

# Supplemental Information

# Q3 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 September 30, 2016, the Company's portfolio of investments included 1,001 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 81 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 outstand-

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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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<b>Stock Symbol:</b>	OHI	<b>Shares &amp; Units Outstanding September 30, 2016:</b>	203,998,792
<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, FFO, 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 September 30, 2016, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

**INVESTMENT SUMMARY**

(\$ in thousands)

As of September 30, 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	Investment		
Real Property <sup>(1)</sup>	878	\$ 7,613,086	86%	86%	898	90,193
Direct Financing Leases	58	597,779	7%	7%	57	5,695
Loans Receivable	47	621,144	7%	7%	46	4,953
Total Investments	983	\$ 8,832,009	100%	100%	1,001	100,841

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	Investment			
Skilled Nursing/Transitional Care <sup>(1)</sup>	870	\$ 7,569,152	86%	86%	881	93,022	\$81
Senior Housing <sup>(3)</sup>	113	1,262,857	14%	14%	120	7,819	162
	983	\$ 8,832,009	100%	100%	1,001	100,841	\$88

(1) Total investment includes a \$19.2 million lease inducement and excludes \$91.2 million of assets (31 properties) classified as assets held for sale.

(2) Total # 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 9/30/2016		Nine Months Ended 9/30/2016	
	Revenue	%	Revenue	%
Rental Property <sup>(1)</sup>	\$ 185,837	83%	\$ 548,994	82%
Direct Financing Leases	15,611	7%	46,574	7%
Mortgage Notes	15,996	7%	53,973	8%
Other Investment Income	7,194	3%	16,800	3%
	\$ 224,638	100%	\$ 666,341	100%

Revenue by Facility Type	Three Months Ended 9/30/2016		Nine Months Ended 9/30/2016	
	Revenue	%	Revenue	%
Skilled Nursing / Transitional Care <sup>(1)</sup>	\$ 192,355	86%	\$ 580,049	87%
Senior Housing	25,089	11%	69,492	10%
Other	7,194	3%	16,800	3%
	\$ 224,638	100%	\$ 666,341	100%

(1) Includes \$0.8 million and \$2.3 million reductions for lease inducements for the three and nine months ended September 30, 2016

**PAYOR MIX AND COVERAGE SUMMARY**

Three Months Ended...	% Revenue Mix			Twelve Months Ended...	Occ. % <sup>(1)</sup>	Coverage Data	
	Medicaid	Medicare / Insurance	Private / Other			EBITDARM	EBITDAR
June 30, 2016	51.8%	37.5%	10.7%	June 30, 2016	82.1%	1.72x	1.34x
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

(1) Based on available (operating) beds.

**REVENUE CONCENTRATION BY OPERATOR**

(\$ in thousands)

	No. of Properties <sup>(1)</sup>	Revenue <sup>(2)</sup>	% Revenue
1 Ciena Healthcare	68	\$ 82,020	10%
2 Signature HealthCARE	63	60,732	7%
3 Genesis Healthcare	55	58,637	7%
4 New Ark Investment, Inc.	58	53,789	6%
5 CommuniCare Health Services, Inc.	32	45,299	5%
6 Saber Healthcare Group	52	44,026	5%
7 Health & Hospital Corporation	44	34,544	4%
8 Maplewood Real Estate Holdings, LLC	13	32,872	4%
9 Guardian Elder Care	32	29,320	3%
10 Diversicare Healthcare Services	35	28,041	3%
<i>Remaining 71 Operators</i>	<i>549</i>	<i>381,095</i>	<i>45%</i>
	<b>1,001</b>	<b>\$ 850,374</b>	<b>100%</b>

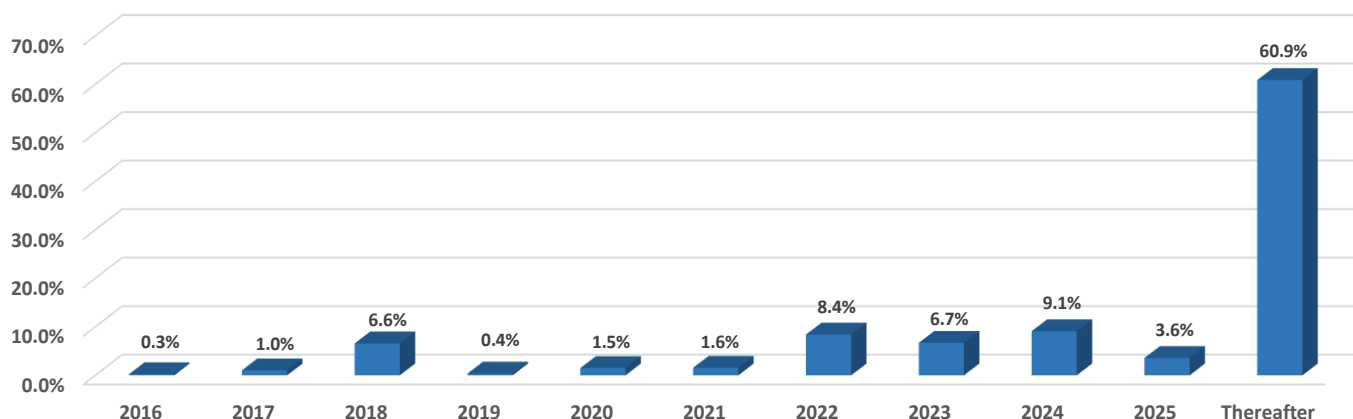
(1) Total Number of Properties excludes facilities which are non-operating, closed and/or not currently providing patient services

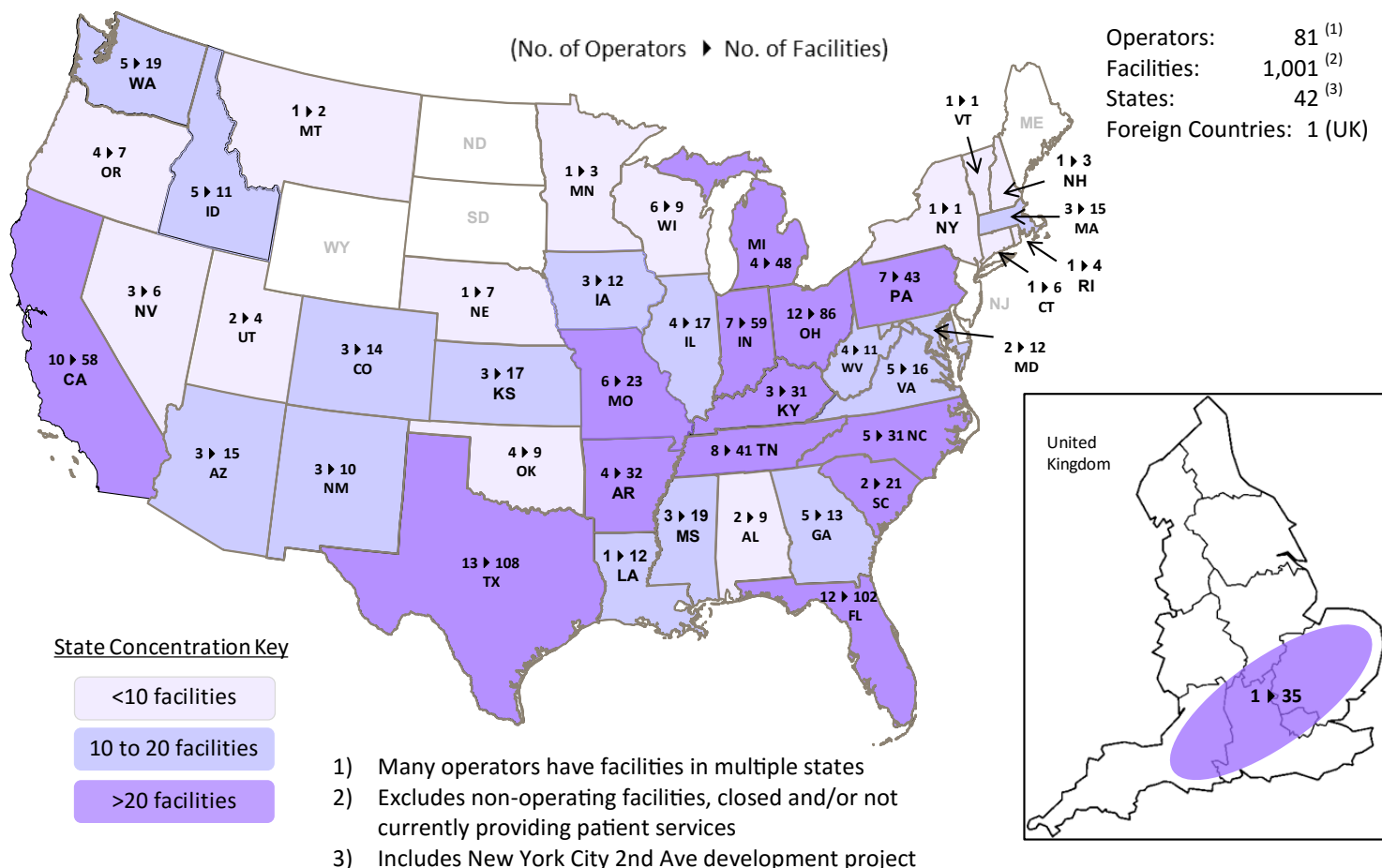
(2) Based on estimated 4Q 2016 contractual rent and mortgage interest income, annualized, and excludes the impact of straight-line accounting.

**LEASE AND MORTGAGE EXPIRATIONS**

(\$ in thousands)

Year	2016 CY Contractual		Investment Amounts				Operating Facilities		Operating Beds		
	Revenue	%	Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%
1 2016	\$ 2,050	0.3%	\$ 8,917	\$ -	\$ -	\$ 8,917	0.1%	2	0.2%	140	0.1%
2 2017	8,373	1.0%	89,147	-	-	89,147	1.0%	13	1.3%	1,122	1.1%
3 2018	52,992	6.6%	416,535	-	31,174	447,710	5.1%	71	7.1%	7,449	7.4%
4 2019	2,963	0.4%	42,803	-	-	42,803	0.5%	7	0.7%	535	0.5%
5 2020	12,177	1.5%	72,872	438	6,434	79,744	0.9%	11	1.1%	1,287	1.3%
6 2021	12,573	1.6%	148,300	-	-	148,300	1.7%	26	2.6%	1,431	1.4%
7 2022	67,657	8.4%	588,716	-	-	588,716	6.7%	92	9.2%	9,010	8.9%
8 2023	53,934	6.7%	532,555	-	-	532,555	6.0%	67	6.7%	7,341	7.3%
9 2024	73,232	9.1%	633,936	-	112,500	746,436	8.4%	74	7.4%	6,929	6.9%
10 2025	28,786	3.6%	260,438	-	1,500	261,938	3.0%	32	3.2%	3,917	3.9%
Thereafter	489,777	60.9%	4,818,866	597,341	469,536	5,885,743	66.6%	606	60.5%	61,680	61.2%
<b>TOTAL</b>	<b>\$ 804,513</b>	<b>100.0%</b>	<b>\$ 7,613,086</b>	<b>\$ 597,779</b>	<b>\$ 621,144</b>	<b>\$ 8,832,009</b>	<b>100.0%</b>	<b>1,001</b>	<b>100.0%</b>	<b>100,841</b>	<b>100.0%</b>





**GEOGRAPHIC CONCENTRATION BY INVESTMENT**

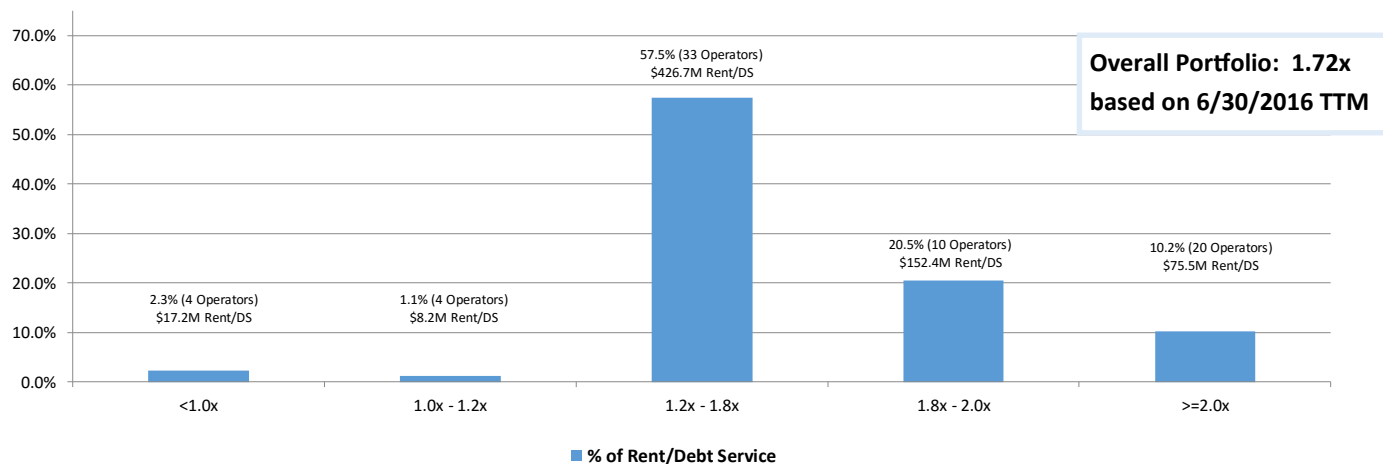
(\$ in thousands)

As of September 30, 2016

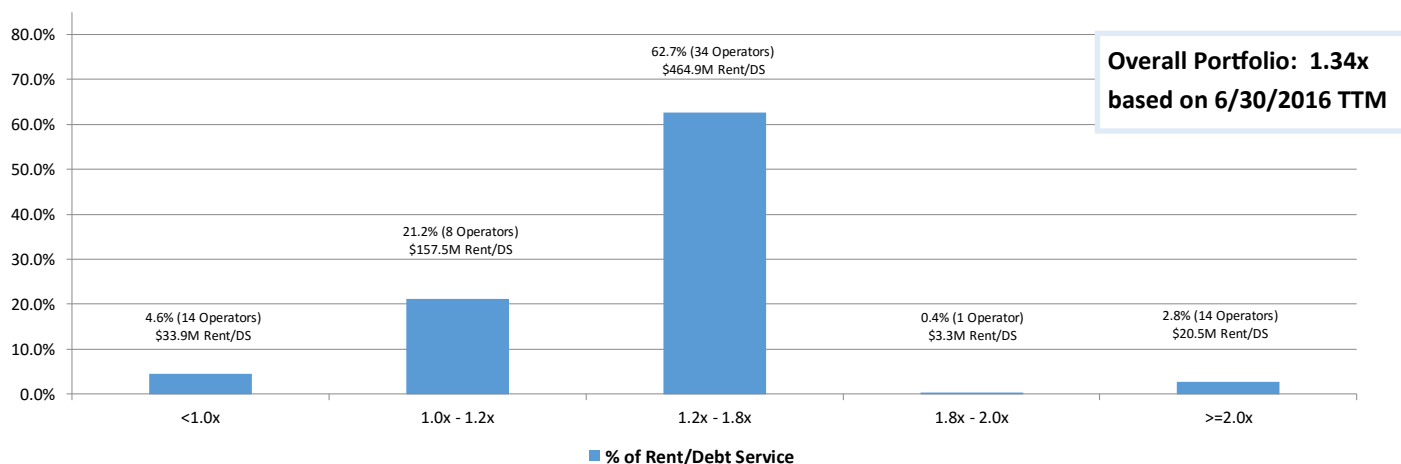
	No. of Properties <sup>(1)</sup>	Investment <sup>(2)(3)</sup>	% Investment	% Occupancy <sup>(4)</sup>
Ohio	87	\$ 841,457	9.5%	83.9%
Texas	108	778,293	8.8%	69.8%
Florida	95	774,249	8.8%	87.8%
Michigan	47	602,226	6.8%	86.3%
California	56	516,112	5.8%	92.7%
Pennsylvania	43	467,336	5.3%	87.0%
Indiana	59	406,446	4.6%	83.2%
Virginia	16	292,617	3.3%	87.8%
South Carolina	22	259,957	2.9%	94.2%
North Carolina	31	255,111	2.9%	85.9%
Remaining 32 states <sup>(5)</sup>	384	3,372,102	38.3%	78.3%
United Kingdom	35	\$ 266,103	3.0%	82.1%
<b>Total</b>	<b>983</b>	<b>\$ 8,832,009</b>	<b>100.0%</b>	

(1) Total # of properties excludes 31 properties classified as assets held for sale.  
 (2) Investment amount includes a \$19.2 million lease inducement.  
 (3) Investment excludes \$91.2 million of assets (31 properties) classified as assets held for sale.  
 (4) Occupancy as of June 30, 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 6/30/2016 TTM**



**OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 6/30/2016 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	Letter of Credit / Security Deposit
SNF	0.78	0.42	1.4%	X		X	X
SNF/ALF	1.01	0.74	0.8%	X	X	X	X
SNF	1.37	0.90	0.7%	X		X	X
SNF	0.60	0.33	0.5%	X	X	X	
SNF/ALF	0.94	0.65	0.3%	X		X	X
Additional 8 SNFs and 1 SNF/SH with EBITDAR Cov. <1.0 <sup>(2)</sup>			0.8%	7/9	2/9	8/9	all

4.6%

(1) Rent is current if < 30 days outstanding; measured on 10/25/16

(2) Combined EBITDARM coverage is 1.16x and combined EBITDAR coverage is 0.76x

## Portfolio: Investment Activity—Last Five Years



(\$ in Thousands)	Investment Amount	Facility Types								Totals		
		SNF	Beds	ALF	Beds	Rehab	Beds	ILU	Units	Facilities	Beds/Units	
<b>2012 Total Investments</b>	<b>\$ 508,329</b>	<b>39</b>	<b>4,832</b>	<b>6</b>	<b>601</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>259</b>	<b>51</b>	<b>5,692</b>	
<b>2013 Total Investments</b>	<b>\$ 620,445</b>	<b>59</b>	<b>5,769</b>	<b>2</b>	<b>152</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61</b>	<b>5,921</b>	
<b>2014 Total Investments</b>	<b>\$ 565,510</b>	<b>25</b>	<b>2,684</b>	<b>7</b>	<b>541</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>3,225</b>	
	<b>Closing Date</b>	<b>State(s)</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.		<b>\$ 293,384</b>		<b>12</b>	<b>1,367</b>	<b>27</b>	<b>1,212</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>2,579</b>
Construction-in-Progress		161,265										
CAPEX Funding		52,295										
<b>2015 Total Investments</b>		<b>\$ 506,944</b>										
<b>2016</b>												
Acquisition	1/18/2016	\$ 8,270	UK	-	-	1	52	-	-	-	1	52
Acquisition	2/1/2016	169,000	MI, OH, VA	10	985	-	-	-	-	-	10	985
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	212,500	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
Acquisition	4/29/2016	31,790	CO, MO	3	338	-	-	-	-	-	3	338
Acquisition	7/29/2016	4,300	FL	-	-	1	114	-	-	-	1	114
Acquisition	8/31/2016	16,500	FL	-	-	1	175	-	-	-	1	175
Acquisition	8/31/2016	2,500	GA	-	-	1	46	-	-	-	1	46
Acquisition	9/30/2016	10,100	SC	1	144	-	-	-	-	-	1	144
Acquisition	9/30/2016	9,000	OH	1	96	-	-	-	-	-	1	96
Acquisition	9/30/2016	300,000	FL, KY, TN	31	4,047	-	-	-	-	-	31	4,047
Total Acq. & Mtgs.		<b>\$ 970,110</b>		<b>67</b>	<b>8,056</b>	<b>20</b>	<b>1,726</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87</b>	<b>9,782</b>
Construction-in-Progress		39,259										
CAPEX Funding and Other		57,811										
Mezz, Term Loans, DFL & Other		171,335										
<b>2016 Total Investments</b>		<b>\$ 1,238,515</b>										

## NEW BUILD, MAJOR RENOVATION AND CAPEX INVESTMENTS

Commitment Year	Location	# of Projects	Property Type	Initial Cash Yield	# Beds/ Units	Investment Commitment	Inception Date Funding	Remaining Commitment	Estimated In Service Date
2014	Brewster, MA	1	ALF	9.00%	131	37,288,000	36,648,410	639,590	Dec-16
2014	Vara, MA	1	ALF	9.00%	75	23,835,652	6,322,974	17,512,678	Nov-17
2014	Middleburg, FL	1	SNF	9.00%	120	17,750,000	688,524	17,061,476	TBD
2014	West Yarmouth, MA	1	ALF	9.00%	126	10,230,500	537,086	9,693,414	TBD
2015	2nd Ave, NY	1	ALF/MC	7.00% <sup>(1)</sup>	214	249,628,480	118,336,012	131,292,468	Apr-19
2015	Tampa Lakes, FL	1	SNF	9.25%	179	26,500,000	19,306,160	7,193,840	Jan-17
2015	Pensacola, FL	1	SNF	8.75%	90	19,032,802	5,526,928	13,505,874	May-17
2015	Polk County, FL	1	SNF	9.00%	120	17,000,000	1,386,646	15,613,354	Dec-17
2015	Webster, TX	1	SNF	9.00%	120	15,000,000	2,861,992	12,138,008	Oct-17
2015	Baton Rouge, LA	1	ALF	8.75%	50	11,700,000	9,269,612	2,430,388	Sep-17
2015	Watkins, VA	1	ALF	8.75%	48	11,700,000	4,359,240	7,340,760	Jan-17
2015	Five Forks, GA	1	ALF	8.75%	48	10,600,000	6,775,810	3,824,190	Jan-17
2016	Viera, FL	1	SNF	8.75%	131	26,500,000	3,396,855	23,103,145	Jul-18
2016	Brunswick, NC	1	SNF	9.00%	100	11,650,000	1,097,783	10,552,217	Sep-17
		<b>14</b>			<b>1,552</b>	<b>\$ 488,415,434</b>	<b>\$ 216,514,031</b>	<b>\$ 271,901,403</b>	
	<b>Additional Capex:</b>	<b>78</b>				<b>118,249,273</b>	<b>71,528,768</b>	<b>46,720,505</b>	
	<b>Total:</b>	<b>92</b>				<b>\$ 606,664,707</b>	<b>\$ 288,042,800</b>	<b>\$ 318,621,907</b>	

(1) Increasing to 8% in the second lease year



# Capitalization: Capital Structure and Rates



## CAPITAL STRUCTURE

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

Financial Instrument	Secured (Y/N)	Debt Capacity 9/30/2016	Month Ending Rate	Type	Latest Maturity	Borrowed as of 9/30/2016	Weighted Avg. Rate on Borrowed Amt	3Q 2016 Debt/Ann. EBITDA
<b>Credit Facility:</b>								
Revolver	(1) N	1,250,000	1.82%	V	6/27/19 (2)	223,000		
\$200MM Term	N	200,000	2.02%	V	6/27/19 (2)	200,000		
\$200MM Acquisition Term	N	200,000	2.02%	V	6/27/19 (2)	200,000		
\$100MM OHI LP Term	N	100,000	2.02%	V	6/27/19 (2)	100,000		
\$350MM Term	N	350,000	2.02%	V	1/29/21 (2)	350,000		
\$250MM Term	N	250,000	2.33%	V (3)	12/16/22	250,000		
\$20MM Sub-Notes	N	20,000	9.00%	F	12/21/21	20,000		
\$700MM 4.375% Notes	(4) N	700,000	4.38%	F	8/1/23	700,000		
\$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	55,271	3.06%	F	Feb-45	55,271		
<b>Total Debt / Wgtd. Avg. Rate</b> (5)		<b>\$ 5,475,271</b>	<b>3.61%</b>			<b>\$ 4,448,271</b>	<b>4.02%</b>	<b>4.89 x</b>

**Common Stock:** 195,136,418 shares at \$35.45 per share: 6,917,586  
**Operating Units:** 8,862,374 units at \$35.45 per unit: 314,171

**Total Market Capitalization**

**\$ 11,680,028**

Note: At September 30, 2016, Omega held approximately \$32.6MM of cash and short-term investments

1) Excludes 0.25% annual Facility Fee on the full commitment

2) Latest maturity given optional extensions provided in Agreements

3) Forward swap to fixed effective 12/30/2016

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

## DEBT MATURITIES

(\$ in thousands)

Year	Secured Debt		Unsecured Debt			Total Debt Maturities
	HUD Mortgages (1)	Line of Credit & Term Loans (2)(3)	Senior Notes (4)(5)	Sub Notes (6)		
2016	-	-	-	-	-	
2017	-	-	-	-	-	
2018	-	-	-	-	-	
2019	-	1,750,000	-	-	1,750,000	
2020	-	-	-	-	-	
2021	-	350,000	-	20,000	370,000	
2022	-	250,000	-	-	250,000	
2023	-	-	700,000	-	700,000	
Thereafter	55,271	-	2,350,000	-	2,405,271	
	55,271	2,350,000	3,050,000	20,000	5,475,271	

(1) Mortgages guaranteed by HUD.

(2) Reflected at 100% borrowing capacity.

(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.

(4) Excludes net discounts of \$18.2 million, and \$3.0 million promissory note.

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

(6) Excludes \$0.5 million of fair market valuation adjustments.

## SENIOR UNSECURED CREDIT RATINGS

	CUSIP #	Rating Information		
		S&P	Moody's	Fitch
<b>Common Stock</b>	681936 10 0			
<b>Senior Unsecured Debt</b>				
\$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-
<b>Corporate Rating</b> .....		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 <sup>(1)</sup>**

	Consolidated				
	Leverage Ratio	Secured Leverage Ratio	Unsecured Leverage Ratio	Fixed Charge Cov. Ratio	Unsecured Interest Cov. Ratio
<b>Requirement:</b>	<b>&lt;= 60%</b>	<b>&lt;=30%</b>	<b>&lt;= 60%</b>	<b>&gt;=1.50 to 1</b>	<b>&gt;=2.00 to 1</b>
12/31/15	41%	3%	41%	4.8	4.6
3/31/16	46%	3%	46%	5.2	4.9
6/30/16	48%	3%	49%	5.3	5.0
9/30/16	48%	0.6%	52%	5.3	4.3
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
<b>Requirement:</b>	<b>&lt;= 60%</b>	<b>&gt;= 150%</b>	<b>&lt;= 40%</b>
12/31/15	45%	204%	2%
3/31/16	48%	204%	2%
6/30/16	47%	209%	2%
9/30/16	48%	197%	0%
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
	3Q	2Q	1Q				
Total Net Funded Debt / Adjusted PF EBITDA <sup>1</sup>	4.9	4.7	4.9	4.5	4.6	4.4	4.7
Secured Debt / Adjusted EBITDA <sup>1</sup>	0.1	0.3	0.3	0.3	0.5	0.6	0.9
Fixed Charge Coverage	4.6	5.1	5.0	4.9	4.1	4.0	3.5
Balance Sheet Cash (\$ 000)	32,567	32,959	9,407	5,424	4,489	2,616	1,711

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>
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<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>
Number of Shares (000s)	2,961	2,853	5,062	1,930	2,083	4,184	660	2,237	3,973	-	6,870
Average Price per Share	\$ 20.45	\$ 20.78	\$ 22.11	\$ 28.94	\$ 34.32	\$ 36.06	\$ 29.83	\$ 32.98	\$ 34.38	\$ -	\$ 33.49
Gross Proceeds (000s)	\$ 60,539	\$ 59,269	\$ 111,941	\$ 55,872	\$ 71,502	\$ 150,871	\$ 19,691	\$ 73,763	\$ 136,600	\$ -	\$ 230,054
<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>
Number of Shares (000s)	-	-	-	2,875	-	10,925	-	-	-	-	-
Average Price per Share	\$ -	\$ -	\$ -	\$ 29.48	\$ -	\$ 42.00	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Proceeds (000s)	\$ -	\$ -	\$ -	\$ 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>
Number of Shares (000s)	9,826	4,272	8,460	11,309	3,932	15,109	660	2,237	3,973	-	6,870
Average Price per Share	\$ 20.65	\$ 21.39	\$ 22.66	\$ 29.96	\$ 34.32	\$ 40.36	\$ 29.83	\$ 32.98	\$ 34.38	\$ -	\$ 33.49
Gross Proceeds (000s)	\$ 202,952	\$ 91,363	\$ 191,690	\$ 338,847	\$ 134,954	\$ 609,721	\$ 19,691	\$ 73,763	\$ 136,600	\$ -	\$ 230,054

## Capitalization: Book and Market Capitalization with Ratios



Percentages of total debt to book capitalization, adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at September 30, 2016 were 51.5%, 51.6% and 38.1%, 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 September 30, 2016 plus adjusted total debt.

Unaudited (In thousands)		At September 30, 2016
Revolving line of credit.....	\$	223,000
Term loans.....		1,100,000
Secured borrowings.....		55,271
Unsecured borrowings.....		3,073,000
FMV adjustment of assumption of debt .....		520
Premium (discount) unsecured borrowings (net).....		(18,152)
Total debt.....	\$	4,433,639
Deduct FMV adjustment of assumption of debt .....		(520)
Add back discount (deduct premium) on unsecured borrowings (net).....		18,152
Adjusted total debt.....	\$	<u>4,451,271</u>
<b>BOOK CAPITALIZATION.....</b>		
Total debt.....	\$	4,433,639
Omega Stockholders' equity.....		3,822,058
Noncontrolling interest .....		353,133
Book capitalization.....	\$	8,608,830
Deduct FMV adjustment of assumption of debt .....		(520)
Add back discount (deduct premium) on unsecured borrowings (net).....		18,152
Adjusted book capitalization.....	\$	<u>8,626,462</u>
<b>MARKET CAPITALIZATION.....</b>		
Omega common shares and OP units outstanding at 9/30/2016.....		203,998
Market price of common stock at 9/30/2016.....	\$	35.45
Market capitalization of common stock at 9/30/2016.....		7,231,729
Market capitalization of publicly traded securities.....		7,231,729
Add adjusted total debt.....		4,451,271
Total market capitalization.....	\$	<u>11,683,000</u>
<b>Total debt / book capitalization.....</b>		<u><b>51.5%</b></u>
<b>Adjusted total debt / adjusted book capitalization.....</b>		<u><b>51.6%</b></u>
<b>Adjusted total debt / total market capitalization.....</b>		<u><b>38.1%</b></u>

## Financial Performance: Historical AFFO, FAD and Dividends



Year	Quarter Ended	Ending Share Price	Div. * Yield	Quarterly					Original 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	% 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%							
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%							
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%							
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%							
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%							
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%							
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%							
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%							
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%							
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%							
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%							
	9/30/2016	\$35.45	6.8%	0.83	0.61	73.5%	0.75	81.3%							

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

<b>No. of consecutive quarterly dividends paid since 2003:</b>	<b>53</b>
<b>No. of quarterly dividend increases since 2003:</b>	<b>39</b>
<b>No. of consecutive quarterly dividend increases:</b>	<b>17</b>

**2016 Revised Guidance: AFFO: \$3.38—\$3.39**

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."

**2016 Guidance and Reconciliation**

The Company's guidance for 2016 annual net income is expected to be between \$1.74 and \$1.75 per share and annual Adjusted FFO to be between \$3.38 and \$3.39 per share, representing 10% Adjusted FFO per share growth over 2015. The table below outlines Omega's 2016 quarterly guidance for Adjusted FFO (all per share numbers are rounded to 2 decimals).

**2016 Fourth Quarter and Full Year Adjusted FFO Guidance Range (1) (2)**  
(per diluted common share)

	<b>Nine Months Ended</b>		
	<b>September 30</b>	<b>Q4</b>	<b>Full Year</b>
Net Income	\$1.26	\$0.48 - \$0.49	\$1.74 - \$1.75
Depreciation	0.98	0.35	1.33
Gain on assets sold	(0.10)	-	(0.10)
Real estate impairments	0.29	-	0.29
FFO	\$2.43	\$0.83 - \$0.84	\$3.26 - \$3.27
Adjustments:			
Transaction costs	0.05	-	0.05
Provision for uncollectible accounts	0.02	-	0.02
Interest refinancing expense	0.01	-	0.01
One-time revenue items in FFO	(0.03)	-	(0.03)
Stock-based compensation expense	0.05	0.02	0.07
Adjusted FFO	\$2.53	\$0.85 - \$0.86	\$3.38 - \$3.39

(1) The Company's Adjusted FFO guidance for 2016 includes approximately \$1.2 billion of combined new investments and planned capital renovation projects completed through September 30, 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. 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 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 204 million fully diluted weighted average common shares outstanding.

Unaudited (in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>Revenue</b>				
Rental income .....	\$ 185,837	\$ 166,623	\$ 548,994	\$ 430,699
Income from direct financing leases .....	15,611	15,216	46,574	44,582
Mortgage interest income .....	15,996	17,195	53,973	51,336
Other investment income – net.....	7,194	2,940	16,800	6,488
Total operating revenues .....	224,638	201,974	666,341	533,105
<b>Expenses</b>				
Depreciation and amortization.....	68,316	60,143	196,254	149,909
General and administrative .....	12,428	10,160	34,715	26,482
Acquisition and merger related costs .....	2,309	3,555	9,584	55,507
Impairment loss on real estate properties .....	17,275	1,743	58,726	14,641
(Recovery) provision for uncollectible mortgages, notes and accounts receivable.....	(3)	301	3,967	292
Total operating expenses .....	100,325	75,902	303,246	246,831
<b>Income before other income and expense.....</b>	<b>124,313</b>	<b>126,072</b>	<b>363,095</b>	<b>286,274</b>
<b>Other income (expense)</b>				
Interest income .....	157	5	169	205
Interest expense.....	(42,855)	(38,169)	(119,728)	(108,776)
Interest – amortization of deferred financing costs.....	(2,502)	(1,857)	(6,844)	(5,036)
Interest – refinancing costs.....	(1,815)	-	(2,113)	(8,361)
Realized loss on foreign exchange.....	(222)	-	(244)	-
Total other expense.....	(47,237)	(40,021)	(128,760)	(121,968)
<b>Income before gain (loss) on assets sold .....</b>	<b>77,076</b>	<b>86,051</b>	<b>234,335</b>	<b>164,306</b>
Gain (loss) on assets sold – net.....	5,139	(2,391)	19,931	6,411
<b>Income from continuing operations before income taxes.....</b>	<b>82,215</b>	<b>83,660</b>	<b>254,266</b>	<b>170,717</b>
Income taxes .....	(81)	(406)	(782)	(945)
<b>Net income .....</b>	<b>82,134</b>	<b>83,254</b>	<b>253,484</b>	<b>169,772</b>
<b>Net income attributable to noncontrolling interest.....</b>	<b>(3,585)</b>	<b>(3,852)</b>	<b>(11,328)</b>	<b>(5,890)</b>
<b>Net income available to common stockholders.....</b>	<b>\$ 78,549</b>	<b>\$ 79,402</b>	<b>\$ 242,156</b>	<b>\$ 163,882</b>
<b>Income per common share available to common stockholders:</b>				
<b>Basic:</b>				
Net income available to common stockholders .....	\$ 0.40	\$ 0.43	\$ 1.27	\$ 0.98
<b>Diluted:</b>				
Net income .....	\$ 0.40	\$ 0.43	\$ 1.26	\$ 0.97
Dividends declared per common share.....	\$ 0.60	\$ 0.55	\$ 1.75	\$ 1.62
Weighted-average shares outstanding, basic.....	194,123	184,739	190,444	167,261
Weighted-average shares outstanding, diluted.....	204,078	195,183	200,528	174,824

Unaudited (in thousands)

	September 30, 2016	December 31, 2015
	(Unaudited)	
<b>ASSETS</b>		
Real estate properties		
Land and buildings .....	\$ 7,593,886	\$ 6,743,958
Less accumulated depreciation .....	(1,186,077)	(1,019,150)
Real estate properties – net .....	6,407,809	5,724,808
Investments in direct financing leases – net .....	597,779	587,701
Mortgage notes receivable .....	624,339	679,795
	<u>7,629,927</u>	<u>6,992,304</u>
Other investments .....	277,251	89,299
	<u>7,907,178</u>	<u>7,081,603</u>
Assets held for sale – net .....	91,210	6,599
Total investments .....	<u>7,998,388</u>	<u>7,088,202</u>
Cash and cash equivalents .....	32,567	5,424
Restricted cash .....	12,282	14,607
Accounts receivable – net .....	225,225	203,862
Goodwill .....	644,129	645,683
Other assets .....	69,772	61,231
Total assets .....	<u>\$ 8,982,363</u>	<u>\$ 8,019,009</u>
<b>LIABILITIES AND EQUITY</b>		
Revolving line of credit .....	\$ 223,000	\$ 230,000
Term loans .....	1,100,000	750,000
Secured borrowings – net .....	55,271	236,204
Unsecured borrowings – net .....	3,055,368	2,352,882
Accrued expenses and other liabilities .....	361,596	333,706
Deferred income taxes .....	11,937	15,352
Total liabilities .....	<u>4,807,172</u>	<u>3,918,144</u>
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 195,136 shares as of September 30, 2016 and 187,399 as of December 31, 2015 .....	19,514	18,740
Common stock – additional paid-in capital .....	4,827,877	4,609,474
Cumulative net earnings .....	1,614,678	1,372,522
Cumulative dividends paid .....	(2,587,841)	(2,254,038)
Accumulated other comprehensive loss .....	(52,170)	(8,712)
Total stockholders’ equity .....	<u>3,822,058</u>	<u>3,737,986</u>
Noncontrolling interest .....	353,133	362,879
Total equity .....	<u>4,175,191</u>	<u>4,100,865</u>
Total liabilities and equity .....	<u>\$ 8,982,363</u>	<u>\$ 8,019,009</u>



Unaudited (in thousands)

	Nine Months Ended September 30,	
	2016	2015
<b>Cash flows from operating activities</b>		
Net income .....	\$ 253,484	\$ 169,772
Adjustment to reconcile net income to cash provided by operating activities:		
Depreciation and amortization .....	196,254	149,909
Provision for impairment on real estate properties .....	58,726	14,641
Provision for uncollectible mortgages, notes and accounts receivable .....	3,967	292
Amortization of deferred financing costs and refinancing costs.....	8,957	13,397
Accretion of direct financing leases.....	(8,999)	(8,124)
Stock-based compensation .....	10,116	6,682
Gain on assets sold – net .....	(19,931)	(6,411)
Amortization of acquired in-place leases - net.....	(10,957)	(4,264)
Change in operating assets and liabilities – net of amounts assumed/acquired:		
Accounts receivable – net .....	203	315
Straight-line rent receivables.....	(29,959)	(26,565)
Lease inducements .....	1,942	347
Effective yield receivable on mortgage notes.....	(209)	(3,159)
Other operating assets and liabilities.....	(6,357)	15,972
Net cash provided by operating activities.....	457,237	322,804
<b>Cash flows from investing activities</b>		
Acquisition of real estate – net of liabilities assumed and escrows acquired.....	(959,748)	(288,290)
Cash acquired in merger.....	—	84,858
Investment in construction in progress.....	(44,113)	(145,276)
Investment in direct financing leases .....	(1,079)	(6,793)
Placement of mortgage loans .....	(27,895)	(7,601)
Proceeds from sale of real estate investments .....	64,746	41,541
Capital improvements to real estate investments.....	(31,408)	(18,154)
Proceeds from other investments .....	49,482	37,428
Investments in other investments .....	(242,999)	(49,489)
Collection of mortgage principal.....	58,149	1,025
Net cash used in investing activities .....	(1,134,865)	(350,751)
<b>Cash flows from financing activities</b>		
Proceeds from credit facility borrowings .....	1,134,000	1,704,000
Payments on credit facility borrowings.....	(1,141,000)	(1,239,000)
Receipts of other long-term borrowings.....	1,048,173	1,588,124
Payments of other long-term borrowings .....	(180,934)	(1,588,063)
Payments of financing related costs.....	(11,770)	(30,709)
Escrow deposit for other long-term borrowing .....	—	(614,998)
Receipts from dividend reinvestment plan .....	229,769	65,665
Payments for exercised options and restricted stock – net.....	(23,403)	(26,168)
Net proceeds from issuance of common stock .....	—	439,738
Dividends paid.....	(333,663)	(253,105)
Redemption of OP Units .....	(732)	—
Distributions to OP Unit Holders.....	(15,738)	(6,598)
Net cash provided by financing activities.....	704,702	38,886
Increase in cash and cash equivalents.....	27,074	10,939
Effect of foreign currency translation on cash and cash equivalents .....	69	(109)
Cash and cash equivalents at beginning of period.....	5,424	4,489
Cash and cash equivalents at end of period .....	\$ 32,567	\$ 15,319
Interest paid during the period, net of amounts capitalized .....	\$ 116,169	\$ 90,536

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

(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>Net income</b> .....	\$ 82,134	\$ 83,254	\$ 253,484	\$ 169,772
Deduct gain (add back loss) from real estate dispositions .....	(5,139)	2,391	(19,931)	(6,411)
Sub – total .....	76,995	85,645	233,553	163,361
Elimination of non-cash items included in net income:				
Depreciation and amortization .....	68,316	60,143	196,254	149,909
Add back non-cash provision for impairments on real estate properties.....	17,275	1,743	58,726	14,641
<b>Funds from operations</b> .....	<u>\$ 162,586</u>	<u>\$ 147,531</u>	<u>\$ 488,533</u>	<u>\$ 327,911</u>
Weighted-average common shares outstanding, basic .....	194,123	184,739	190,444	167,261
Restricted stock and PRSUs .....	1,093	1,483	1,174	1,580
Omega OP Units .....	8,862	8,961	8,910	5,983
Weighted-average common shares outstanding, diluted .....	<u>204,078</u>	<u>195,183</u>	<u>200,528</u>	<u>174,824</u>
<b>Funds from operations available per share</b> .....	<u>\$ 0.80</u>	<u>\$ 0.76</u>	<u>\$ 2.44</u>	<u>\$ 1.88</u>
<b>Adjustments to calculate adjusted funds from operations:</b>				
Funds from operations available to common stockholders ...	\$ 162,586	\$ 147,531	\$ 488,533	\$ 327,911
Deduct one-time revenue .....	(448)	—	(683)	—
Deduct prepayment fee income from early termination of mortgages.....	—	—	(5,390)	—
(Deduct)/add back provision for uncollectible mortgages, notes and accounts receivables .....	(3)	301	3,967	292
Add back interest refinancing expense .....	1,815	—	2,113	8,361
Add back interest carried to retire bonds <sup>(1)</sup> .....	—	863	—	863
Add back acquisition costs.....	2,309	3,555	9,584	55,507
Add back non-cash stock-based compensation expense .....	3,673	2,199	10,116	6,682
<b>Adjusted funds from operations</b> .....	<u>\$ 169,932</u>	<u>\$ 154,449</u>	<u>\$ 508,240</u>	<u>\$ 399,616</u>
<b>Adjustments to calculate funds available for distribution:</b>				
Non-cash interest expense .....	2,555	1,890	6,834	5,167
Capitalized interest .....	(1,640)	(1,522)	(4,765)	(1,945)
Non-cash revenues .....	(18,251)	(14,918)	(55,226)	(39,295)
<b>Funds available for distribution</b> .....	<u>\$ 152,596</u>	<u>\$ 139,899</u>	<u>\$ 455,083</u>	<u>\$ 363,543</u>

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

Funds From Operations (“FFO”), Adjusted FFO and 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 exclude 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 include 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 press release, 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.

The Company uses these non-GAAP measures among the criteria to measure the operating performance of its business. The Company also uses Adjusted FFO among the performance metrics for performance-based compensation of officers. 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 September 30, 2016 were 5.59x, 5.12x and 4.89x, 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 3rd quarter assuming an July 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.

	<u>Three Months Ended</u> <u>September 30, 2016</u>
Net income.....	\$ 82,134
Depreciation and amortization.....	68,316
Interest.....	47,172
Income taxes.....	81
EBITDA.....	<u>\$ 197,703</u>
Deduct gain on assets sold - net .....	(5,139)
Deduct non-cash recovery for uncollectible mortgages, notes and accounts receivable.....	(3)
Add back non-cash provision for impairments on real estate properties.....	17,275
Add back acquisition and merger related costs.....	2,309
Add back stock-based compensation expense.....	3,673
Adjusted EBITDA.....	<u>\$ 215,818</u>
Add incremental proforma EBITDA from new investments in 3rd Quarter .....	10,151
Adjusted proforma EBITDA.....	<u>\$ 225,969</u>
DEBT	
Revolving line of credit.....	\$ 223,000
Term loans.....	1,100,000
Secured borrowings .....	55,271
Unsecured borrowings.....	3,073,000
FMV adjustment of assumption of debt .....	520
Premium (discount) on unsecured borrowings (net).....	(18,152)
Total debt.....	<u>\$ 4,433,639</u>
Deduct balance sheet cash and cash equivalents.....	(32,567)
Net total debt.....	<u>\$ 4,401,072</u>
Deduct FMV adjustment for assumption of debt .....	(520)
Add back discount (deduct premium) on unsecured borrowings (net).....	18,152
Adjusted total debt (aka Funded Debt).....	<u>\$ 4,418,704</u>
Funded Debt / annualized EBITDA .....	<u>5.59 x</u>
Funded Debt / adjusted annualized EBITDA .....	<u>5.12 x</u>
Funded Debt / adjusted pro forma annualized EBITDA.....	<u>4.89 x</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 September 30, 2016 were 4.2x, 4.6x and 4.6x, 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 September 30, 2016</b>
Net income.....	\$ 82,134
Depreciation and amortization.....	68,316
Interest.....	47,172
Income taxes.....	81
EBITDA.....	<u>\$ 197,703</u>
Deduct gain on assets sold - net.....	(5,139)
Deduct non-cash recovery for uncollectible mortgages, notes and accounts receivable.....	(3)
Add back non-cash provision for impairments on real estate properties.....	17,275
Add back acquisition and merger related costs.....	2,309
Add back stock-based compensation expense.....	3,673
Adjusted EBITDA.....	<u>\$ 215,818</u>
 FIXED CHARGES.....	
Interest expense.....	\$ 42,855
Amortization of non-cash deferred financing charges.....	2,502
Refinancing costs.....	1,815
Total interest expense.....	<u>\$ 47,172</u>
Add back: capitalized interest.....	1,640
Less: refinancing charges.....	(1,815)
Total fixed charges.....	<u>\$ 46,997</u>
 EBITDA / total interest expense ratio.....	<u>4.2 x</u>
Adjusted EBITDA / total interest expense ratio.....	<u>4.6 x</u>
Adjusted EBITDA / fixed charge coverage ratio.....	<u>4.6 x</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, 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 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.