

**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.

As of December 31, 2017, Omega has a portfolio of investments that includes approximately 973 properties located in 41 states and the UK (53 facilities) and operated by 74 different operators (includes the Manhattan 2nd Avenue project).

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

### Craig R. Callen, Chairman

Craig M. Bernfield	Edward Lowenthal
Norman R. Bobins	Stephen D. Plavin
Barbara B. Hill	Ben W. Perks
Bernard J. Korman	Taylor Pickett

## Analysts

<b>Bank of America/Merrill Lynch</b> .....	Juan Sanabria.....	646-855-1589
<b>BTIG</b> .....	Michael Gorman.....	646-562-1320
<b>Cantor Fitzgerald</b> .....	Joseph France.....	212-915-1239
<b>Capital One Securities</b> .....	Daniel Bernstein.....	571-835-7202
<b>Goldman Sachs</b> .....	Andrew Rosivach....	212-902-2796
<b>Green Street Advisors</b> .....	Michael Knott.....	949-640-8780
<b>Hilliard Lyons</b> .....	John Roberts.....	502-588-1165
<b>Jefferies</b> .....	Tayo Okusanya.....	212-336-7076
<b>JMP Securities</b> .....	Peter Martin.....	415-835-8900
<b>Stifel Nicolaus</b> .....	Chad Vanacore.....	518-587-2581
<b>SunTrust</b> .....	Eric Fleming.....	617-345-6536
<b>UBS</b> .....	Nicholas Yulico.....	212-713-3402
<b>Wells Fargo</b> .....	Todd Stender.....	212-214-8067

Stock Symbol: OHI Shares & Units Outstanding December 31, 2017: 207,080,379  
 Exchange: NYSE CUSIP Number: 681936100

## Contact Information

**Omega Healthcare Investors, Inc.**  
 303 International Circle  
 Suite 200  
 Hunt Valley, MD 21030  
 (410) 427-1700 (Main)  
 (866) 996-6342 (Investor Relations)  
[www.omegahhealthcare.com](http://www.omegahhealthcare.com)

**Transfer Agent Correspondence**  
 Computershare, Inc.  
 P.O. Box 505000  
 Louisville, KY 40233  
 (800) 368-5948

[www.computershare.com](http://www.computershare.com)

*This press release 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, facility transitions, 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 Omega 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 sell assets held for sale or complete potential asset sales on a timely basis and on terms that allow Omega to realize the carrying value of these assets; (x) Omega's ability to re-lease, otherwise transition or sell underperforming 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) the potential impact of changes in the SNF and assisted living facility ("ALF") market or local real estate conditions on the Company's ability to dispose of assets held for sale for the anticipated proceeds or on a timely basis, or to redeploy the proceeds therefrom on favorable terms; (xiii) changes in interest rates; (xiv) changes in tax laws and regulations affecting REITs and (xv) 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 announcement.*

**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, Funds Available for Distribution ("FAD"), 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 December 31, 2017, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

**INVESTMENT SUMMARY**

(\$ in thousands)

As of December 31, 2017

Balance Sheet Data	Total No. of	Investment	% of	Total No. of	No. of	Investment
	Properties		Investment	Investment	Operating Properties <sup>(1)</sup>	
Real Estate Investments	869	\$ 7,655,960	88%	881	88,007	
Direct Financing Leases	41	364,965	4%	41	4,264	
Loans Receivable	51	671,232	8%	51	5,366	
	961	\$ 8,692,157	100%	973	97,637	
Assets Held for Sale	22	86,699				
Total Investments	983	\$ 8,778,856				

Investment Data	Total No. of	Investment	% of	Total No. of	No. of	Investment
	Properties		Investment	Investment	Operating Properties <sup>(1)</sup>	Operating Beds
Skilled Nursing/Transitional Care	828	\$ 7,210,049	83%	844	89,646	\$80
Senior Housing <sup>(2)</sup>	133	1,482,108	17%	129	7,991	\$185
	961	\$ 8,692,157	100%	973	97,637	\$89
Assets Held for Sale	22	86,699				
Total Investments	983	\$ 8,778,856				

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

2) Includes ALFs, memory care and independent living facilities

**REVENUE SUMMARY**

(\$ in thousands)

Revenue by Investment Type	Three Months Ended		Twelve Months Ended	
	12/31/2017		12/31/2017	
Rental Property	\$ 194,579	88%	\$ 775,176	85%
Direct Financing Leases	614	0%	32,336	4%
Mortgage Notes	17,029	8%	66,202	7%
Other Investment Income & Misc Income - net	8,984	4%	34,671	4%
	\$ 221,206	100%	\$ 908,385	100%

Revenue by Facility Type	Three Months Ended		Twelve Months Ended	
	12/31/2017		12/31/2017	
Skilled Nursing / Transitional Care	\$ 183,480	83%	\$ 765,736	84%
Senior Housing	28,742	13%	107,978	12%
Other	8,984	4%	34,671	4%
	\$ 221,206	100%	\$ 908,385	100%

**OPERATOR 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
September 30, 2017	52.9%	34.7%	12.4%	September 30, 2017	82.2%	1.72x	1.35x
June 30, 2017	51.9%	35.9%	12.2%	June 30, 2017	82.4%	1.71x	1.34x
March 31, 2017	51.0%	37.3%	11.7%	March 31, 2017	82.5%	1.69x	1.33x
December 31, 2016	52.6%	35.8%	11.6%	December 31, 2016	82.2%	1.69x	1.33x
September 30, 2016	53.0%	35.8%	11.2%	September 30, 2016	82.1%	1.68x	1.31x

1) Based on available (operating) beds

### RENT/INTEREST CONCENTRATION BY OPERATOR

(\$ in thousands)

Operator	No. of <sup>(1)</sup> Properties	Total <sup>(2)</sup>	
		Ann. Contractual Rent/Interest	% of Total Ann. Contractual Rent/Interest
1 Ciena	70	\$ 86,360	10.0%
2 Genesis	50	59,588	6.9%
3 Signature	60	56,738	6.6%
4 Communicare	38	54,939	6.4%
5 Orianna	42	46,591	5.4%
6 Saber	44	40,741	4.7%
7 Maplewood	14	35,831	4.1%
8 HHC	44	35,234	4.1%
9 Guardian	31	29,998	3.5%
10 Diversicare	35	28,746	3.3%
<i>Remaining 64 Operators</i>	<i>545</i>	<i>389,771</i>	<i>45.0%</i>
	<b>973</b>	<b>\$ 864,537</b>	<b>100.0%</b>

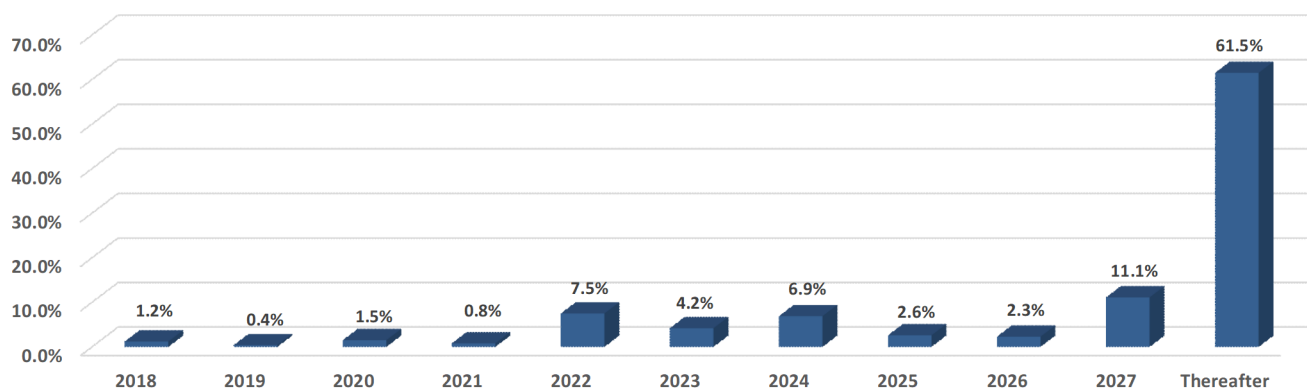
- 1) Number of Properties excludes facilities which are non-operating, closed and/or not currently providing patient services
- 2) 4Q 2017 annualized contractual rent/interest; includes mezzanine and term loan interest

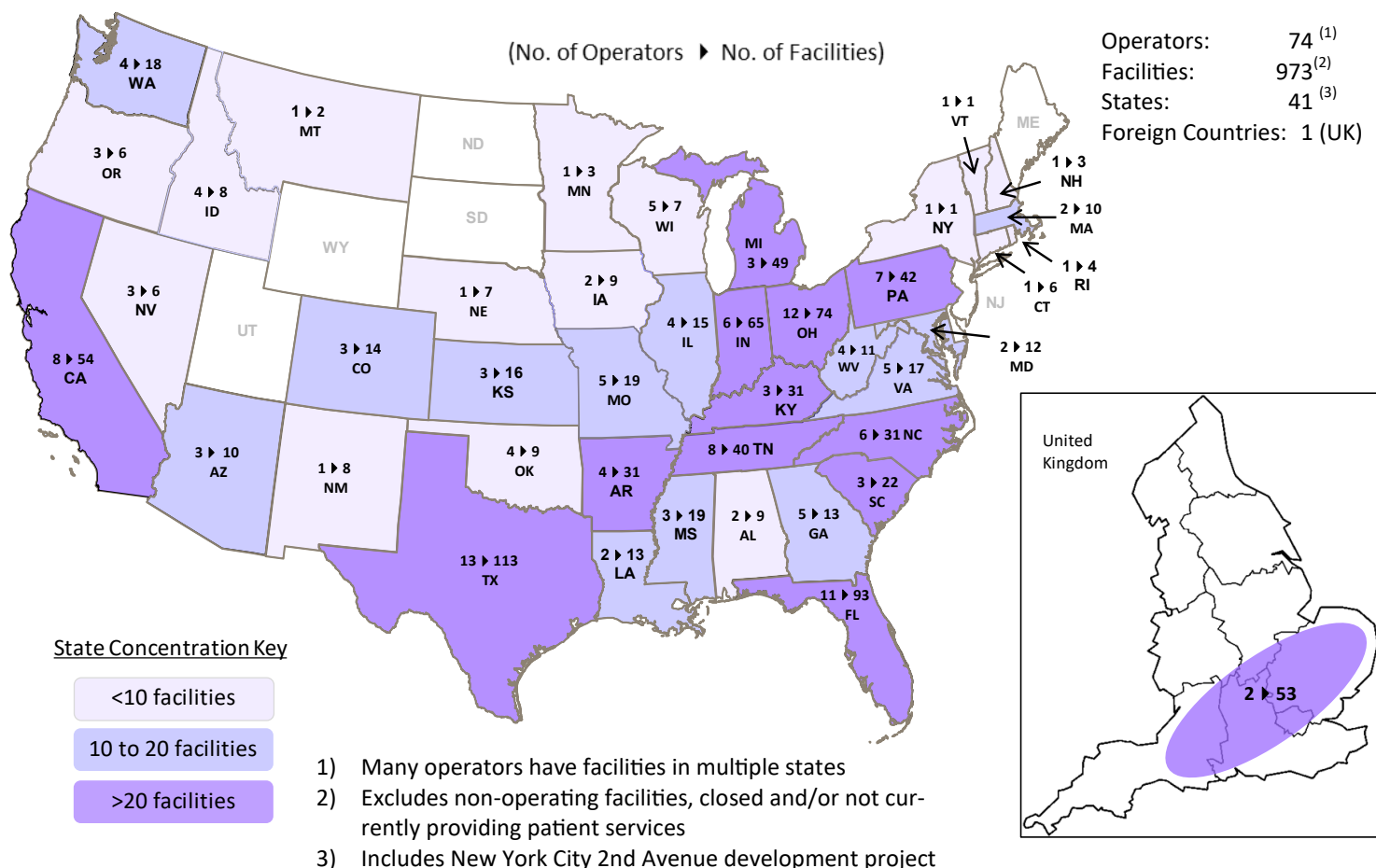
### LEASE AND MORTGAGE EXPIRATIONS

(\$ in thousands)

Year	4Q 2017 Contractual Rent/Interest Annualized	%	Investment Amounts				Operating Facilities		Operating Beds		
			Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%
1 2018	\$ 10,458	1.2%	\$ 67,132	\$ -	\$ 44,977	\$ 112,109	1.3%	17	1.7%	1,505	1.5%
2 2019	3,226	0.4%	19,408	-	-	19,408	0.2%	5	0.5%	308	0.3%
3 2020	12,644	1.5%	56,234	321	1,472	58,027	0.7%	10	1.0%	1,050	1.1%
4 2021	7,144	0.8%	93,718	-	-	93,718	1.1%	19	2.0%	576	0.6%
5 2022	64,738	7.5%	545,405	-	-	545,405	6.3%	79	8.1%	7,848	8.0%
6 2023	36,467	4.2%	288,682	-	-	288,682	3.3%	50	5.1%	4,613	4.7%
7 2024	59,657	6.9%	441,085	-	112,500	553,585	6.4%	53	5.4%	5,166	5.3%
8 2025	22,399	2.6%	177,690	-	-	177,690	2.0%	20	2.1%	2,605	2.7%
9 2026	19,729	2.3%	240,276	-	-	240,276	2.8%	23	2.4%	2,781	2.9%
10 2027	96,299	11.1%	1,183,399	-	-	1,183,399	13.6%	156	16.0%	13,651	14.0%
Thereafter	531,776	61.5%	4,542,931	364,644	512,283	5,419,858	62.3%	541	55.7%	57,534	58.9%
<b>TOTAL</b>	<b>\$ 864,537</b>	<b>100.0%</b>	<b>\$ 7,655,960</b>	<b>\$ 364,965</b>	<b>\$ 671,232</b>	<b>\$ 8,692,157</b>	<b>100.0%</b>	<b>973</b>	<b>100.0%</b>	<b>97,637</b>	<b>100.0%</b>

Note: All percentages rounded to one decimal





**GEOGRAPHIC CONCENTRATION BY INVESTMENT**

(\$ in thousands)

As of December 31, 2017

	No. of Properties <sup>(1)</sup>	Investment <sup>(2)</sup>	% Investment	% Occupancy <sup>(4)</sup>
Texas	115	\$ 816,800	9.4%	70.7%
Florida	94	800,718	9.2%	88.0%
Ohio	73	712,614	8.2%	83.5%
Michigan	49	627,704	7.2%	85.0%
Indiana	65	582,818	6.7%	81.5%
California	54	496,985	5.7%	92.3%
Pennsylvania	43	470,145	5.4%	87.6%
Tennessee	40	331,053	3.8%	71.9%
North Carolina	32	268,975	3.1%	82.4%
Virginia	17	268,254	3.1%	82.4%
Remaining 31 states <sup>(3)</sup>	326	2,908,610	33.5%	81.9%
	908	\$ 8,284,676	95.3%	
United Kingdom	53	407,481	4.7%	91.5%
Total	961	\$ 8,692,157	100.0%	82.2%

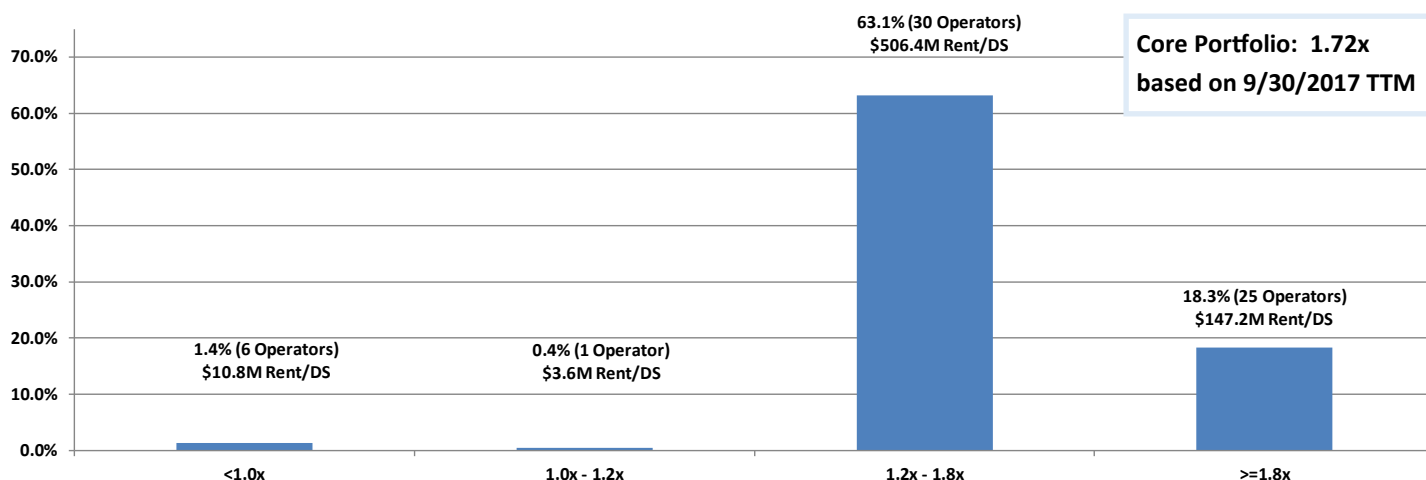
1) Excludes 22 properties classified as assets held for sale (AHS)

2) Excludes \$86.7 million (22 properties) classified as AHS

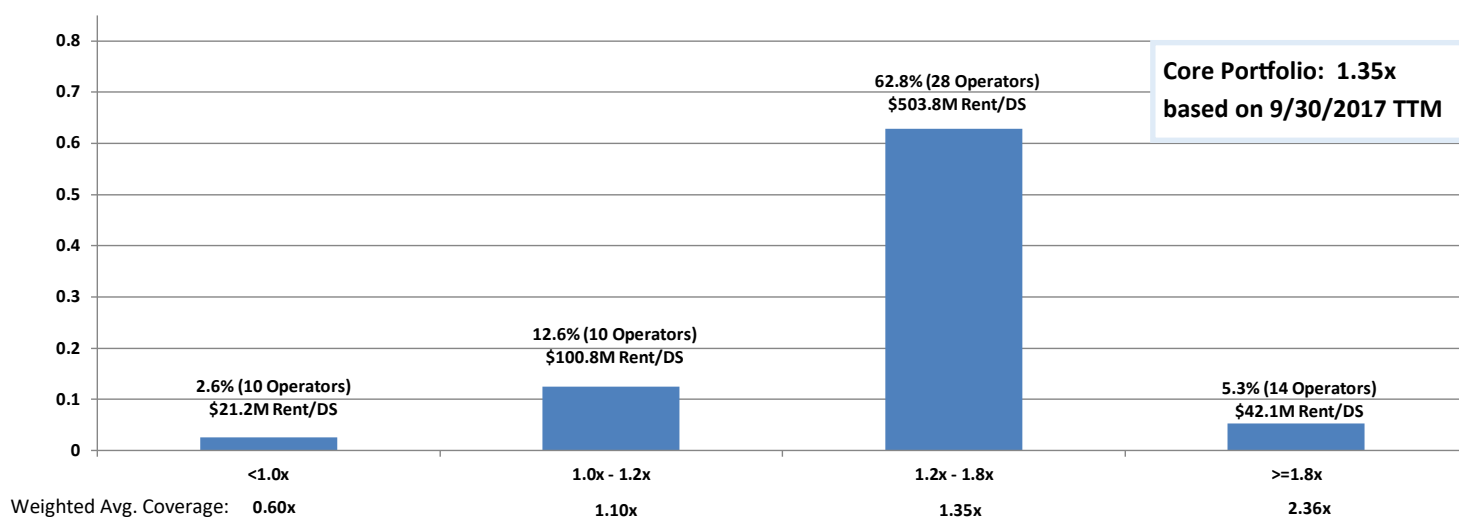
3) Includes New York City 2nd Avenue development project

4) As of September 30, 2017, TTM

**OPERATOR EBITDARM COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 9/30/2017 TTM**



**OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 9/30/2017 TTM**



NOTE: Core portfolio represents 83% 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**

	EBITDARM Coverage	EBITDAR Coverage	% of Total Rent	Current on Rent (1)	Subordinated Management Fees	Guaranty	Credit / Security Deposit
SNF/ALF	0.21	(0.05)	0.3%	✓		✓	✓
ALF	0.69	0.58	0.7%	✓	✓	✓	✓
SNF	1.16	0.94	0.4%	✓	✓	✓	
SNF	1.36	0.95	0.7%	✓		Limited	✓
Add'l 6 SNFs with EBITDAR Cov. <1.0 <sup>(2)</sup>			0.5%	5/6	0/6	6/6	6/6
			2.6%				

(1) Rent is current if < 30 days outstanding; measured on 2/9/18

(2) Combined EBITDARM Coverage is .70x and combined EBITDAR Coverage is 0.26x

## 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>				\$ 509,558	39	4,832	6	601	-	-	6	259	51	5,692
<b>2013 Total Investments</b>				\$ 620,858	59	5,769	2	152	-	-	-	-	61	5,921
<b>2014 Total Investments</b>				\$ 565,510	25	2,684	7	541	-	-	-	-	32	3,225
<b>2015 Total Investments</b>				\$ 506,944	12	1,367	27	1,212	-	-	-	-	39	2,579
<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 Acquisitions & Mortgages				\$ 970,110	67	8,056	20	1,726	-	-	-	-	87	9,782
Construction-in-Progress				62,197										
CAPEX Funding and Other				72,515										
Mezz, Term Loans, DFL & Other				223,447										
<b>2016 Total Investments</b>				\$ 1,328,269										
<b>2017</b>														
Acquisition	1/31/2017	\$ 7,574	VA	-	-	1	60	-	-	-	-	1	60	
Acquisition	5/8/2017	114,759	UK	-	-	18	992	-	-	-	-	18	992	
Acquisition	6/22/2017	8,644	NC	1	100	-	-	-	-	-	-	1	100	
Mortgage	6/30/2017	11,000	MI	3	271	-	-	-	-	-	-	3	271	
Acquisition	8/11/2017	2,294	TX	-	-	1	48	-	-	-	-	1	48	
Acquisition	8/31/2017	191,000	IN	15	2,074	-	-	-	-	-	-	15	2,074	
Acquisition	11/1/2017	39,974	TX	6	573	-	-	-	-	-	-	6	573	
Total Acquisitions & Mortgages				\$ 375,246	25	3,018	20	1,100	-	-	-	-	45	4,118
Construction-in-Progress				78,432										
CAPEX Funding and Other				59,424										
Direct Financing Leases & Other				16,625										
<b>2017 Total Investments</b>				\$ 529,727										

## NEW BUILDS, MAJOR RENOVATIONS AND CAPEX INVESTMENTS AS OF DECEMBER 31, 2017

Fac. #	Commitment Year	Location	# of Projects	Property Type	Initial		Investment Commitment	Inception to Date Funding <sup>(1)</sup>	Remaining Commitment	Estimated In Service Date	Estimated Additional Quarterly Rent <sup>(2)</sup>
					Cash Yield	Beds / Units					
1503	2014	Middleburg, FL	1	SNF	9.00%	120	17,750,000	6,265,068	11,484,932	Sep-18	140,964
1436	2015	2nd Ave, NY	1	ALF / MC	7.00%	214	249,628,480	145,400,292	104,228,188	Q4 19	2,544,505
1435	2015	Pensacola, FL	1	SNF	8.75%	90	21,171,638	19,350,279	1,821,359	Feb-18	423,287
1502	2015	Polk County, FL	1	SNF	9.00%	120	18,000,000	12,537,807	5,462,193	May-18	282,101
1484	2016	Brunswick, NC	1	SNF	9.00%	100	11,650,000	10,764,198	885,802	Mar-18	242,194
1542	2016	Pensacola, FL	1	SNF	8.75%	90	19,500,000	1,593,638	17,906,362	TBD	34,861
1506	2016	Viera, FL	1	SNF	8.75%	131	26,500,000	6,637,259	19,862,741	Mar-19	145,197
1563	2017	Southport, CT	1	ALF	9.00%	98	36,146,285	4,049,050	32,097,235	Jun-19	91,104
1592	2017	Lake City, FL	1	SNF	8.75%	113	23,600,000	1,982,423	21,617,577	TBD	43,366
1483	2017	Mocksville, NC	1	SNF	9.25%	108	12,200,000	2,186,715	10,013,285	Jan-19	50,568
<b>Leased Facilities</b>			<b>10</b>			<b>1,184</b>	<b>\$ 436,146,403</b>	<b>\$ 210,766,729</b>	<b>\$ 225,379,674</b>		<b>\$ 3,998,147</b>
1444	2015	Watkins, VA	1	ALF	8.75%	48	11,700,000	8,548,720	3,151,280	Sep-18	-
1568	2017	St. Clair Shores, MI	1	SNF	9.50%	101	17,000,000	7,439,548	9,560,452	Mar-19	-
1569	2017	Westland, MI	1	SNF	9.50%	120	10,000,000	209,968	9,790,032	TBD	-
<b>Mortgages <sup>(3)</sup></b>			<b>3</b>			<b>269</b>	<b>\$ 38,700,000</b>	<b>\$ 16,198,236</b>	<b>\$ 22,501,764</b>		
<b>Additional CapEx (excluding New Builds) <sup>(3)</sup></b>			<b>85</b>				<b>207,402,220</b>	<b>156,620,775</b>	<b>50,781,445</b>		
<b>Total:</b>			<b>98</b>			<b>1,453</b>	<b>\$ 682,248,623</b>	<b>\$ 383,585,740</b>	<b>\$ 298,662,883</b>		

(1) Includes land and finance costs

(2) Inception to date funding multiplied by initial cash yield

(3) Current quarter revenue already reflects fundings to date

## CAPITAL STRUCTURE

Financial Instrument	Secured (Y/N)	Debt Capacity in USD 12/31/2017	Month Ending Rate	Type	Latest Maturity	Yrs to Maturity	Borrowed as of 12/31/2017	% of Total	4Q 2017
									Debt/Ann. EBITDA <sup>(4)</sup>
<b>Credit Facility:</b>									
Revolver - USD	N	900,000,000	2.651%	V <sup>(1)</sup>	5/25/22 <sup>(2)</sup>	4.4 Yrs	290,000,000	6.3%	
Revolver - USD & Alternate Currency	N	350,000,000	2.651%	V <sup>(1)</sup>	5/25/22 <sup>(2)</sup>	4.4 Yrs	-	0.0%	
\$425MM U.S Term Loan	N	425,000,000	3.019%	V	5/25/22	4.4 Yrs	425,000,000	9.2%	
\$100MM OHI LP Term Loan	N	100,000,000	3.019%	V	5/25/22	4.4 Yrs	100,000,000	2.2%	
£100MM Sterling Term Loan	<sup>(3)</sup> N	135,130,000	1.941%	V	5/25/22	4.4 Yrs	135,130,000	2.9%	
\$250MM Term	N	250,000,000	3.800%	F	12/16/22	5.0 Yrs	250,000,000	5.4%	
\$20M Sub-Notes	N	20,000,000	9.000%	F	12/21/21	4.0 Yrs	20,000,000	0.4%	
\$700M 4.375% Notes	N	700,000,000	4.375%	F	8/1/23	5.6 Yrs	700,000,000	15.1%	
\$400M 4.95% Notes	N	400,000,000	4.950%	F	4/1/24	6.3 Yrs	400,000,000	8.7%	
\$400M 4.50% Notes	N	400,000,000	4.500%	F	1/15/25	7.0 Yrs	400,000,000	8.7%	
\$600M 5.25% Notes	N	600,000,000	5.250%	F	1/15/26	8.0 Yrs	600,000,000	13.0%	
\$700M 4.50% Notes	N	700,000,000	4.500%	F	4/1/27	9.2 Yrs	700,000,000	15.1%	
\$550M 4.75% Notes	N	550,000,000	4.750%	F	1/15/28	10.0 Yrs	550,000,000	11.9%	
HUD (12 Loan Summary)	Y	53,666,421	3.063%	F	7/1/44	26.5 Yrs	53,666,421	1.2%	
<b>Total Debt</b>		<b>\$ 5,583,796,421</b>					<b>\$ 4,623,796,421</b>	100.0%	<b>5.29 x</b>
<b>Weighted Averages</b>			<b>3.98%</b>			<b>7.1 Yrs</b>	<b>4.25%</b>		
									<b>Common Stock:</b> 198,308,872 shares at \$27.54 per share: 5,461,426,335
									<b>Operating Units:</b> 8,771,507 units at \$27.54 per unit: 241,567,303
<b>Total Market Capitalization</b>							<b>\$ 10,326,790,059</b>		

Note: At December 31, 2017, Omega held approx. \$76MM of net cash and short-term investments (excludes UK balances)

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

3) Equivalent USD amount shown using exchange rate as of last day of month

2) Includes options for two, six-month extensions from 5/25/2021

4) See page 19 for details

## DEBT MATURITIES

(\$ in thousands)

Year	Secured Debt		Unsecured Debt		Total Debt Maturities
	HUD Mortgages <sup>(1)</sup>	Line of Credit & Term Loans <sup>(2)(3)</sup>	Senior Notes <sup>(4)</sup>	Sub Notes <sup>(5)</sup>	
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	1,250,000	-	20,000	1,270,000
2022	-	910,130	-	-	910,130
2023	-	-	700,000	-	700,000
Thereafter	53,666	-	2,650,000	-	2,703,666
	\$ 53,666	\$ 2,160,130	\$ 3,350,000	\$ 20,000	\$ 5,583,796

1) Mortgages guaranteed by HUD (excludes net deferred financing costs of \$0.6 million)

2) Reflected at 100% borrowing capacity; does not reflect extension options

3) \$1.25 billion excludes a \$700 million accordion feature and \$6.0 million net deferred financing costs. The \$910 million is comprised of a: \$425 million U.S. Dollar term loan, £100 million term loan (equivalent to \$135.0 million in US dollars), \$100 million term loan to Omega's operating partnership and \$250 million 2015 term loan (excludes \$5.8 million net deferred financing costs)

4) Excludes net discounts, deferred financing costs and a \$1.5 million promissory note

5) Excludes \$0.4 million of fair market valuation adjustments

## SENIOR UNSECURED CREDIT RATINGS

	CUSIP #	Rating Information		
		S&P	Moody's	Fitch
Common Stock	681936 10 0			
<b>Senior Unsecured Debt</b>				
\$700M, 4.375% 2023 Notes	681936 BJ 8	BBB-	Baa3	BBB-
\$400M, 4.950% 2024 Notes	681936 BB 5	BBB-	Baa3	BBB-
\$400M, 4.500% 2025 Notes	681936 BD 1	BBB-	Baa3	BBB-
\$600M, 5.250% 2026 Notes	681936 BH 2	BBB-	Baa3	BBB-
\$700M, 4.500% 2027 Notes	681936 BF 6	BBB-	Baa3	BBB-
\$550M, 4.750% 2028 Notes	681936 BK 5	BBB-	Baa3	BBB-
Corporate Rating.....		BBB-		
Outlook.....		Stable	Stable	Stable
Analyst(s).....		Michael Souers (212) 438-2508	Lori Marks (212) 553-1098	Peter Siciliano (646) 582-4760



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

CREDIT FACILITY

Quarter Ending	Consolidated					
	Leverage Ratio	Secured Leverage Ratio	Unsecured Leverage Ratio	Fixed Charge Cov. Ratio	Unsecured Interest Cov. Ratio	Current Tangible Net Worth
<i>Requirement</i>	<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>	<b>&gt;\$3,399MM</b>
March 30, 2017	46%	1%	50%	5.2	4.3	Pass
June 30, 2017	52%	1%	54%	4.9	3.8	Pass
September 30, 2017	54%	1%	55%	4.8	3.8	Pass
December 31, 2017	51%	1%	53%	4.6	3.9	Pass
<b>Status</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>

UNSECURED NOTES

Quarter Ending	Debt / Adj. Total Assets	Unencumbered Assets / Unsecured Debt	Secured Debt / Adj. Total Assets
<i>Requirement</i>	<b>&lt;= 60%</b>	<b>&gt;= 150%</b>	<b>&lt;= 40%</b>
March 30, 2017	47%	206%	0%
June 30, 2017	48%	200%	0%
September 30, 2017	50%	191%	0%
December 31, 2017	50%	190%	0%
<b>Status</b>	<b>Pass</b>	<b>Pass</b>	<b>Pass</b>

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

**SELECTED CREDIT STATISTICS**

	2017				2016YE	2015YE	2014YE	2013YE
	4Q	3Q	2Q	1Q				
Funded Debt / Adj. Pro Forma EBITDA <sup>(1)</sup>	5.1	5.1	4.8	4.7	4.7	4.5	4.6	4.4
Secured Debt / Adjusted EBITDA <sup>(1)</sup>	0.1	0.1	0.1	0.1	0.1	0.3	0.5	0.6
Fixed Charge Coverage <sup>(2)</sup>	4.1	4.2	4.3	4.5	5.1	4.7	4.1	4.0
Balance Sheet Cash (\$ 000)	85,937	24,318	21,031	40,349	93,687	5,424	4,489	2,616

- 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
- 2) Fixed charges includes scheduled amortizations, amortization of deferred financing charges and capitalized interest

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**

**ESP/ATM Program**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Number of Shares (000s)	3,398	6,504	1,848	-	656	718
Average Price per Share	\$ 23.47	\$ 30.48	\$ 34.33	\$ -	\$ 31.10	\$ 32.14
Gross Proceeds (000s)	\$ 79,749	\$ 198,220	\$ 63,452	\$ -	\$ 20,392	\$ 23,074

**DRSPP and Waiver Program**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Number of Shares (000s)	5,062	1,930	2,083	4,184	7,215	1,199
Average Price per Share	\$ 22.11	\$ 28.94	\$ 34.32	\$ 36.06	\$ 33.27	\$ 30.64
Gross Proceeds (000s)	\$ 111,941	\$ 55,872	\$ 71,502	\$ 150,871	\$ 240,041	\$ 36,722

**Secondary**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Number of Shares (000s)	-	2,875	-	10,925	-	-
Average Price per Share	\$ -	\$ 29.48	\$ -	\$ 42.00	\$ -	\$ -
Gross Proceeds (000s)	\$ -	\$ 84,755	\$ -	\$ 458,850	\$ -	\$ -

**Totals**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Number of Shares (000s)	8,460	11,309	3,932	15,109	7,871	1,917
Average Price per Share	\$ 22.66	\$ 29.96	\$ 34.32	\$ 40.36	\$ 33.09	\$ 31.20
Gross Proceeds (000s)	\$ 191,690	\$ 338,847	\$ 134,954	\$ 609,721	\$ 260,433	\$ 59,796

Percentages of adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at December 31, 2017 were 54.3% and 44.8%, respectively. Adjusted total debt is total debt plus the discount or less the premium derived from the sale of unsecured borrowings, deferred financing costs (net) and fair market value adjustment of assumed debt. Adjusted book capitalization is defined as adjusted total debt plus stockholders' equity and noncontrolling interest. 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 December 31, 2017 plus adjusted total debt.

**Unaudited  
(In thousands)**

		<b>At December 31, 2017</b>
Revolving line of credit.....	\$	290,000
Term loans.....		910,130
Secured borrowings.....		53,666
Unsecured borrowings.....		3,371,500
FMV adjustment of assumption of debt .....		375
Premium/(discount) unsecured borrowings (net).....		(21,448)
Deferred financing costs (net).....		(32,065)
Total debt.....	\$	4,572,158
Deduct FMV adjustment of assumption of debt .....		(375)
Add back discount (deduct premium) on unsecured borrowings (net).....		21,448
Add back deferred financing costs (net).....		32,065
<b>Adjusted total debt.....</b>	<b>\$</b>	<b>4,625,296</b>
 <b>BOOK CAPITALIZATION.....</b>		
Adjusted total debt.....	\$	4,625,296
Omega stockholders' equity.....		3,555,091
Noncontrolling interest .....		333,167
<b>Adjusted book capitalization.....</b>	<b>\$</b>	<b>8,513,554</b>
 <b>MARKET CAPITALIZATION.....</b>		
Omega common shares and OP units outstanding at 12/31/2017.....		207,081
Market price of common stock at 12/31/2017.....	\$	27.54
Market capitalization of common stock at 12/31/2017.....		5,703,011
Market capitalization of publicly traded securities.....		5,703,011
Add adjusted total debt.....		4,625,296
<b>Total market capitalization.....</b>	<b>\$</b>	<b>10,328,307</b>
 <b>Adjusted total debt / adjusted book capitalization.....</b>		
		<b>54.3%</b>
 <b>Adjusted total debt / total market capitalization.....</b>		
		<b>44.8%</b>

# Financial Performance: Historical AFFO, FAD and Dividends



Quarter Ended	Ending Share Price	Div. * Yield	Quarterly					Omega AFFO Guidance <sup>(1)</sup>	Annually						
			AFFO/ Share	Dividend	Payout Ratio	FAD/ Share	FAD Payout Ratio		AFFO/ Share	% Change	FAD/ Share	% Change	Annual Dividend	% Change	
2008	3/31/2008	\$17.36	6.7%	\$ 0.3639	\$ 0.30	82.4%	\$0.3612	83.1%	\$1.41 - \$1.43	\$1.45	5.4%	\$1.38	6.3%	\$1.20	8.1%
	6/30/2008	\$16.65	7.2%	\$ 0.3816	0.30	78.6%	\$0.3709	80.9%							
	9/30/2008	\$19.66	6.1%	\$ 0.3387	0.30	88.6%	\$0.3079	97.4%							
	12/31/2008	\$15.97	7.5%	\$ 0.3702	0.30	81.0%	\$0.3354	89.4%							
2009	3/31/2009	\$14.08	8.5%	\$ 0.3701	\$ 0.30	81.1%	\$0.3550	84.5%	\$1.47 - \$1.50	\$1.47	0.9%	\$1.40	2.1%	\$1.22	1.7%
	6/30/2009	\$15.52	7.7%	\$ 0.3714	0.30	80.8%	\$0.3569	84.1%							
	9/30/2009	\$16.02	7.5%	\$ 0.3657	0.30	82.0%	\$0.3529	85.0%							
	12/31/2009	\$19.45	6.2%	\$ 0.3604	0.32	88.8%	\$0.3401	94.1%							
2010	3/31/2010	\$19.49	6.6%	\$ 0.3766	\$ 0.32	85.0%	\$0.3704	86.4%	\$1.60 - \$1.68	\$1.65	12.5%	\$1.60	13.6%	\$1.42	16.4%
	6/30/2010	\$19.93	6.4%	\$ 0.3652	0.36	98.6%	\$0.3957	91.0%							
	9/30/2010	\$22.45	6.4%	\$0.4531	0.37	81.7%	\$0.4218	87.7%							
	12/31/2010	\$22.44	6.6%	\$ 0.4566	0.37	81.0%	\$0.4074	90.8%							
2011	3/31/2011	\$22.34	6.6%	\$ 0.4432	\$ 0.38	85.7%	\$0.4009	94.8%	\$1.80 - \$1.86	\$ 1.89	14.5%	\$1.74	8.9%	\$1.59	12.0%
	6/30/2011	\$21.01	7.2%	\$ 0.4748	0.40	84.2%	\$0.4345	92.1%							
	9/30/2011	\$15.93	10.0%	\$ 0.4769	0.40	83.9%	\$0.4392	91.1%							
	12/31/2011	\$19.35	8.3%	\$ 0.4963	0.41	82.6%	\$0.4623	88.7%							
2012	3/31/2012	\$21.26	7.7%	\$ 0.5469	\$ 0.42	76.8%	\$0.4738	88.6%	\$2.06 - \$2.12	\$ 2.18	15.3%	\$1.92	10.6%	\$1.73	8.8%
	6/30/2012	\$22.50	7.5%	\$ 0.5252	0.42	80.0%	\$0.4535	92.6%							
	9/30/2012	\$22.73	7.4%	\$ 0.5353	0.44	82.2%	\$0.4702	93.6%							
	12/31/2012	\$23.85	7.4%	\$ 0.5776	0.45	77.9%	\$0.5236	85.9%							
2013	3/31/2013	\$30.36	5.9%	\$ 0.6313	\$ 0.46	72.9%	\$0.5739	80.2%	\$2.45 - \$2.50	\$2.53	15.9%	\$2.29	19.2%	\$1.90	9.8%
	6/30/2013	\$31.02	5.9%	\$ 0.6227	0.47	75.5%	\$0.5614	83.7%							
	9/30/2013	\$29.87	6.3%	\$ 0.6260	0.48	76.7%	\$0.5682	84.5%							
	12/31/2013	\$29.80	6.4%	\$ 0.6471	0.49	75.7%	\$0.5861	83.6%							
2014	3/31/2014	\$33.52	5.8%	\$ 0.7112	\$ 0.50	70.3%	\$0.6506	76.9%	\$2.69 - \$2.72	\$2.85	12.9%	\$ 2.61	13.9%	\$2.06	8.4%
	6/30/2014	\$36.86	5.4%	\$ 0.6859	0.51	74.4%	\$0.6257	81.5%							
	9/30/2014	\$34.19	6.0%	\$ 0.7320	0.52	71.0%	\$0.6690	77.7%							
	12/31/2014	\$39.07	5.3%	\$ 0.7232	0.53	73.3%	\$0.6621	80.0%							
2015	3/31/2015	\$40.57	5.2%	\$ 0.7084	\$ 0.54	76.2%	\$0.6492	83.2%	\$2.98 - \$3.04	\$3.08	7.8%	\$ 2.79	7.0%	\$2.22	7.8%
	6/30/2015	\$34.33	6.3%	\$ 0.7696	0.55	71.5%	\$0.7000	78.6%							
	9/30/2015	\$35.15	6.3%	\$ 0.7913	0.56	70.8%	\$0.7168	78.1%							
	12/31/2015	\$34.98	6.4%	\$ 0.8067	0.57	70.7%	\$0.7237	78.8%							
2016	3/31/2016	\$35.30	6.5%	\$ 0.8336	\$ 0.58	69.6%	\$0.7488	77.5%	\$3.25 - \$3.30	\$3.42	11.0%	\$ 3.07	9.9%	\$2.41	8.6%
	6/30/2016	\$33.95	6.8%	\$ 0.8684	0.60	69.1%	\$0.7731	77.6%							
	9/30/2016	\$35.45	6.8%	\$ 0.8327	0.61	73.3%	\$0.7477	81.6%							
	12/31/2016	\$31.26	7.8%	\$ 0.8803	0.62	70.4%	\$0.7965	77.8%							
2017	3/31/2017	\$32.99	7.5%	\$ 0.8569	\$ 0.63	73.5%	\$0.7730	81.5%	\$3.40 - \$3.44	\$3.30	-3.3%	\$ 3.00	-2.1%	\$2.58	7.1%
	6/30/2017	\$33.02	7.6%	\$ 0.8661	0.64	73.9%	\$0.7838	81.7%							
	9/30/2017	\$31.91	8.0%	\$ 0.7918	0.65	82.1%	\$0.7285	89.2%							
	12/31/2017	\$27.54	9.4%	\$ 0.7882	0.66	83.7%	\$0.7178	91.9%							

\* Based on the annualized dividend announced the previous quarter

1) Guidance provided at the beginning of each fiscal year and does not reflect mid-year guidance changes.

No. of consecutive quarterly dividends paid since 2003:	58
No. of quarterly dividend increases since 2003:	44
No. of consecutive quarterly dividend increases:	22

<b>Revised 2018 Guidance:</b>	<b>AFFO: \$2.96—\$3.06</b>
	<b>FAD: \$2.64—\$2.74</b>

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"

**2018 FFO, Adjusted FFO and FAD Guidance and Reconciliation**

The Company currently expects its 2018 Adjusted FFO to be between \$2.96 and \$3.06 per diluted share and its 2018 FAD guidance to be between \$2.64 and \$2.74 per diluted share. The following table presents a reconciliation of Omega’s guidance regarding FFO, Adjusted FFO and FAD to projected GAAP earnings.

**2018 Annual FFO, Adjusted FFO and FAD  
Guidance Range <sup>(1)</sup>**

	Full Year
Net Income.....	\$1.43 - \$1.53
Depreciation.....	1.45
Gain on assets sold.....	-
Real estate impairment.....	-
<b>FFO.....</b>	<b>\$2.88 - \$2.98</b>
Adjustments:	
Acquisition/transaction costs.....	-
Interest – refinancing costs.....	-
Stock-based compensation expense.....	0.08
<b>Adjusted FFO.....</b>	<b>\$2.96 - \$3.06</b>
Non-cash interest expense.....	0.04
Capitalized interest.....	(0.04)
Non-cash revenue.....	(0.32)
<b>FAD.....</b>	<b>\$2.64 - \$2.74</b>

*Note: All per share numbers rounded to two decimals.*

- 1) The Company's Adjusted FFO guidance for 2018 reflects the impact of approximately \$100 million of planned capital renovation projects, the sale of \$87 million of assets held for sale, approximately \$300 million of potential divestitures and the redeployment of capital from asset sales. It assumes the Company will not be recording revenue related to its Orianna portfolio for the majority of 2018. It also excludes the impact of gains and losses from the sale of assets, certain revenue and expense items, interest refinancing expense, capital transactions, acquisition costs, and additional provision for uncollectible accounts, if any. 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 stock-based compensation 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.

Unaudited (in thousands, except per share amounts)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2017	2016	2017	2016
<b>Revenue</b>				
Rental income .....	\$ 194,579	\$ 194,891	\$ 775,176	\$ 743,885
Income from direct financing leases .....	614	15,724	32,336	62,298
Mortgage interest income .....	17,029	15,838	66,202	69,811
Other investment income – net .....	7,788	7,210	29,225	21,852
Miscellaneous income .....	1,196	823	5,446	2,981
Total operating revenues .....	<u>221,206</u>	<u>234,486</u>	<u>908,385</u>	<u>900,827</u>
<b>Expenses</b>				
Depreciation and amortization .....	75,323	70,808	287,591	267,062
General and administrative .....	8,218	74,786	32,471	32,077
Stock-based compensation .....	3,862	3,674	15,212	13,790
Acquisition costs .....	-	-	-	9,582
Impairment loss on real estate properties .....	63,460	-	99,070	58,726
Impairment on direct financing leases .....	231	-	198,199	-
Provision for uncollectible accounts .....	913	5,878	14,580	9,845
Total operating expenses .....	<u>152,007</u>	<u>87,836</u>	<u>647,123</u>	<u>391,082</u>
Income before other income and expense .....	<b>69,199</b>	<b>146,650</b>	<b>261,262</b>	<b>509,745</b>
<b>Other income (expense)</b>				
Interest income .....	5	4	267	173
Interest expense .....	(48,253)	(44,375)	(188,762)	(164,103)
Interest – amortization of deferred financing costs .....	(2,243)	(2,501)	(9,516)	(9,345)
Interest – refinancing costs .....	-	-	(21,965)	(2,113)
Contractual settlement .....	-	-	10,412	-
Realized gain (loss) on foreign exchange .....	76	12	311	(232)
Total other expense .....	<u>(50,415)</u>	<u>(46,860)</u>	<u>(209,253)</u>	<u>(175,620)</u>
Income before gain on assets sold .....	<b>18,784</b>	<b>99,790</b>	<b>52,009</b>	<b>334,125</b>
Gain on assets sold – net .....	46,421	30,277	53,912	50,208
Income from continuing operations .....	<b>65,205</b>	<b>130,067</b>	<b>105,921</b>	<b>384,333</b>
Income tax expense .....	(558)	(623)	(3,248)	(1,405)
Income from unconsolidated joint venture .....	509	439	2,237	439
Net income .....	<b>65,156</b>	<b>129,883</b>	<b>104,910</b>	<b>383,367</b>
Net income attributable to noncontrolling interest .....	<b>(2,756)</b>	<b>(5,624)</b>	<b>(4,491)</b>	<b>(16,952)</b>
Net income available to common stockholders .....	<u><b>\$ 62,400</b></u>	<u><b>\$ 124,259</b></u>	<u><b>\$ 100,419</b></u>	<u><b>\$ 366,415</b></u>
<b>Income per common share available to common stockholders:</b>				
<b>Basic:</b>				
Net income available to common stockholders .....	<u>\$ 0.31</u>	<u>\$ 0.63</u>	<u>\$ 0.51</u>	<u>\$ 1.91</u>
<b>Diluted:</b>				
Net income .....	<u>\$ 0.31</u>	<u>\$ 0.63</u>	<u>\$ 0.51</u>	<u>\$ 1.90</u>
Dividends declared per common share .....	<u>\$ 0.65</u>	<u>\$ 0.61</u>	<u>\$ 2.54</u>	<u>\$ 2.36</u>
Weighted-average shares outstanding, basic .....	<u>198,614</u>	<u>195,793</u>	<u>197,738</u>	<u>191,781</u>
Weighted-average shares outstanding, diluted .....	<u>207,646</u>	<u>204,955</u>	<u>206,790</u>	<u>201,635</u>

(in thousands)

	<b>December 31,</b>	
	<b>2017</b>	<b>2016</b>
	(Unaudited)	
<b>ASSETS</b>		
Real estate properties		
Real estate investments .....	\$ 7,655,960	\$ 7,566,358
Less accumulated depreciation .....	(1,376,828)	(1,240,336)
Real estate investments – net .....	6,279,132	6,326,022
Investments in direct financing leases – net .....	364,965	601,938
Mortgage notes receivable – net .....	671,232	639,343
	<u>7,315,329</u>	<u>7,567,303</u>
Other investments – net .....	276,342	256,846
Investment in unconsolidated joint venture .....	36,516	48,776
Assets held for sale – net .....	86,699	52,868
Total investments .....	<u>7,714,886</u>	<u>7,925,793</u>
Cash and cash equivalents .....	85,937	93,687
Restricted cash .....	10,871	13,589
Accounts receivable – net .....	279,334	240,035
Goodwill .....	644,690	643,474
Other assets .....	37,587	32,682
Total assets .....	<u>\$ 8,773,305</u>	<u>\$ 8,949,260</u>
<b>LIABILITIES AND EQUITY</b>		
Revolving line of credit .....	\$ 290,000	\$ 190,000
Term loans – net .....	904,670	1,094,343
Secured borrowings – net .....	53,098	54,365
Unsecured borrowings – net .....	3,324,390	3,028,146
Accrued expenses and other liabilities .....	295,142	360,514
Deferred income taxes .....	17,747	9,906
Total liabilities .....	<u>4,885,047</u>	<u>4,737,274</u>
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 198,309 shares as of December 31, 2017 and 196,142 as of December 31, 2016.....	19,831	19,614
Common stock – additional paid-in capital .....	4,936,302	4,861,408
Cumulative net earnings .....	1,839,356	1,738,937
Cumulative dividends paid .....	(3,210,248)	(2,707,387)
Accumulated other comprehensive loss .....	(30,150)	(53,827)
Total stockholders' equity .....	<u>3,555,091</u>	<u>3,858,745</u>
Noncontrolling interest .....	333,167	353,241
Total equity .....	<u>3,888,258</u>	<u>4,211,986</u>
Total liabilities and equity .....	<u>\$ 8,773,305</u>	<u>\$ 8,949,260</u>

2017 Unaudited (in thousands)

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flows from operating activities</b>			
Net income .....	\$ 104,910	\$ 383,367	\$ 233,315
Adjustment to reconcile net income to net cash provided by operating activities:....			
Depreciation and amortization .....	287,591	267,062	210,703
Impairment loss on real estate properties .....	99,070	58,726	17,681
Impairment loss on direct financing leases .....	198,199	-	-
Provision for uncollectible accounts .....	14,580	9,845	7,871
Refinancing costs and amortization of deferred financing costs .....	19,711	11,458	35,827
Accretion of direct financing leases .....	(6,107)	(12,157)	(11,007)
Stock-based compensation expense .....	15,212	13,790	11,133
Gain on assets sold – net .....	(53,912)	(50,208)	(6,353)
Amortization of acquired in-place leases - net .....	(11,910)	(13,991)	(13,846)
Effective yield receivable on mortgage notes .....	(1,924)	(721)	(4,065)
Change in operating assets and liabilities – net of amounts assumed/acquired:			
Contractual receivables .....	(36,621)	(4,876)	248
Straight-line rent receivables .....	(25,240)	(42,091)	(36,057)
Lease inducements .....	(8,419)	2,589	994
Other operating assets and liabilities .....	(17,228)	1,980	2,972
Net cash provided by operating activities .....	577,912	624,773	449,416
<b>Cash flows from investing activities</b>			
Acquisition of real estate – net of liabilities assumed and escrows acquired .....	(385,418)	(959,748)	(294,182)
Cash acquired in acquisition/merger .....	2,341	-	84,858
Investments in construction in progress .....	(86,689)	(68,983)	(164,226)
Investments in direct financing leases .....	(7,183)	(2,080)	(6,793)
Proceeds from sale of direct financing lease assets .....	33,306	-	-
Placement of mortgage loans .....	(34,643)	(48,722)	(14,042)
Investments in unconsolidated joint venture .....	-	(50,032)	-
Distributions from unconsolidated joint venture .....	12,175	1,318	-
Proceeds from sale of real estate investments .....	257,812	169,603	41,543
Capital improvements to real estate investments .....	(37,766)	(40,471)	(26,397)
Receipts from insurance proceeds .....	2,754	-	-
Proceeds from other investments .....	95,696	96,789	45,871
Investments in other investments .....	(139,047)	(271,557)	(65,402)
Collection of mortgage principal .....	1,529	59,975	1,359
Net cash used in investing activities .....	(285,133)	(1,113,908)	(397,411)
<b>Cash flows from financing activities</b>			
Proceeds from credit facility borrowings .....	1,687,000	1,304,000	1,826,000
Payments on credit facility borrowings .....	(1,587,000)	(1,344,000)	(1,681,000)
Receipts of other long-term borrowings .....	1,346,749	1,048,173	1,838,124
Payments of other long-term borrowings .....	(1,252,788)	(181,249)	(2,187,314)
Payments of financing related costs .....	(29,198)	(11,830)	(54,721)
Receipts from dividend reinvestment plan .....	36,722	240,041	150,847
Payments for exercised options and restricted stock .....	(2,143)	(23,426)	(26,706)
Net proceeds from issuance of common stock .....	22,120	19,651	439,322
Dividends paid .....	(502,603)	(453,152)	(358,232)
Redemption of Omega OP Units .....	(48)	(733)	-
Distributions to Omega OP Unit Holders .....	(22,626)	(21,179)	(11,636)
Net cash (used in) provided by financing activities .....	(303,815)	576,296	(65,316)
Effect of foreign currency translation on cash, cash equivalents and restricted cash ....	568	84	(223)
(Decrease) increase in cash, cash equivalents, and restricted cash .....	(10,468)	87,245	(13,534)
Cash, cash equivalents, and restricted cash at beginning of year .....	107,276	20,031	33,565
Cash, cash equivalents, and restricted cash at end of year .....	\$ 96,808	\$ 107,276	\$ 20,031



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

(in thousands, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2017	2016	2017	2016
<b>Net income</b> .....	\$ 65,156	\$ 129,883	\$ 104,910	\$ 383,367
Deduct gain from real estate dispositions.....	(46,421)	(30,277)	(53,912)	(50,208)
Sub – total .....	18,735	99,606	50,998	333,159
Elimination of non-cash items included in net income:				
Depreciation and amortization .....	75,323	70,808	287,591	267,062
Depreciation - unconsolidated joint venture .....	1,657	1,107	6,630	1,107
Add back non-cash provision for impairments on real .....	63,460	-	99,070	58,726
<b>Funds from operations (“FFO”)</b> .....	<u>\$ 159,175</u>	<u>\$ 171,521</u>	<u>\$ 444,289</u>	<u>\$ 660,054</u>
Weighted-average common shares outstanding, basic .....	198,614	195,793	197,738	191,781
Restricted stock and PRSUs .....	260	300	269	956
Omega OP Units .....	8,772	8,862	8,783	8,898
Weighted-average common shares outstanding, diluted .....	<u>207,646</u>	<u>204,955</u>	<u>206,790</u>	<u>201,635</u>
<b>Funds from operations available per share</b> .....	<u>\$ 0.77</u>	<u>\$ 0.84</u>	<u>\$ 2.15</u>	<u>\$ 3.27</u>
<b>Adjustments to calculate adjusted funds from operations:</b> .....				
Funds from operations stockholders .....	\$ 159,175	\$ 171,521	\$ 444,289	\$ 660,054
Deduct other revenue .....	(513)	(650)	(2,394)	(1,333)
Deduct prepayment fee income from early termination of mortgages .....	-	-	-	(5,390)
Deduct contractual settlement .....	-	-	(10,412)	-
(Deduct)/add back acquisition costs .....	-	(2)	(22)	9,582
Add back impairment for direct financing leases .....	231	-	198,199	-
Add back provision for uncollectible accounts .....	913	5,878	14,580	9,845
Add back interest refinancing expense .....	-	-	23,539	2,113
Add back non-cash stock-based compensation expense .....	3,862	3,674	15,212	13,790
<b>Adjusted funds from operations (“Adjusted FFO”)</b> .....	<u>\$ 163,668</u>	<u>\$ 180,421</u>	<u>\$ 682,991</u>	<u>\$ 688,661</u>
<b>Adjustments to calculate funds available for distribution:</b> .....				
Non-cash interest expense .....	2,215	2,920	10,076	9,754
Capitalized interest .....	(2,124)	(1,829)	(7,991)	(6,594)
Non-cash revenues .....	(14,718)	(18,274)	(64,117)	(73,500)
<b>Funds available for distribution (“FAD”)</b> .....	<u>\$ 149,041</u>	<u>\$ 163,238</u>	<u>\$ 620,959</u>	<u>\$ 618,321</u>

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 (computed in accordance with GAAP), adjusted for the effects of asset dispositions and certain non-cash items, primarily depreciation and amortization and impairments on real estate assets, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. 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. 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**

Our ratios of Funded Debt to annualized EBITDA, adjusted annualized EBITDA and Funded Debt to adjusted pro forma annualized EBITDA as of December 31, 2017 were 5.87x, 5.29x and 5.13x, respectively. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA eliminates items such as acquisition 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 (i) new investments and divestitures made during the 4th quarter assuming an October 1st purchase or sale date, (ii) inception to date funding of construction in progress multiplied by the estimated contractual quarterly yield assuming an October 1st in-service date and (iii) revenue from Daybreak (see footnote 2). 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.

Unaudited (In thousands)	<b>Three Months Ended December 31, 2017</b>
Net income.....	\$ 65,156
Depreciation and amortization.....	75,323
Depreciation - unconsolidated joint venture .....	1,657
Interest - net.....	50,491
Income taxes.....	558
EBITDA.....	\$ 193,185
Deduct gain on assets sold - net .....	(46,421)
Deduct foreign currency gain.....	(76)
Deduct one-time revenue.....	(513)
Add back non-cash impairment on direct financing leases.....	231
Add back non-cash provision for uncollectible accounts.....	913
Add back non-cash provision for impairments on real estate properties.....	63,460
Add back stock-based compensation expense.....	3,862
Adjusted EBITDA.....	\$ 214,641
Add incremental pro forma EBITDA from new investments in Q4 .....	461 <sup>(1)</sup>
Add incremental pro forma EBITDA from construction in progress through Q4.....	3,998 <sup>(1)</sup>
Add incremental revenue/EBITDA from Daybreak.....	7,146 <sup>(2)</sup>
Deduct incremental pro forma revenue from Q4 asset divestitures .....	(5,052) <sup>(1)</sup>
Adjusted pro forma EBITDA.....	<u>\$ 221,194</u>
<b>DEBT</b>	
Revolving line of credit.....	\$ 290,000
Term loans.....	910,130
Secured borrowings .....	53,666
Unsecured borrowings.....	3,371,500
FMV adjustment of assumption of debt .....	375
Premium/(discount) on unsecured borrowings - net.....	(21,448)
Deferred financing costs - net.....	(32,065)
Total debt.....	\$ 4,572,158
Deduct balance sheet cash and cash equivalents.....	(85,937)
Net total debt.....	\$ 4,486,221
Deduct FMV adjustment for assumption of debt .....	(375)
Add back discount (deduct premium) on unsecured borrowings - net.....	21,448
Add back deferred financing costs - net.....	32,065
Adjusted total debt (a/k/a Funded Debt).....	<u>\$ 4,539,359</u>
<b>Funded Debt / annualized EBITDA .....</b>	<u><b>5.87 x</b></u>
<b>Funded Debt / adjusted annualized EBITDA .....</b>	<u><b>5.29 x</b></u>
<b>Funded Debt / adjusted pro forma annualized EBITDA.....</b>	<u><b>5.13 x</b></u>

(1) Used to calculate leverage only.

(2) Placed Daybreak on a cash basis effective September 1, 2017 and recorded no revenue in the three months ended December 31, 2017. Monthly contractual rent is currently being paid; however, payments will not be recorded as revenue until 2017 outstanding receivables are fully repaid --anticipated early 2018.

**NOTE: Assuming the Orianna facilities generate \$32 million of annual rent or rent equivalents post-transition (or the low end of the \$32M to \$38M range of anticipated outcomes), the adjusted pro forma EBITDA would be \$229 million, and our Funded Debt / adjusted pro forma annualized EBITDA ratio would be less than 5x. The Company is in ongoing negotiations regarding the Orianna portfolio, and accordingly the timing and terms of the transition of the Orianna portfolio may vary materially.**

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

Our adjusted EBITDA to total interest expense ratio and adjusted EBITDA to fixed charges as of December 31, 2017 were 4.3x and 4.1x, 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 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>Unaudited (In thousands)</b>	<b>Three Months Ended December 31, 2017</b>
Net income.....	\$ 65,156
Depreciation and amortization.....	75,323
Depreciation - unconsolidated joint venture .....	1,657
Interest -net.....	50,491
Income taxes.....	558
EBITDA.....	<u>\$ 193,185</u>
Deduct gain on assets sold - net.....	(46,421)
Deduct foreign currency gain.....	(76)
Deduct one-time revenue.....	(513)
Add back non-cash impairment on direct financing leases.....	231
Add back non-cash provision for uncollectible accounts.....	913
Add back non-cash provision for impairments on real estate properties.....	63,460
Add back stock-based compensation expense.....	3,862
Adjusted EBITDA.....	<u>\$ 214,641</u>
<b>FIXED CHARGES</b>	
Interest expense.....	\$ 48,248
Amortization of non-cash deferred financing charges.....	2,243
Refinancing costs.....	-
Total interest expense.....	<u>\$ 50,491</u>
Add back: capitalized interest.....	2,124
Less: refinancing charges.....	-
Total fixed charges.....	<u>\$ 52,615</u>
<b>Adjusted EBITDA / total interest expense ratio.....</b>	<b><u>4.3 x</u></b>
<b>Adjusted EBITDA / fixed charge coverage ratio.....</b>	<b><u>4.1 x</u></b>

**NOTE:** Placed Orianna on a cash basis and recorded no revenue in the three months ended December 31, 2017. The Company is in ongoing negotiations regarding the Orianna portfolio, and accordingly the timing and terms of the transition of the Orianna portfolio may vary materially. The Company anticipates annual contractual rent will likely be in a range of \$32M to \$38M once the Orianna transition is complete.

### 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 (computed in accordance with GAAP), adjusted for the effects of asset dispositions and certain non-cash items, primarily depreciation and amortization and impairments on real estate assets, and after adjustments for unconsolidated partnerships and joint ventures.

**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.