage Notes	21,371	9%	37,977	9%
Other Investment Income	5,478	2%	9,606	2%
	\$ 228,824	100%	\$ 441,703	100%

Revenue by Facility Type	Three Months Ended 6/30/2016		Six Months Ended 6/30/2016	
	Skilled Nursing / Transitional Care ⁽¹⁾	\$ 198,967	87%	\$ 387,695
Senior Housing	24,379	11%	44,402	10%
Other	5,478	2%	9,606	2%
	\$ 228,824	100%	\$ 441,703	100%

(1) Includes \$0.8 million and \$1.5 million reductions for lease inducements for the three and six months ended June 30, 2016.

PAYOR MIX AND COVERAGE SUMMARY

Three Months Ended...	% Revenue Mix			Twelve Months Ended...	Occ. % ⁽¹⁾	Coverage Data	
	Medicaid	Medicare / Insurance	Private / Other			EBITDARM	EBITDAR
March 31, 2016	51.8%	38.6%	9.6%	March 31, 2016	82.2%	1.75x	1.37x
December 31, 2015	53.1%	37.5%	9.4%	December 31, 2015	82.5%	1.78x	1.40x
September 30, 2015	52.7%	37.2%	10.1%	September 30, 2015	81.9%	1.79x	1.40x
June 30, 2015	51.6%	38.9%	9.5%	June 30, 2015	81.9%	1.80x	1.41x
March 31, 2015	51.0%	39.7%	9.3%	March 31, 2015	82.3%	1.78x	1.38x

(1) Based on available (operating) beds.

INVESTMENT CONCENTRATION BY OPERATOR

(\$ in thousands)

As of June 30, 2016

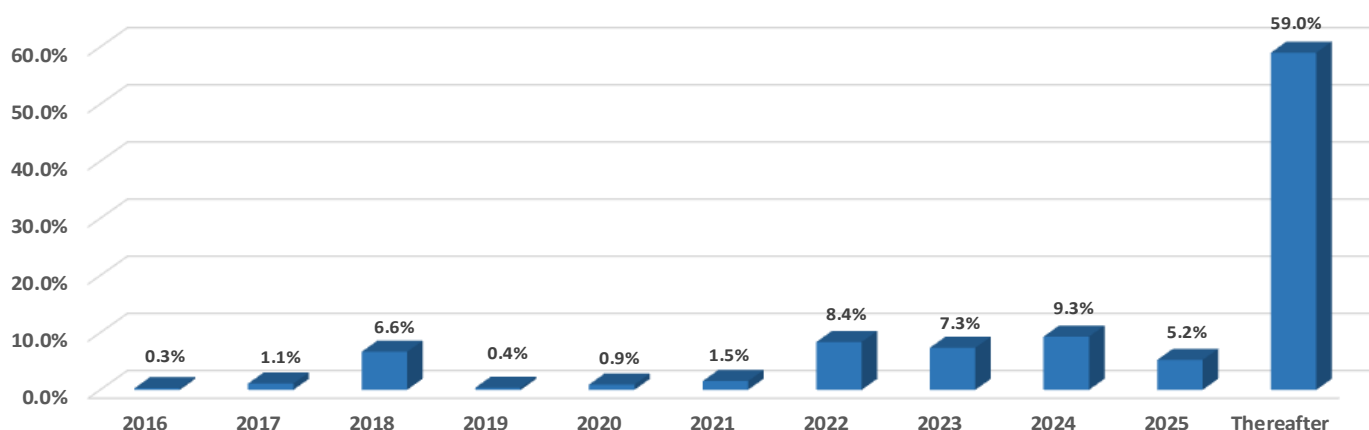
	No. of		% Investment
	Properties ⁽¹⁾	Investment ⁽²⁾	
Ciena Healthcare	68	\$ 906,107	11%
New Ark Investment, Inc.	58	600,864	7%
Maplewood Real Estate Holdings, LLC	12	509,547	6%
Saber Health Group	46	481,950	6%
CommuniCare Health Services, Inc.	35	390,997	5%
Genesis Healthcare	57	358,630	4%
Daybreak Venture, LLC	53	354,178	4%
Health & Hospital Corporation	44	304,719	3%
Diversicare Healthcare Services	35	276,381	3%
Healthcare Homes	35	273,057	3%
Remaining 74 Operators	521	4,069,601	48%
	964	\$ 8,526,031	100%

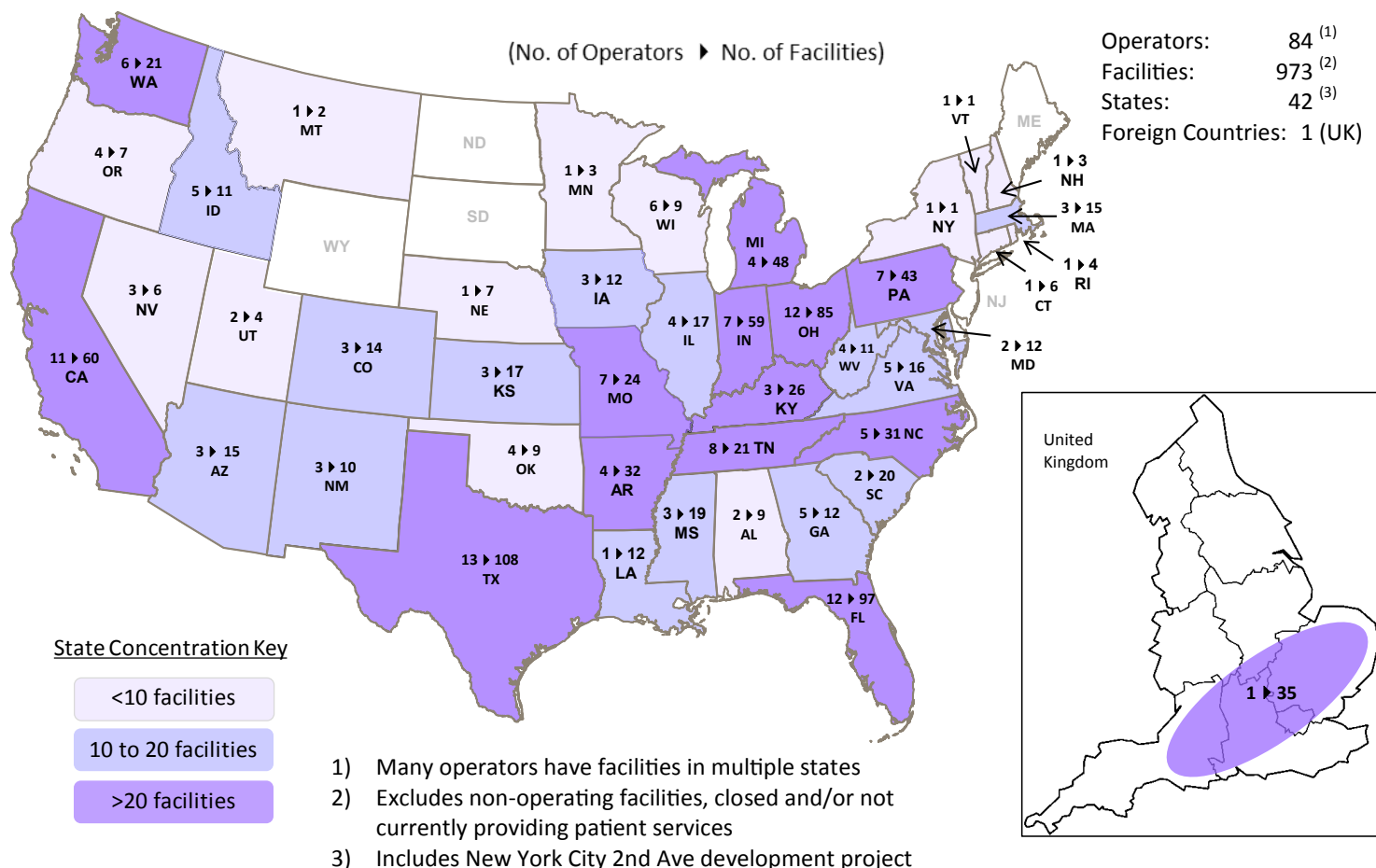
(1) Total No. of Properties excludes those classified as assets held for sale.

(2) Investment includes a \$19.2 million lease inducement and excludes \$52.5 million of properties classified as assets held for sale.

LEASE AND MORTGAGE EXPIRATIONS

Year	2016 Contractual Revenue		Investment Amounts					Operating Facilities		Operating Beds	
	\$	%	Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%
1 2016	\$ 2,050	0.3%	\$ 23,477	\$ -	\$ -	\$ 23,477	0.3%	2	0.2%	140	0.1%
2 2017	8,646	1.1%	93,693	-	-	93,693	1.1%	14	1.4%	1,221	1.3%
3 2018	52,992	6.6%	416,315	-	23,895	440,210	5.2%	71	7.3%	7,449	7.7%
4 2019	2,963	0.4%	42,342	-	-	42,342	0.5%	7	0.7%	535	0.6%
5 2020	7,175	0.9%	72,872	460	6,434	79,766	0.9%	12	1.2%	1,319	1.4%
6 2021	12,012	1.5%	144,846	-	-	144,846	1.7%	26	2.7%	1,431	1.5%
7 2022	66,672	8.4%	583,009	-	-	583,009	6.8%	92	9.5%	9,013	9.3%
8 2023	58,608	7.3%	601,767	-	-	601,767	7.1%	72	7.4%	8,074	8.3%
9 2024	74,189	9.3%	633,936	-	112,500	746,436	8.8%	74	7.6%	6,929	7.1%
10 2025	41,729	5.2%	431,103	-	1,500	432,603	5.1%	49	5.0%	5,110	5.3%
Thereafter	470,584	59.0%	4,263,891	593,186	480,805	5,337,882	62.6%	554	56.9%	55,734	57.5%
TOTAL	\$ 797,620	100.0%	\$ 7,307,251	\$ 593,646	\$ 625,134	\$ 8,526,031	100.0%	973	100.0%	96,955	100.0%





GEOGRAPHIC CONCENTRATION BY INVESTMENT

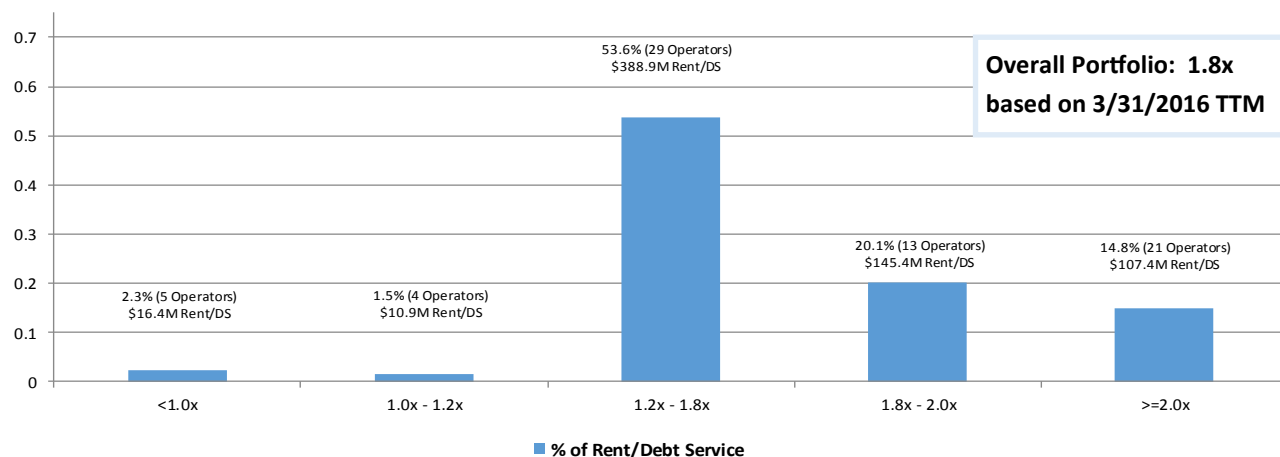
(\$ in thousands)

As of June 30, 2016

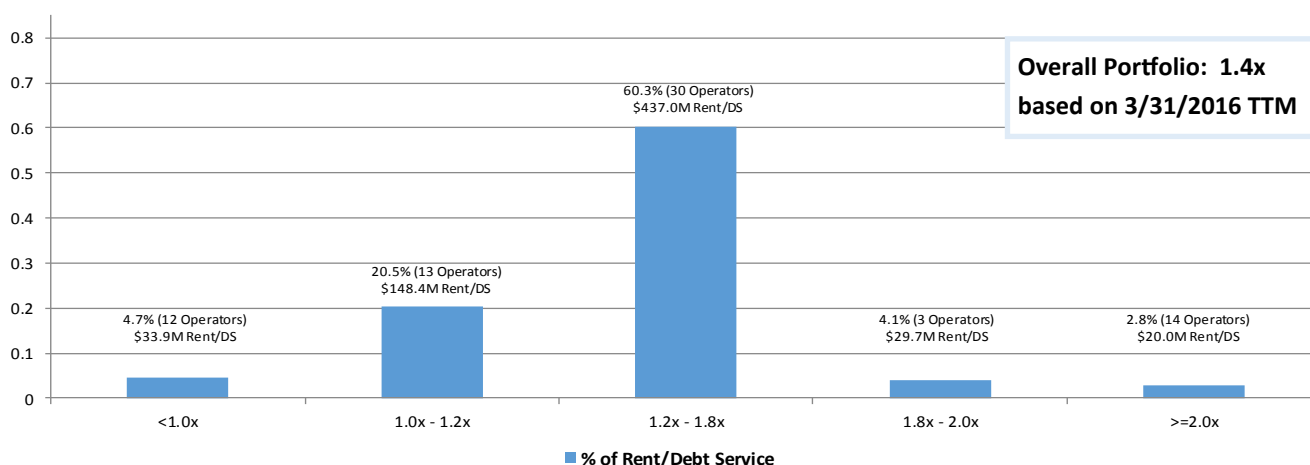
	No. of Properties ⁽¹⁾	Investment ⁽²⁾⁽³⁾	% Investment	% Occupancy ⁽⁴⁾
Ohio	87	\$ 846,027	10%	84.1%
Texas	108	777,195	9%	69.9%
Florida	90	678,674	8%	87.6%
Michigan	48	617,987	7%	86.2%
California	58	522,039	6%	93.0%
Pennsylvania	43	466,293	6%	87.5%
Indiana	59	406,429	5%	83.6%
Virginia	16	290,717	3%	87.4%
North Carolina	31	254,492	3%	86.4%
South Carolina	21	244,738	3%	94.5%
Connecticut	6	239,189	3%	93.0%
Mississippi	19	229,047	3%	88.7%
Remaining 30 states ⁽⁵⁾	343	2,680,147	31%	78.5%
United Kingdom	35	\$ 273,057	3%	82.2%
Total	964	\$ 8,526,031	100%	

(1) Total # of Properties excludes properties classified as assets held for sale.
 (2) Investment amount includes a \$19.2 million lease inducement.
 (3) Investment excludes \$52.5 million of properties classified as assets held for sale.
 (4) Occupancy as of March 31, 2016, TTM.
 (5) # of states and Investment includes New York City 2nd Ave development project

OPERATOR EBITDARM COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 3/31/2016 TTM



OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 3/31/2016 TTM



NOTE: Represents 92% 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	Credit / Security Deposit
SNF	0.78	0.30	0.1%	X		X	X
SNF/SH	0.68	0.38	0.2%			X	X
SNF	0.66	0.39	0.5%	X	X	X	
SNF	0.83	0.47	1.5%	X		X	X
SNF	0.72	0.50	0.1%	X	X		X
SNF	1.04	0.60	0.1%	X		X	X
SNF/ALF	1.03	0.73	0.3%	X		X	X
SNF	1.26	0.80	0.1%	X	X	X	X
SNF	1.12	0.84	0.8%	X	X	X	X
SNF	1.55	0.87	0.1%	X	X	X	X
SNF/ALF	1.08	0.91	0.3%	X	X	X	X
SNF/ALF	1.42	0.94	0.7%	X		X	X

4.7%

(1) Rent is current if < 30 days outstanding; measured on 6/28/16

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	
2012														
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												
2012 Total Investments		\$ 508,329												
2013														
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												
2013 Total Investments		\$ 620,445												
2014														
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												
2014 Total Investments		\$ 565,510												
2015														
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												
2015 Total Investments		\$ 506,944												
2016														
Mezz Debt	1/12/2016	6,848		-	-	-	-	-	-	-	-	-	-	-
Acquisition	1/18/2016	8,270	UK	-	-	1	52	-	-	-	-	-	1	52
Acquisition & Term	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
Acquisition	4/1/2016	113,816	UK	-	-	10	775	-	-	-	-	-	10	775
Acquisition	4/20/2016	66,000	TX	-	-	3	367	-	-	-	-	-	3	367
Mezz Debt	4/29/2016	8,500		-	-	-	-	-	-	-	-	-	-	-
Acquisition	4/29/2016	31,790	CO, MO	3	338	-	-	-	-	-	-	-	3	338
Total Acq. & Mtgs.		\$ 714,058		34	3,769	17	1,391	-	-	-	-	-	51	5,160
Construction-in-Progress		23,823												
CAPEX Funding		35,048												
2016 Total Investments		\$ 772,929												

Capitalization: Capital Structure and Rates



CAPITAL STRUCTURE

(\$ 000's, except per share data)

Financial Instrument	Secured (Y/N)	Debt Capacity 6/30/2016	Month Ending Rate	Type	Latest Maturity	Borrowed as of 6/30/2016	Weighted Avg. Rate on Borrowed	2Q 2016 Debt/Ann. EBITDA
Credit Facility:								
Revolver	(1) N	1,250,000	1.76%	V	6/27/19 (2)	470,000		
\$200MM Term	N	200,000	1.96%	V	6/27/19 (2)	200,000		
\$200MM Acquisition Term	N	200,000	1.95%	V	6/27/19 (2)	200,000		
\$100MM OHI LP Term	N	100,000	1.95%	V	6/27/19 (2)	100,000		
\$350MM Term	N	350,000	1.96%	V	1/29/21 (2)	350,000		
\$250MM Term	N	250,000	2.25%	V (3)	12/16/22	250,000		
Secured Loan	(4) Y	180,000	4.13%	V	12/17/19	180,000		
\$ 20MM Sub-Notes	N	20,000	9.00%	F	12/21/21	20,000		
\$400MM 5.875% Callable Notes	N	400,000	5.88%	F	3/15/24	400,000		
\$400MM 4.95% Notes	N	400,000	4.95%	F	4/1/24	400,000		
\$250MM 4.50% Notes	N	250,000	4.50%	F	1/15/25	250,000		
\$600MM 5.25% Notes	N	600,000	5.25%	F	1/15/26	600,000		
\$700MM 4.50% Notes	N	700,000	4.50%	F	Apr-27	700,000		
HUD (12 Loan Summary)	Y	55,584	3.06%	F	Feb-45	55,584		
Total Debt / Wgtd. Avg. Rate (5)		\$ 4,955,584	3.57%			\$ 4,175,584	3.81%	4.7 x

Common Stock: 190,439,866 shares at \$33.95 per share: 6,465,433
Operating Units: 8,921,889 units at \$33.95 per unit: 302,898

Total Market Capitalization

\$ 10,943,917

Note: At June 30, 2016, Omega held approximately \$27.8MM of cash and short-term investments

- | | |
|---|--|
| 1) Excludes 0.25% annual Facility Fee on the full commitment | 4) On 7/25/2016 the Company purchased the note from Capital One and eliminated this debt |
| 2) Latest maturity given optional extensions provided in Agreements | 5) On 7/12/2016 Omega issued \$700MM of 4.375% Senior Notes due 2023 |
| 3) Forward swap to fixed effective 12/30/2016 | |

DEBT MATURITIES

(\$ in thousands)

Year	Secured Debt		Unsecured Debt			Total Debt Maturities
	HUD Mortgages (1)	Other Mortgage Term Loan (2)	Line of Credit (3)(4)	Senior Notes (5)(6)	Sub Notes (7)	
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	55,584	-	-	2,350,000	-	2,405,584
	55,584	180,000	2,350,000	2,350,000	20,000	4,955,584

(1) Mortgages guaranteed by HUD.

(2) On 7/25/2016 the Company repurchased the debt and eliminated it in its consolidated financial statements going forward.

(3) Reflected at 100% borrowing capacity.

(4) \$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.

(5) Excludes net discounts of \$16.8 million, and \$3.0 million promissory note.

(6) On 7/12/2016 Omega issued \$700MM of 4.375% Senior Notes due 2023.

(7) Excludes \$0.6 million of fair market valuation adjustments.

SENIOR UNSECURED CREDIT RATINGS

	CUSIP #	Rating Information		
		S&P	Moody's	Fitch
Common Stock	681936 10 0			
Senior Unsecured Debt				
\$700M, 4.375% 2023 Notes (1)	681936 BJ 8	BBB-	Baa3	BBB-
\$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

(1) Issued on 7/12/2016

SELECTED CREDIT FACILITY COVENANTS ⁽¹⁾

		Consolidated				
		Leverage Ratio	Secured Leverage Ratio	Unsecured Leverage Ratio	Fixed Charge Cov. Ratio	Unsecured Interest Cov. Ratio
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
6/30/16	Req.	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1
	Actual	48%	3%	49%	5.3	5.0
	Status	Pass	Pass	Pass	Pass	Pass

SELECTED UNSECURED NOTE COVENANTS ⁽¹⁾

		Debt / Adj. Total Assets	Unencumbered Assets / Unsecured Debt	Secured Debt / Adj. Total Assets
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
6/30/16	Req.	<= 60%	>= 150%	<= 40%
	Actual	47%	209%	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
	2Q	1Q					
Total Net Funded Debt / Adjusted PF EBITDA	4.7	4.9	4.5	4.6	4.4	4.7	4.8
Secured Debt / Adjusted EBITDA ¹	0.3	0.3	0.3	0.5	0.6	0.9	0.9
Fixed Charge Coverage	5.1	5.0	4.9	4.1	4.0	3.5	3.3
Balance Sheet Cash (\$ 000)	32,959	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 under "Financial Information" then "Non-GAAP Financial Measures."

EQUITY ISSUANCE SUMMARY

ESP/ATM Program							2016				
	2010	2011	2012	2013	2014	2015	Q1	Q2	Q3	Q4	YTD
Number of Shares (000s)	6,865	1,419	3,398	6,504	1,848	-	-	-	-	-	-
Average Price per Share	\$ 20.74	\$ 22.61	\$ 23.47	\$ 30.48	\$ 34.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Proceeds (000s)	\$142,413	\$ 32,094	\$ 79,749	\$ 198,220	\$ 63,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DRSPP and Waiver Program							2016				
	2010	2011	2012	2013	2014	2015	Q1	Q2	Q3	Q4	YTD
Number of Shares (000s)	2,961	2,853	5,062	1,930	2,083	4,184	660	2,237	-	-	2,897
Average Price per Share	\$ 20.45	\$ 20.78	\$ 22.11	\$ 28.94	\$ 34.32	\$ 36.06	\$ 29.84	\$ 32.98	\$ -	\$ -	\$ 32.26
Gross Proceeds (000s)	\$ 60,539	\$ 59,269	\$ 111,941	\$ 55,872	\$ 71,502	\$ 150,871	\$ 19,691	\$ 73,763	\$ -	\$ -	\$ 93,454
Secondary							2016				
	2010	2011	2012	2013	2014	2015	Q1	Q2	Q3	Q4	YTD
Number of Shares (000s)	-	-	-	2,875	-	10,925	-	-	-	-	-
Average Price per Share	\$ -	\$ -	\$ -	\$ 29.48	\$ -	\$ 42.00	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Proceeds (000s)	\$ -	\$ -	\$ -	\$ 84,755	\$ -	\$ 458,850	\$ -	\$ -	\$ -	\$ -	\$ -
Totals							2016				
	2010	2011	2012	2013	2014	2015	Q1	Q2	Q3	Q4	YTD
Number of Shares (000s)	9,826	4,272	8,460	11,309	3,932	15,109	660	2,237	-	-	2,897
Average Price per Share	\$ 20.65	\$ 21.39	\$ 22.66	\$ 29.96	\$ 34.32	\$ 40.36	\$ 29.84	\$ 32.98	\$ -	\$ -	\$ 32.26
Gross Proceeds (000s)	\$202,952	\$ 91,363	\$ 191,690	\$ 338,847	\$ 134,954	\$ 609,721	\$ 19,691	\$ 73,763	\$ -	\$ -	\$ 93,454

Percentages of total debt to book capitalization, adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at June 30, 2016 were 50.3%, 50.4% and 38.2%, 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 June 30, 2016 plus adjusted total debt.

**Unaudited
(In thousands)**

		At June 30, 2016
Revolving line of credit.....	\$	470,000
Term loans.....		1,100,000
Secured borrowings.....		235,584
Unsecured borrowings.....		2,373,000
FMV adjustment of assumption of debt		550
Premium/(discount) unsecured borrowings (net).....		(16,837)
Total debt.....	\$	4,162,297
Deduct FMV adjustment of assumption of debt		(550)
Add back discount (deduct premium) on unsecured borrowings (net)..		16,837
Adjusted total debt.....	\$	<u>4,178,584</u>
 BOOK CAPITALIZATION.....		
Total debt.....	\$	4,162,297
Omega Stockholders' equity.....		3,747,273
Noncontrolling interest		357,407
Book capitalization.....	\$	8,266,977
Deduct FMV adjustment of assumption of debt		(550)
Add back discount (deduct premium) on unsecured borrowings (net)..		16,837
Adjusted book capitalization.....	\$	<u>8,283,264</u>
 MARKET CAPITALIZATION.....		
Omega common shares and OP units outstanding at 6/30/2016.....		199,362
Market price of common stock at 6/30/2016.....	\$	33.95
Market capitalization of common stock at 6/30/2016.....		<u>6,768,340</u>
Market capitalization of publicly traded securities.....		6,768,340
Add adjusted total debt.....		4,178,584
Total market capitalization.....	\$	<u>10,946,924</u>
 Total debt / book capitalization.....		 <u>50.3%</u>
Adjusted total debt / adjusted book capitalization.....		 <u>50.4%</u>
Adjusted total debt / total market capitalization.....		 <u>38.2%</u>

Financial Performance: Historical AFFO, FAD and Dividends



Year	Quarter Ended	Ending Share Price	Div. * Yield	Quarterly					Original Omega AFFO Guidance ¹	Annually					
				AFFO/ Share	Dividend	Payout Ratio	FAD/ Share	FAD Payout Ratio		AFFO/ Share	% Change	FAD/ Share	% Change	Annual Dividend	% Change
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	11.4%
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	13.3%
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	8.1%
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	1.7%
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	16.4%
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	12.0%
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	8.8%
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	9.8%
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	8.4%
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	7.8%
2016	3/31/2016	\$35.30	6.5%	\$ 0.83	\$ 0.58	69.6%	0.75	77.5%	\$3.25 - \$3.30						
	6/30/2016	\$33.95	6.8%	0.87	0.60	69.1%	0.77	77.6%							

1. Represents original guidance which was provided in the first quarter of each respective year, except 2015, which was provided in Q2 2015.

* Based on the annualized dividend announced the previous quarter

No. of consecutive quarterly dividends paid since 2003:	52
No. of quarterly dividend increases since 2003:	38
No. of consecutive quarterly dividend increases:	16

2016 Revised Guidance: AFFO: \$3.36—\$3.40 FAD: \$3.02—\$3.06

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

Omega expects its 2016 annual AFFO available to common stockholders to be between \$3.36 and \$3.40 per diluted share. The table below outlines Omega’s 2016 guidance for AFFO:

2016 AFFO Guidance and Reconciliation

2016 Quarterly Adjusted FFO Guidance Range ⁽¹⁾⁽²⁾ (per diluted common share)			
	Q3	Q4	Full Year
Net Income	\$0.49 - \$0.50	\$0.49 - \$0.52	\$1.84 - \$1.88
Depreciation	0.32	0.32	1.28
Gain on assets sold	-	-	(0.07)
Real estate impairments	-	-	0.21
FFO	\$0.81 - \$0.82	\$0.81 - \$0.84	\$3.26 - \$3.30
Adjustments:			
Transaction costs	-	-	0.04
Provision for uncollectible accounts	-	-	0.02
One-time cash items in FFO	-	-	(0.03)
Stock-based compensation expense	0.02	0.02	0.07
Adjusted FFO	\$0.83 - \$0.84	\$0.83 - \$0.86	\$3.36 - \$3.40

Note: All per share numbers rounded to 2 decimals.

(1) The Company's Adjusted FFO guidance for 2016 includes approximately \$773 million of combined new investments and planned capital renovation projects completed through June 30, 2016. It also includes approximately \$400 million of potential new investments which may close in 2016; 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 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 Adjusted FFO guidance, but it is not obligated to do so.

The Company's 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 and potential new investments.

(2) Based on approximately 200 million fully diluted weighted average common shares outstanding.

(in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenue				
Rental income	\$ 186,454	\$ 163,112	\$ 363,157	\$ 264,076
Income from direct financing leases	15,521	15,020	30,963	29,366
Mortgage interest income	21,371	17,562	37,977	34,141
Other investment income – net.....	5,478	2,017	9,606	3,548
Total operating revenues	228,824	197,711	441,703	331,131
Expenses				
Depreciation and amortization.....	65,505	59,156	127,938	89,766
General and administrative	11,832	10,308	22,287	16,322
Acquisition and merger related costs	3,504	47,084	7,275	51,952
Impairment loss on real estate properties	6,893	6,916	41,451	12,898
Provisions for uncollectible mortgages, notes and accounts receivable	(1,154)	(7)	3,970	(9)
Total operating expenses	86,580	123,457	202,921	170,929
Income before other income and expense.....	142,244	74,254	238,782	160,202
Other income (expense)				
Interest income	4	7	12	200
Interest expense.....	(39,651)	(38,248)	(76,873)	(70,607)
Interest – amortization of deferred financing costs.....	(2,210)	(1,826)	(4,342)	(3,179)
Interest – refinancing gain (costs)	-	1,016	(298)	(8,361)
Realized loss on foreign exchange	-	-	(22)	-
Total other expense.....	(41,857)	(39,051)	(81,523)	(81,947)
Income before gain on assets sold	100,387	35,203	157,259	78,255
Gain on assets sold – net	13,221	8,802	14,792	8,802
Income from continuing operations before income taxes.....	113,608	44,005	172,051	87,057
Income taxes	(454)	(539)	(701)	(539)
Net income	113,154	43,466	171,350	86,518
Net income attributable to noncontrolling interest	(5,102)	(2,038)	(7,743)	(2,038)
Net income available to common stockholders	\$ 108,052	\$ 41,428	\$ 163,607	\$ 84,480
Income per common share available to common stockholders:				
Basic:				
Net income available to common stockholders	\$ 0.57	\$ 0.23	\$ 0.87	\$ 0.53
Diluted:				
Net income	\$ 0.57	\$ 0.22	\$ 0.86	\$ 0.53
Dividends declared per common share.....	\$ 0.58	\$ 0.18	\$ 1.15	\$ 1.07
Weighted-average shares outstanding, basic.....	188,981	182,697	188,604	158,521
Weighted-average shares outstanding, diluted.....	199,157	194,482	198,754	164,644

	June 30, 2016	December 31, 2015
	(Unaudited)	
ASSETS		
Real estate properties		
Land and buildings	\$ 7,288,051	\$ 6,743,958
Less accumulated depreciation	(1,131,288)	(1,019,150)
Real estate properties – net	6,156,763	5,724,808
Investments in direct financing leases – net	593,646	587,701
Mortgage notes receivable	625,134	679,795
	7,375,543	6,992,304
Other investments	199,806	89,299
	7,575,349	7,081,603
Assets held for sale – net	52,451	6,599
Total investments	7,627,800	7,088,202
Cash and cash equivalents	32,959	5,424
Restricted cash	13,833	14,607
Accounts receivable – net	214,036	203,862
Goodwill	644,481	645,683
Other assets	73,389	61,231
Total assets	\$ 8,606,498	\$ 8,019,009
LIABILITIES AND EQUITY		
Revolving line of credit	\$ 470,000	\$ 230,000
Term loans	1,100,000	750,000
Secured borrowings – net	235,584	236,204
Unsecured borrowings – net	2,356,713	2,352,882
Accrued expenses and other liabilities	329,368	333,706
Deferred income taxes	12,903	15,352
Total liabilities	4,504,568	3,918,144
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 190,440 shares as of June 30, 2016 and 187,399 as of December 31, 2015	19,044	18,740
Common stock – additional paid-in capital	4,707,129	4,609,474
Cumulative net earnings	1,536,129	1,372,522
Cumulative dividends paid	(2,471,192)	(2,254,038)
Accumulated other comprehensive loss	(46,463)	(8,712)
Total stockholders’ equity	3,744,647	3,737,986
Noncontrolling interest	357,283	362,879
Total equity	4,101,930	4,100,865
Total liabilities and equity	\$ 8,606,498	\$ 8,019,009

Unaudited (in thousands)

	Six Months Ended June 30,	
	2016	2015
Unaudited (in thousands)		
Cash flows from operating activities		
Net income	\$ 171,350	\$ 86,518
Adjustment to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	127,938	89,766
Provision for impairment on real estate properties	41,451	12,898
Provision for uncollectible mortgages, notes and accounts receivable	3,970	(9)
Amortization of deferred financing costs and refinancing costs	4,640	11,540
Accretion of direct financing leases	(5,915)	(5,321)
Stock-based compensation	6,443	4,483
Gain on assets sold – net	(14,792)	(8,802)
Amortization of acquired in-place leases - net	(7,910)	(2,883)
Change in operating assets and liabilities – net of amounts assumed/acquired:		
Accounts receivable – net	856	1,129
Straight-line rent receivables	(17,756)	(15,871)
Lease inducements	1,294	(328)
Effective yield receivable on mortgage notes	(619)	(2,253)
Other operating assets and liabilities	(24,055)	22,225
Net cash provided by operating activities	<u>286,895</u>	<u>193,092</u>
Cash flows from investing activities		
Acquisition of real estate – net of liabilities assumed and escrows acquired	(622,848)	(183,784)
Cash acquired in merger	—	84,858
Investment in construction in progress	(26,960)	(15,913)
Investment in direct financing lease	(30)	—
Placement of mortgage loans	(12,528)	(4,701)
Proceeds from sale of real estate investments	43,772	26,846
Capital improvements to real estate investments	(21,812)	(11,351)
Proceeds from other investments	25,923	14,206
Investments in other investments	(136,536)	(36,600)
Collection of mortgage principal	42,051	1,735
Net cash used in investing activities	<u>(708,968)</u>	<u>(124,704)</u>
Cash flows from financing activities		
Proceeds from credit facility borrowings	879,000	782,000
Payments on credit facility borrowings	(639,000)	(516,000)
Receipts of other long-term borrowings	350,000	989,822
Payments of other long-term borrowings	(620)	(1,587,591)
Payments of financing related costs	(3,581)	(26,123)
Receipts from dividend reinvestment plan	93,333	30,111
Payments for exercised options and restricted stock – net	(2,380)	(6,982)
Net proceeds from issuance of common stock	487	440,036
Dividends paid	(217,068)	(151,387)
Redemption of OP Units	(10)	—
Distributions to OP Unit Holders	(10,351)	(1,650)
Net cash provided by (used in) financing activities	<u>449,810</u>	<u>(47,764)</u>
Increase in cash and cash equivalents	27,737	20,624
Effect of foreign currency translation on cash and cash equivalents	(202)	41
Cash and cash equivalents at beginning of period	5,424	4,489
Cash and cash equivalents at end of period	<u>\$ 32,959</u>	<u>\$ 25,154</u>
Interest paid during the period, net of amounts capitalized	<u>\$ 74,010</u>	<u>\$ 61,073</u>

FFO, Adjusted FFO and FAD
(unaudited)
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Net income	\$ 113,154	\$ 43,466	\$ 171,350	\$ 86,518
Deduct gain from real estate dispositions.....	(13,221)	(8,802)	(14,792)	(8,802)
Sub-total.....	99,933	34,664	156,558	77,716
Elimination of non-cash items included in net income:				
Depreciation and amortization.....	65,505	59,156	127,938	89,766
Add back non-cash provision for impairments on real estate properties.....	6,893	6,916	41,451	12,898
Funds from operations	\$ 172,331	\$ 100,736	\$ 325,947	\$ 180,380
Weighted-average common shares outstanding, basic.....	188,981	182,697	188,604	158,521
Dilutive effect of RSU/PRSU and stock options.....	1,254	2,796	1,215	1,628
OP Units.....	8,922	8,989	8,935	4,495
Weighted-average common shares outstanding, diluted.....	199,157	194,482	198,754	164,644
FFO per share available	\$ 0.87	\$ 0.52	\$ 1.64	\$ 1.10
Adjusted funds from operations				
Funds from operations available to common stockholders.....	\$ 172,331	\$ 100,736	\$ 325,947	\$ 180,380
Deduct one-time revenue.....	-	-	(235)	-
Deduct prepayment fee income from early termination of mortgages.....	(5,390)	-	(5,390)	-
(Deduct)/add back non-cash provision for uncollectible mortgages, notes and accounts receivable and deferred revenue.....	(1,154)	(7)	3,970	(9)
Add back/(deduct) one-time interest refinancing expense.....	-	(1,016)	298	8,361
Add back acquisition and merger related costs.....	3,504	47,084	7,275	51,952
Add back non-cash restricted stock expense.....	3,665	2,873	6,443	4,483
Adjusted funds from operations	\$ 172,956	\$ 149,670	\$ 338,308	\$ 245,167
Adjustments:				
Non-cash interest expense.....	2,179	1,857	4,279	3,277
Capitalized interest.....	(1,405)	(403)	(3,125)	(423)
Non-cash revenues.....	(19,766)	(14,990)	(36,975)	(24,377)
Funds available for distribution (FAD)	\$ 153,964	\$ 136,134	\$ 302,487	\$ 223,644
Adjusted FFO per share, diluted	\$ 0.8684	\$ 0.7696	\$ 1.7021	\$ 1.4891
FAD per share, diluted	\$ 0.7731	\$ 0.7000	\$ 1.5219	\$ 1.3583

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 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.

Adjusted FFO is calculated as FFO 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.

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation, amortization, gain or loss on asset sales-net, provisions for impairment and certain non-recurring revenues and expenses.

The Company uses these non-GAAP measures 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. These non-GAAP measures 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 these non-GAAP measures as substitutes for any GAAP measure, including net income.

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 June 30, 2016 were 4.7x, 4.7x and 4.7x, 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.

	Three Months Ended June 30, 2016
Net income.....	\$ 113,154
Depreciation and amortization.....	65,505
Interest.....	41,861
Income taxes.....	454
EBITDA.....	<u>\$ 220,974</u>
Deduct gain on assets sold - net	(13,221)
Deduct non-cash provision recovery for uncollectible mortgages, notes and accounts receivable....	(1,154)
Add back non-cash provision for impairments on real estate properties.....	6,893
Add back acquisition and merger related costs.....	3,504
Add back stock-based compensation expense.....	3,665
Adjusted EBITDA.....	<u>\$ 220,661</u>
Add incremental proforma EBITDA from new investments in 2nd Quarter	1,019
Adjusted proforma EBITDA.....	<u><u>\$ 221,680</u></u>
DEBT	
Revolving line of credit.....	\$ 470,000
Term loans.....	1,100,000
Secured borrowings	235,584
Unsecured borrowings.....	2,373,000
FMV adjustment of assumption of debt	550
Premium/(discount) on unsecured borrowings (net).....	(16,837)
Total debt.....	<u>\$ 4,162,297</u>
Deduct balance sheet cash and cash equivalents.....	(32,959)
Net total debt.....	<u>\$ 4,129,338</u>
Deduct FMV adjustment of assumption of debt	(550)
Add back discount (deduct premium) on unsecured borrowings (net).....	16,837
Adjusted total debt (aka Funded Debt).....	<u><u>\$ 4,145,625</u></u>
Funded Debt / annualized EBITDA	<u><u>4.7 x</u></u>
Funded Debt / adjusted annualized EBITDA	<u><u>4.7 x</u></u>
Funded Debt / adjusted pro forma annualized EBITDA.....	<u><u>4.7 x</u></u>

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 June 30, 2016 were 5.3x, 5.3x and 5.1x, 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.

	Three Months Ended June 30, 2016
Net income.....	\$ 113,154
Depreciation and amortization.....	65,505
Interest.....	41,861
Income taxes.....	454
EBITDA.....	<u>\$ 220,974</u>
Deduct gain on assets sold - net.....	(13,221)
Deduct non-cash provision recovery for uncollectible mortgages, notes and accounts receivable.....	(1,154)
Add back non-cash provision for impairments on real estate properties.....	6,893
Add back acquisition and merger related costs.....	3,504
Add back stock-based compensation expense.....	3,665
Adjusted EBITDA.....	<u><u>\$ 220,661</u></u>
 FIXED CHARGES	
Interest expense.....	\$ 39,651
Amortization of non-cash deferred financing charges.....	2,210
Refinancing costs.....	-
Total interest expense.....	<u>\$ 41,861</u>
Add back: capitalized interest.....	1,405
Less: refinancing charges.....	-
Total fixed charges.....	<u><u>\$ 43,266</u></u>
 EBITDA / total interest expense ratio.....	 <u><u>5.3 x</u></u>
Adjusted EBITDA / total interest expense ratio.....	 <u><u>5.3 x</u></u>
Adjusted EBITDA / fixed charge coverage ratio.....	 <u><u>5.1 x</u></u>

PORTFOLIO METRICS

EBITDARM Coverage: Represents EBITDARM of our operators, defined as earnings before interest, taxes, depreciation, amortization, Rent expense and management fees for the applicable period, divided by the total Rent paid to the Company by its operators during such period.

EBITDAR Coverage: Represents EBITDAR of our operators, defined as earnings before interest, taxes, depreciation, amortization, and Rent expense for the applicable period, divided by the total Rent paid to the Company by its operators during such period. Assumes a management fee of 4%.

Portfolio Occupancy: Represents the average daily number of beds at the Company's properties that are occupied during the applicable period divided by the total number of total operating beds at the Company's properties that are available for use during the applicable period.

Property Type: ALF = assisted living facility; SNF = skilled nursing facility

Portfolio metrics and other statistics are not derived from Omega's financial statements but are operating statistics that the Company derives from reports that it receives from its operators pursuant to Omega's triple-net leases and mortgages. As a result, the Company's portfolio metrics typically lag its own financial statements by approximately one quarter. Portfolio metrics exclude assets held for sale, closed properties, properties under construction and, with certain exceptions for shorter periods, properties within 24 months of completion of construction.

Rent: Refers to the total monthly rent and mortgage interest due under all of the Company's lease and mortgage agreements as of the date specified, calculated based on the first full month following the specified date. Omega calculates "annualized rent" for properties during a period by utilizing the amount of rent under contract as of the last day of the period and assumes that amount of rent was received in respect of such property throughout the entire period.

NON-GAAP FINANCIAL MEASURES

FFO: Funds from Operations (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.

AFFO: Adjusted FFO (AFFO) 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: Funds Available for Distribution (FAD) is calculated as AFFO less non-cash interest expense and non-cash revenue, such as straight-line rent.

A further discussion of the Non-GAAP Financial Measures defined above is provided on page 18 of this supplement.