

Supplemental Information

Q2 2018

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 June 30, 2018, Omega has a portfolio of investments that includes over 900 properties located in 41 states (includes the Manhattan 2nd Avenue project) and the UK (55 facilities) and operated by 67 different operators.

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

Kapila K. Anand

Craig M. Bernfield

Norman R. Bobins

Barbara B. Hill

Edward Lowenthal

Ben W. Perks

Taylor Pickett

Stephen D. Plavin

Analysts

Bank of America/Merrill Lynch	Juan Sanabria.....	(646) 855-1589
BTIG	Michael Gorman.....	(212) 738-6138
Cantor Fitzgerald	Joseph France.....	(212) 915-1239
Capital One Securities	Daniel Bernstein.....	(571) 835-7202
Goldman Sachs	Andrew Rosivach....	(212) 902-2796
Green Street Advisors	Lukas Hartwich.....	(949) 640-8780
Jefferies	Tayo Okusanya.....	(212) 336-7076
JMP Securities	Peter Martin.....	(415) 835-8900
Raymond James	Jonathan Hughes....	(727) 567-2438
Stifel Nicolaus	Chad Vanacore.....	(518) 587-2581
SunTrust	Eric Fleming.....	(617) 345-6536
Wells Fargo	Todd Stender.....	(562) 637-1371

Stock Symbol:	OHI	Shares & Units Outstanding June 30, 2018:	209,097,963
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

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

www.computershare.com

This document 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, and other costs and uncertainties associated with operator bankruptcies; (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 June 30, 2018, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

INVESTMENT SUMMARY

(\$ in thousands)

As of June 30, 2018

Balance Sheet Data	Total No. of Properties		% of Investment		Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	Investment Per Bed
	Properties	Investment	Investment		Properties ⁽¹⁾	Beds ⁽¹⁾	
Real Estate Investments	840	\$ 7,571,661	88%		830	83,002	
Direct Financing Leases	40	349,465	4%		40	4,144	
Notes Receivable	53	703,309	8%		53	5,764	
	933	\$ 8,624,435	100%		923	92,910	
Assets Held for Sale	3	3,782					
Total Investments	936	\$ 8,628,217					

Investment Data	Total No. of Properties		% of Investment		Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	Investment Per Bed
	Properties	Investment	Investment		Properties ⁽¹⁾	Beds ⁽¹⁾	
Skilled Nursing/Transitional Care	805	\$ 7,152,134	83%		798	85,130	\$84
Senior Housing ⁽²⁾	128	1,472,301	17%		125	7,780	\$189
	933	\$ 8,624,435	100%		923	92,910	\$93
Assets Held for Sale	3	3,782					
Total Investments	936	\$ 8,628,217					

1) Excludes facilities which are non-operating, closed and/or not currently providing patient services

2) Includes assisted living facilities, memory care and independent living facilities

REVENUE SUMMARY

(\$ in thousands)

Revenue by Investment Type	Three Months Ended June 30, 2018		Six Months Ended June 30, 2018	
	\$	%	\$	%
Rental Property	\$ 192,850	88%	\$ 386,799	88%
Direct Financing Leases	497	0%	1,110	0%
Mortgage Notes	16,834	8%	33,413	8%
Other Investment Income & Misc Income - net	9,700	4%	18,758	4%
	\$ 219,881	100%	\$ 440,080	100%

Revenue by Facility Type	Three Months Ended June 30, 2018		Six Months Ended June 30, 2018	
	\$	%	\$	%
Skilled Nursing / Transitional Care	\$ 182,266	83%	\$ 364,519	83%
Senior Housing	27,915	13%	56,803	13%
Other	9,700	4%	18,758	4%
	\$ 219,881	100%	\$ 440,080	100%

OPERATOR PAYOR MIX AND COVERAGE SUMMARY ⁽¹⁾

Three Months Ended...	% Revenue Mix			Twelve Months Ended...	Occ. % ⁽²⁾	Coverage Data	
	Medicaid	Medicare / Insurance	Private / Other			EBITDARM	EBITDAR
March 31, 2018	51.3%	36.4%	12.3%	March 31, 2018	82.4%	1.69x	1.33x
December 31, 2017	52.9%	34.6%	12.5%	December 31, 2017	82.3%	1.71x	1.34x
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

1) Includes Core Portfolio only (see page 21 for definition)

2) Based on available (operating) beds

RENT/INTEREST CONCENTRATION BY OPERATOR

Operator	No. of Properties ⁽¹⁾	Total Annualized ⁽¹⁾⁽²⁾		% of Total Ann. Contractual Rent/Interest
		Contractual Rent/Interest		
1 Ciena	74	\$	88,767	11.5%
2 Communicare	47		61,389	8.0%
3 Genesis	50		57,259	7.4%
4 Signature	59		50,064	6.5%
5 Saber	40		40,767	5.3%
6 HHC	44		35,234	4.6%
7 Guardian	32		31,036	4.0%
8 Maplewood	14		30,450	4.0%
9 Daybreak	57		29,666	3.9%
10 Diversicare	35		28,866	3.7%
Remaining Operators ⁽³⁾	415		316,642	41.1%
	867	\$	770,140	100.0%

(1) Excludes facilities which are non-operating, closed and/or not currently providing patient services

(2) 2Q 2018 contractual rent and interest annualized (also includes mezzanine and term loan interest)

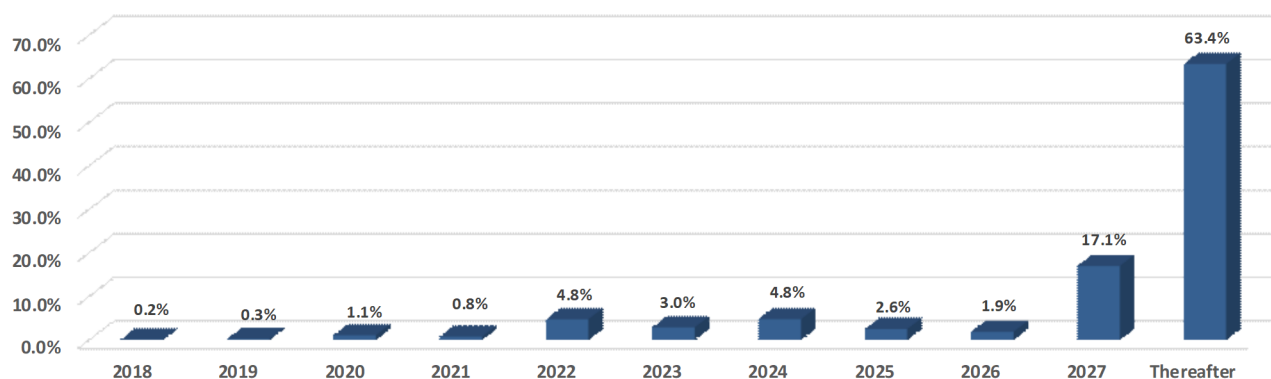
(3) 42 Orianna facilities with annual contractual revenue of approximately \$47.3M and 14 Preferred Care facilities with annual contractual revenue of approximately \$3.2M are excluded from amounts shown above due to their bankruptcy status; all facilities are being transitioned

LEASE AND MORTGAGE EXPIRATIONS ⁽¹⁾

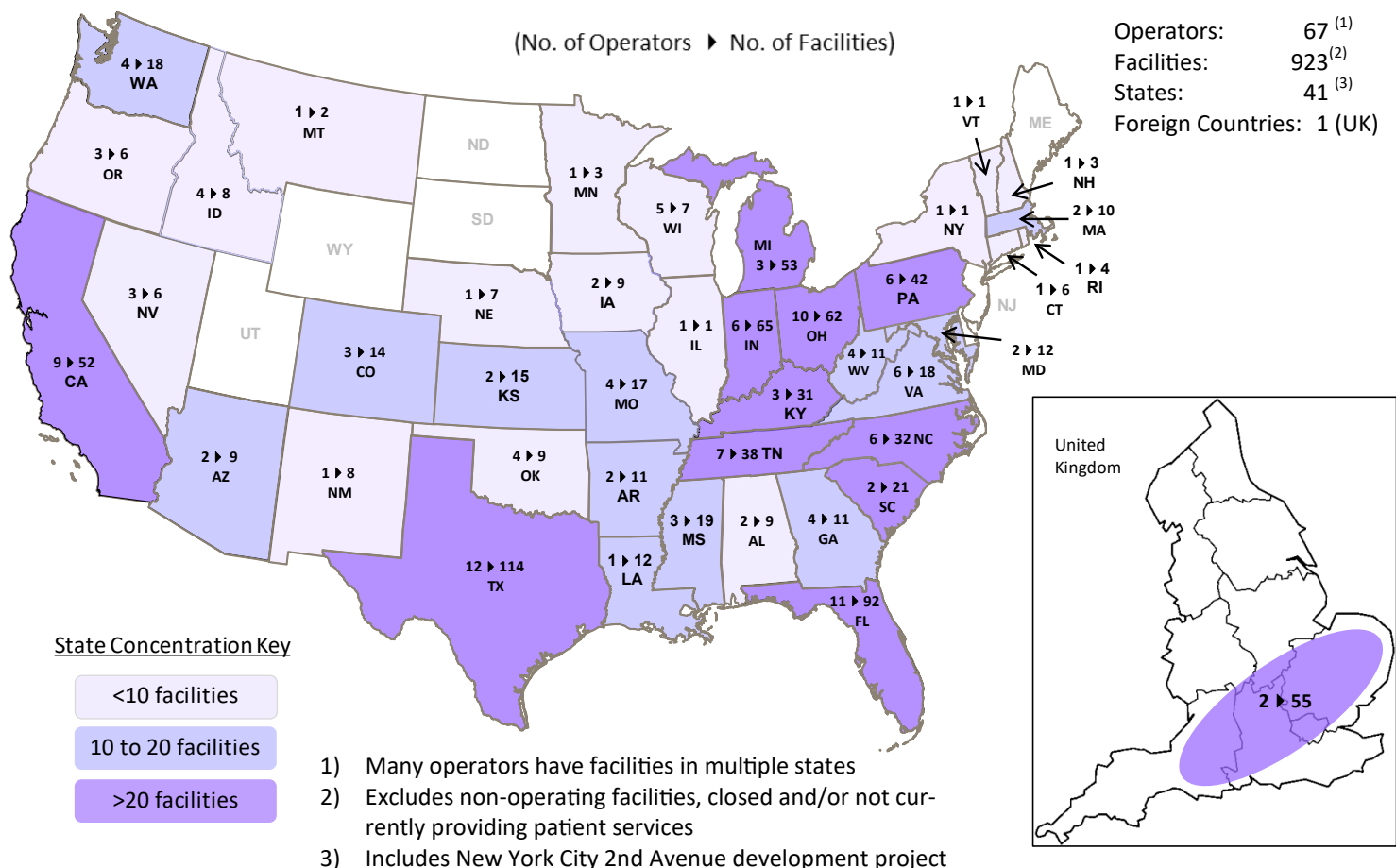
(\$ in thousands)

Year	2Q 2018 Contractual Rent/Interest Annualized		Investment Amounts					Operating Facilities		Operating Beds	
	\$	%	Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%
1 2018	\$ 1,442	0.2%	\$ 8,617	\$ -	\$ 23,414	\$ 32,031	0.4%	1	0.1%	99	0.1%
2 2019	2,093	0.3%	12,183	-	-	12,183	0.1%	3	0.4%	147	0.2%
3 2020	8,763	1.1%	56,234	270	1,472	57,976	0.7%	9	1.0%	955	1.1%
4 2021	6,328	0.8%	93,016	-	-	93,016	1.1%	17	2.0%	560	0.6%
5 2022	37,096	4.8%	329,762	-	-	329,762	4.1%	49	5.7%	4,922	5.7%
6 2023	22,803	3.0%	240,452	-	-	240,452	3.0%	29	3.3%	2,830	3.3%
7 2024	37,301	4.8%	358,702	-	-	358,702	4.4%	25	2.9%	3,044	3.5%
8 2025	19,617	2.6%	159,458	-	-	159,458	2.0%	16	1.8%	2,132	2.4%
9 2026	14,804	1.9%	194,294	-	-	194,294	2.4%	16	1.8%	1,958	2.2%
10 2027	131,323	17.1%	1,307,227	-	112,500	1,419,727	17.4%	186	21.5%	15,864	18.2%
Thereafter	488,570	63.4%	4,658,763	11,489	565,923	5,236,175	64.4%	516	59.5%	54,539	62.7%
TOTAL	\$ 770,140	100.0%	\$ 7,418,708	\$ 11,759	\$ 703,309	\$ 8,133,776	100.0%	867	100.0%	87,050	100.0%

Note: All percentages rounded to one decimal



1) Excludes 42 Orianna facilities with annual contractual revenue of approximately \$47.3 million and 14 Preferred Care facilities with annual contractual revenue of approximately \$3.2 million from amounts shown above due to their bankruptcy status; all facilities of these operators are expected to be transitioned or sold



GEOGRAPHIC CONCENTRATION BY INVESTMENT

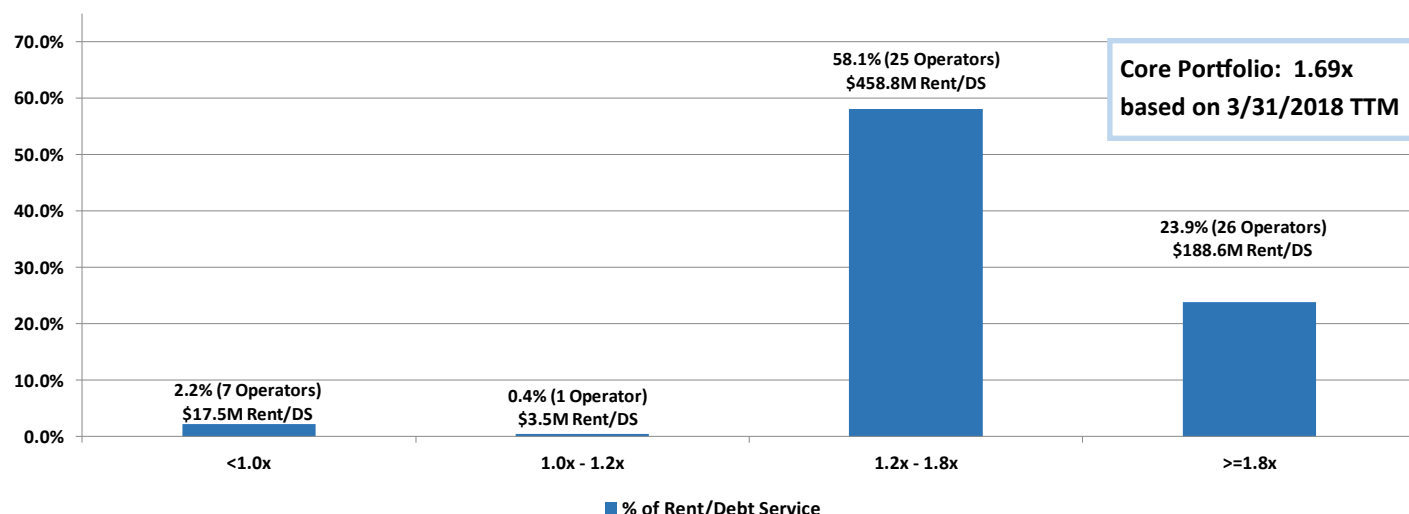
(\$ in thousands)

As of June 30, 2018

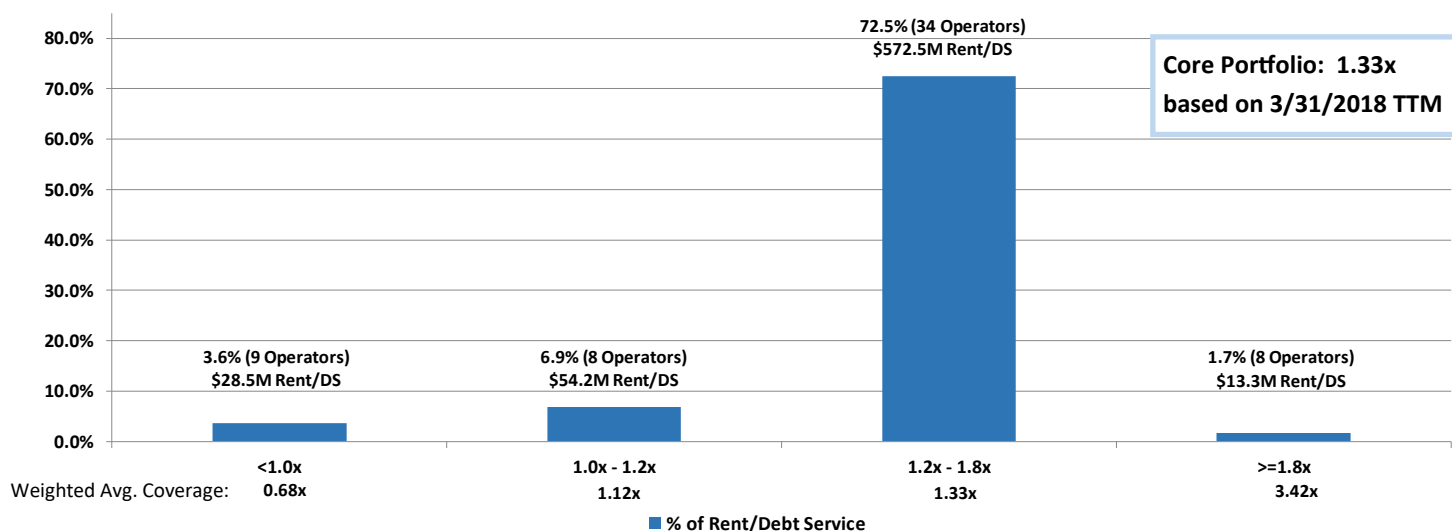
	No. of Properties ⁽¹⁾	Investment ⁽¹⁾	% Investment	% Occupancy ⁽³⁾⁽⁴⁾
Texas	118	\$ 830,726	9.6%	70.0%
Florida	93	823,540	9.5%	88.2%
Michigan	53	681,344	7.9%	86.1%
Ohio	62	635,090	7.4%	83.3%
Indiana	65	583,112	6.8%	80.7%
California	54	497,584	5.8%	92.8%
Pennsylvania	43	463,951	5.4%	88.1%
Tennessee	38	324,770	3.8%	72.0%
Virginia	18	285,063	3.3%	78.1%
North Carolina	32	270,254	3.1%	82.2%
Remaining 31 states (2)	302	2,821,396	32.7%	82.8%
	878	\$ 8,216,830	95.3%	
United Kingdom	55	407,605	4.7%	91.8%
Total	933	\$ 8,624,435	100.0%	82.4%

1) Excludes three properties with total investment of \$3.8 million classified as assets held for sale
 2) Remaining 31 states' total Investment Includes New York City 2nd Avenue development project
 3) As of March 31, 2018, TTM
 4) Includes Core Portfolio only

OPERATOR EBITDARM COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 3/31/2018 TTM



OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 3/31/2018 TTM



NOTE: Core portfolio represents 85% 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
SNF	0.35	0.16	0.3%	✓		✓	✓
SNF	0.91	0.59	0.8%	✓	✓	✓	✓
ALF	0.76	0.64	0.7%	✓	✓	✓	✓
SNF	0.99	0.77	0.2%	✓	✓	✓	✓
SNF	1.11	0.88	0.4%	✓	✓	✓	
SNF	1.24	0.98	0.9%	✓	✓	✓	✓
Add'l 3 SNFs with EBITDAR Cov. <1.0 ⁽²⁾			<u>0.3%</u>	2/3	0/3	3/3	3/3
			3.6%				

(1) Rent is current if < 30 days outstanding; measured on 7/31/2018

(2) Combined EBITDARM Coverage is 0.62x and combined EBITDAR Coverage is 0.16x

Portfolio: Investment Activity—Last Five Years



(\$ in Thousands)				Investment Amount	Facility Types						Totals			
					SNF	Beds	ALF	Beds	Rehab	Beds	ILU	Units	Facilities	Beds/Uts
2013 Total Investments				\$ 620,858	59	5,769	2	152	-	-	-	-	61	5,921
2014 Total Investments				\$ 565,510	25	2,684	7	541	-	-	-	-	32	3,225
2015 Total Investments				\$ 506,944	12	1,367	27	1,212	-	-	-	-	39	2,579
2016 Total Investments				\$ 1,328,269	67	8,056	20	1,726	0	0	0	0	87	9,782
2017														
Acquisition	Jan-17	\$ 7,574	VA	-	-	1	60	-	-	-	-	1	60	
Acquisition	May-17	114,759	UK	-	-	18	992	-	-	-	-	18	992	
Acquisition	Jun-17	8,644	NC	1	100	-	-	-	-	-	-	1	100	
Mortgage	Jun-17	11,000	MI	3	271	-	-	-	-	-	-	3	271	
Acquisition	Aug-17	2,294	TX	-	-	1	48	-	-	-	-	1	48	
Acquisition	Aug-17	191,000	IN	15	2,074	-	-	-	-	-	-	15	2,074	
Acquisition	Nov-17	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										
2017 Total Investments				\$ 529,727										
2018														
Acquisition	Feb-18	\$ 3,604	UK	-	-	1	30	-	-	-	-	1	30	
Acquisition	Feb-18	13,160	VA	1	130	-	-	-	-	-	-	1	130	
Acquisition	Mar-18	5,530	UK	-	-	1	40	-	-	-	-	1	40	
Acquisition	Mar-18	7,377	PA	1	66	-	-	-	-	-	-	1	66	
Acquisition	Jun-18	22,825	TX	5	320	-	-	-	-	-	-	5	320	
Mortgage	Jun-18	44,200	MI	5	580	-	-	-	-	-	-	5	580	
Total Acquisitions & Mortgages				\$ 96,697	12	1,096	2	70	-	-	-	-	14	1,166
Construction-in-Progress				58,228										
CAPEX Funding and Other				33,830										
Direct Financing Leases & Other				10,015										
2018 Total Investments				\$ 198,770										

NEW BUILDS, MAJOR RENOVATIONS AND CAPEX INVESTMENTS AS OF JUNE 30, 2018

Commitment Year	Location	# of Projects	Property Type	Initial Cash Yield	Beds / Units	Investment Commitment	Inception-to-Date Funding ⁽¹⁾	Remaining Commitment	Estimated In Service Date	Estimated Additional Quarterly Rent ⁽²⁾
2014	Middleburg, FL	1	SNF	9.00%	120	18,750,000	11,486,296	7,263,704	Q1 2019	258,442
2015	2nd Avenue, NY	1	ALF / MC	7.00% ⁽⁴⁾	214	287,711,161	175,459,998	112,251,163	Q4 2019	3,070,550
2015	Polk County, FL	1	SNF	9.00%	120	19,022,292	17,406,552	1,615,740	Q3 2018	391,647
2016	Pensacola, FL	1	SNF	8.75%	90	19,398,795	1,834,960	17,563,835	Q4 2019	40,140
2016	Viera, FL	1	SNF	8.75%	131	26,500,000	12,911,297	13,588,703	Q1 2019	282,448
2017	Southport, CT	1	ALF	9.00%	98	41,749,139	12,037,194	29,711,945	Q2 2019	270,837
2017	Lake City, FL	1	SNF	8.75%	113	23,600,000	6,510,889	17,089,111	Q4 2018	142,426
2017	Mocksville, NC	1	SNF	9.25%	108	12,200,000	6,120,801	6,079,199	Q1 2019	141,544
2018	Hillsboro, TX	1	SNF	9.25%	105	9,450,000	1,642,481	7,807,519	Q2 2019	37,982
2018	Thibodaux, LA	1	SNF	7.00%	110	21,000,000	2,746,111	18,253,889	TBD	48,057
Leased Facilities		10			1,209	\$ 479,381,387	\$ 248,156,579	\$ 231,224,808		\$ 4,684,073
2015	Watkins, VA	1	ALF	8.75%	48	11,700,000	11,540,009	159,991	Q3 2018	
2017	St. Clair Shores, MI	1	SNF	9.50%	101	17,000,000	10,814,151	6,185,849	Q1 2019	
2017	Westland, MI	1	SNF	9.50%	120	10,000,000	4,433,371	5,566,629	Q2 2019	
Mortgages⁽³⁾		3			269	\$ 38,700,000	\$ 26,787,531	\$ 11,912,469		
Additional CapEx (excluding New Builds)⁽³⁾		43				211,927,323	175,105,756	36,821,567		
Total:		56			1,478	\$ 730,008,710	\$ 450,049,866	\$ 279,958,844		

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

4) Cash yield increases to 8% beginning in year 2

Capitalization: Capital Structure and Rates



CAPITAL STRUCTURE

Financial Instrument	Secured (Y/N)	Debt Capacity in USD 6/30/2018	Month Ending Rate	Type	Latest Maturity	Yrs to Maturity	Borrowed as of 6/30/2018	% of Total	2Q 2018 Debt/Ann. PF EBITDA ⁽⁴⁾
Credit Facility:									
Revolver - USD	N	900,000,000	3.289%	V ⁽¹⁾	5/25/22 ⁽²⁾	3.9 Yrs	220,000,000	4.9%	
Revolver - USD & Alternate Currency	N	350,000,000	3.289%	V ⁽¹⁾	5/25/22 ⁽²⁾	3.9 Yrs	-	0.0%	
\$425MM U.S Term Loan	N	425,000,000	3.544%	V	5/25/22	3.9 Yrs	425,000,000	9.5%	
\$100MM OHI LP Term Loan	N	100,000,000	3.544%	V	5/25/22	3.9 Yrs	100,000,000	2.2%	
£100MM Sterling Term Loan ⁽³⁾	N	132,030,000	1.950%	V	5/25/22	3.9 Yrs	132,030,000	2.9%	
\$250MM Term	N	250,000,000	3.800%	F	12/16/22	4.5 Yrs	250,000,000	5.6%	
\$20M Sub-Notes	N	20,000,000	9.000%	F	12/21/21	3.5 Yrs	20,000,000	0.4%	
\$700M 4.375% Notes	N	700,000,000	4.375%	F	8/1/23	5.1 Yrs	700,000,000	15.6%	
\$400M 4.95% Notes	N	400,000,000	4.950%	F	4/1/24	5.8 Yrs	400,000,000	8.9%	
\$400M 4.50% Notes	N	400,000,000	4.500%	F	1/15/25	6.5 Yrs	400,000,000	8.9%	
\$600M 5.25% Notes	N	600,000,000	5.250%	F	1/15/26	7.5 Yrs	600,000,000	13.3%	
\$700M 4.50% Notes	N	700,000,000	4.500%	F	4/1/27	8.8 Yrs	700,000,000	15.6%	
\$550M 4.75% Notes	N	550,000,000	4.750%	F	1/15/28	9.5 Yrs	550,000,000	12.2%	
								100.0%	
Total Debt		\$ 5,527,030,000					\$ 4,497,030,000		5.26 x
Weighted Averages			4.18%			6.4 Yrs	4.39%		
			Common Stock: 200,332,191 shares at \$31.00 per share:				6,210,297,921		
			Operating Units: 8,765,772 units at \$31.00 per unit:				271,738,932		
Total Market Capitalization							\$ 10,979,066,853		

Note: At June 30, 2018, Omega held approx. \$11MM of cash and short-term investments

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

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

3) Equivalent USD amount shown using exchange rate as of the last day of the reporting period

4) See page 19

DEBT MATURITIES

(\$ in thousands)

Unsecured Debt at June 30, 2018

Year	Line of Credit &			Total Debt Maturities
	Term Loans ⁽¹⁾	Senior Notes ⁽²⁾	Sub Notes ⁽³⁾	
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	220,000	-	20,000	240,000
2022	907,030	-	-	907,030
2023	-	700,000	-	700,000
Thereafter	-	2,650,000	-	2,650,000
	\$ 1,127,030	\$ 3,350,000	\$ 20,000	\$ 4,497,030

1) The \$220 million Line of Credit borrowings excludes \$4.8 million net deferred financing costs and can be extended into 2022. The \$907 million is comprised of a: \$425 million US Dollar term loan, £100 million term loan (equivalent to \$132 million in US dollars), \$100 million term loan to Omega's operating partnership and \$250 million term loan (excludes \$4.9 million net deferred financing costs related to the term loans).

2) Excludes net discounts and deferred financing costs

3) Excludes \$0.3 million of fair market valuation adjustments

SENIOR UNSECURED CREDIT RATINGS

Rating Information

	CUSIP #	S&P	Moody's	Fitch
Common Stock	681936 10 0			
Senior Unsecured Debt				
\$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 ⁽¹⁾

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>	<= 60%	<=30%	<= 60%	>=1.50 to 1	>=2.00 to 1	>\$3,440MM
September 30, 2017	54%	1%	55%	4.8	3.8	Pass
December 31, 2017	51%	1%	53%	4.6	3.9	Pass
March 31, 2018	52%	1%	53%	4.5	3.9	Pass
June 30, 2018	50%	0%	52%	4.4	3.8	Pass
Status	Pass	Pass	Pass	Pass	Pass	Pass

UNSECURED NOTES

Quarter Ending	Debt / Adj. Total Assets	Unencumbered Assets / Unsecured Debt	Secured Debt / Adj. Total Assets
	<i>Requirement</i>	<= 60%	>= 150%
September 30, 2017	50%	200%	0%
December 31, 2017	50%	200%	0%
March 31, 2018	51%	197%	0%
June 30, 2018	50%	201%	0%
Status	Pass	Pass	Pass

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

SELECTED CREDIT STATISTICS

	2018		2017YE	2016YE	2015YE	2014YE	2013YE
	Q2	Q1					
Funded Debt / Adj. Pro Forma EBITDA ⁽¹⁾	5.3	5.2	4.9	4.7	4.5	4.6	4.4
Secured Debt / Adjusted EBITDA ⁽¹⁾	0.0	0.1	0.1	0.1	0.3	0.5	0.6
Fixed Charge Coverage ⁽²⁾	4.0	4.0	4.5	5.1	4.7	4.1	4.0
Balance Sheet Cash (\$000)	10,951	71,231	85,937	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 under "Financial Information" then "Non-GAAP Financial Measures"

EQUITY ISSUANCE SUMMARY

	2013	2014	2015	2016	2017	2018		
						Q1	Q2	YTD
ESP/ATM Program								
Number of Shares (000s)	6,504	1,848	-	656	718	-	912	912
Average Price per Share	\$ 30.48	\$ 34.33	\$ -	\$ 31.10	\$ 32.14	\$ -	\$ 30.93	\$ 30.93
Gross Proceeds (000s)	\$ 198,220	\$ 63,452	\$ -	\$ 20,392	\$ 23,074	\$ -	\$ 28,218	\$ 28,218
DRSPP and Waiver Program								
Number of Shares (000s)	1,930	2,083	4,184	7,215	1,199	189	759	947
Average Price per Share	\$ 28.94	\$ 34.32	\$ 36.06	\$ 33.27	\$ 30.64	\$ 25.87	\$ 29.22	\$ 28.55
Gross Proceeds (000s)	\$ 55,872	\$ 71,502	\$ 150,871	\$ 240,041	\$ 36,722	\$ 4,886	\$ 22,164	\$ 27,050
Secondary								
Number of Shares (000s)	2,875	-	10,925	-	-	-	-	-
Average Price per Share	\$ 29.48	\$ -	\$ 42.00	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Proceeds (000s)	\$ 84,755	\$ -	\$ 458,850	\$ -	\$ -	\$ -	\$ -	\$ -
Equity Issuance Totals								
Number of Shares (000s)	11,309	3,932	15,109	7,871	1,917	189	1,671	1,860
Average Price per Share	\$ 29.96	\$ 34.32	\$ 40.36	\$ 33.09	\$ 31.20	\$ 25.87	\$ 30.16	\$ 29.72
Gross Proceeds (000s)	\$ 338,847	\$ 134,954	\$ 609,721	\$ 260,433	\$ 59,796	\$ 4,886	\$ 50,382	\$ 55,268

Percentages of adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at June 30, 2018 were 53.8% and 41.0%, 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 June 30, 2018 plus adjusted total debt.

Unaudited (In thousands)	
	At June 30, 2018
Revolving line of credit.....	\$ 220,000
Term loans.....	907,030
Secured borrowings.....	-
Unsecured borrowings.....	3,370,000
FMV adjustment of assumption of debt	322
Discount on unsecured borrowings - net	(20,120)
Deferred financing costs - net.....	(29,175)
Total debt	\$ 4,448,057
Deduct FMV adjustment of assumption of debt	(322)
Add back discount on unsecured borrowings - net.....	20,120
Add back deferred financing costs - net.....	29,175
Adjusted total debt	\$ 4,497,030
 BOOK CAPITALIZATION	
Adjusted total debt.....	\$ 4,497,030
Omega stockholders' equity.....	3,525,488
Noncontrolling interest	328,827
Adjusted book capitalization	\$ 8,351,345
 MARKET CAPITALIZATION	
Omega common shares and OP units outstanding at 6/30/2018.....	209,098
Market price of common stock at 6/30/2018.....	\$ 31.00
Market capitalization of common stock at 6/30/2018.....	6,482,038
Market capitalization of publicly traded securities.....	6,482,038
Add adjusted total debt.....	4,497,030
Total market capitalization	\$ 10,979,068
 Adjusted total debt / adjusted book capitalization	 53.8%
Adjusted total debt / total market capitalization	41.0%

Financial Performance: Historical AFFO, FAD and Dividends



Year	Quarter Ended	Ending Share Price	Div. * Yield	Quarterly					Omega AFFO Guidance ⁽¹⁾	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%							
2018	3/31/2018	\$27.04	9.8%	\$ 0.7760	\$ 0.66	85.1%	\$0.6920	95.4%	\$2.96 - \$3.06						
	6/30/2018	\$31.00	8.5%	\$ 0.7633	0.66	86.5%	\$0.6730	98.1%							

* 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.

2018 Guidance Revised: AFFO: \$3.03—\$3.06
FAD: \$2.67—\$2.74

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

2018 FFO, Adjusted FFO and FAD Guidance and Reconciliation

The Company revised its 2018 Adjusted FFO guidance to be between \$3.03 and \$3.06 per diluted share, and revised its FAD guidance to be between \$2.67 and \$2.74 per diluted share.

**2018 Annual FFO, Adjusted FFO and FAD
Guidance Range ⁽¹⁾**

(per diluted common share)

	Full Year
Net Income.....	\$1.58 - \$1.61
Depreciation.....	1.38
Gain on assets sold.....	(0.07)
Real estate impairment.....	0.02
FFO.....	\$2.91 - \$2.94
Adjustments:	
Unrealized gain on warrants.....	(0.01)
Purchase option buyout.....	0.01
Provision for uncollectible accounts.....	0.04
Stock-based compensation expense.....	0.08
Adjusted FFO.....	\$3.03 - \$3.06
Non-cash interest expense.....	0.04
Capitalized interest.....	(0.05)
Non-cash revenue.....	(\$0.35) - (\$0.31)
FAD.....	\$2.67 - \$2.74

Note: All per share numbers rounded to two decimals.

- 1) The Company's Adjusted FFO guidance for 2018 reflects the impact of capital renovation projects, \$311 million of assets sold and mortgages repaid through Q2 2018, the sale of \$4 million of assets held for sale, approximately \$90+ 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, with the exception of \$6.25 million (\$12.5 million annually) related to Orianna's former Mississippi and Indiana facilities, which transitioned to an existing operator of the Company effective July 1 and August 1, respectively. 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 provisions 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 June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Revenue				
Rental income	\$ 192,850	\$ 193,997	\$ 386,799	\$ 386,534
Income from direct financing leases	497	15,462	1,110	31,108
Mortgage interest income	16,834	16,297	33,413	32,253
Other investment income	9,097	7,278	17,624	14,192
Miscellaneous income	603	2,763	1,134	3,454
Total operating revenues.....	<u>219,881</u>	<u>235,797</u>	<u>440,080</u>	<u>467,541</u>
Expenses				
Depreciation and amortization.....	69,609	70,350	139,970	140,343
General and administrative	11,148	7,807	23,567	16,587
Stock-based compensation.....	4,089	3,734	8,145	7,478
Acquisition costs	-	19	-	(22)
(Recovery) impairment on real estate properties	(1,097)	10,135	3,817	17,773
Provision for uncollectible accounts.....	564	2,673	8,378	5,077
Total operating expenses	<u>84,313</u>	<u>94,718</u>	<u>183,877</u>	<u>187,236</u>
Income before other income and expense.....	135,568	141,079	256,203	280,305
Other income (expense)				
Interest income and other – net.....	1,125	254	1,710	258
Interest expense	(48,082)	(48,085)	(96,093)	(93,126)
Interest – amortization of deferred financing.....	(2,242)	(2,543)	(4,485)	(5,045)
Interest – refinancing costs	-	(21,965)	-	(21,965)
Contractual settlement.....	-	-	-	10,412
Realized (loss) gain on foreign exchange	(66)	79	(7)	140
Total other expense.....	<u>(49,265)</u>	<u>(72,260)</u>	<u>(98,875)</u>	<u>(109,326)</u>
Income before (loss) gain on assets sold	86,303	68,819	157,328	170,979
(Loss) gain on assets sold – net.....	(2,891)	(622)	14,609	6,798
Income from continuing operations	83,412	68,197	171,937	177,777
Income tax expense	(838)	(591)	(1,381)	(1,691)
(Loss) income from unconsolidated joint venture	(588)	551	(637)	1,183
Net income	81,986	68,157	169,919	177,269
Net income attributable to noncontrolling interest .	(3,450)	(2,900)	(7,163)	(7,572)
Net income available to common stockholders	<u>\$ 78,536</u>	<u>\$ 65,257</u>	<u>\$ 162,756</u>	<u>\$ 169,697</u>
Income per common share available to common stockholders:				
Basic:				
Net income available to common stockholders	<u>\$ 0.39</u>	<u>\$ 0.33</u>	<u>\$ 0.82</u>	<u>\$ 0.86</u>
Diluted:				
Net income	<u>\$ 0.39</u>	<u>\$ 0.33</u>	<u>\$ 0.82</u>	<u>\$ 0.86</u>
Dividends declared per common share	<u>\$ 0.66</u>	<u>\$ 0.63</u>	<u>\$ 1.32</u>	<u>\$ 1.25</u>
Weighted-average shares outstanding, basic.....	<u>199,497</u>	<u>197,433</u>	<u>199,204</u>	<u>197,223</u>
Weighted-average shares outstanding, diluted.....	<u>208,460</u>	<u>206,672</u>	<u>208,139</u>	<u>206,423</u>

(in thousands, except per share amounts)

	June 30, 2018	December 31, 2017
	(Unaudited)	
ASSETS		
Real estate properties		
Real estate investments	\$ 7,571,661	\$ 7,655,960
Less accumulated depreciation	(1,475,463)	(1,376,828)
Real estate investments – net	6,096,198	6,279,132
Investments in direct financing leases – net	349,465	364,965
Mortgage notes receivable – net	703,309	671,232
	7,148,972	7,315,329
Other investments – net	377,206	276,342
Investment in unconsolidated joint venture	32,820	36,516
Assets held for sale – net	3,782	86,699
Total investments	7,562,780	7,714,886
Cash and cash equivalents	10,951	85,937
Restricted cash	2,598	10,871
Accounts receivable – net	320,140	279,334
Goodwill	644,369	644,690
Other assets	33,301	37,587
Total assets	\$ 8,574,139	\$ 8,773,305
LIABILITIES AND EQUITY		
Revolving line of credit	\$ 220,000	\$ 290,000
Term loans – net	902,168	904,670
Secured borrowings – net	—	53,098
Unsecured borrowings – net	3,325,889	3,324,390
Accrued expenses and other liabilities	257,049	295,142
Deferred income taxes	14,718	17,747
Total liabilities	4,719,824	4,885,047
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 200,332 shares as of June 30, 2018 and 198,309 as of December 31, 2017	20,033	19,831
Common stock – additional paid-in capital	4,997,329	4,936,302
Cumulative net earnings	2,011,689	1,839,356
Cumulative dividends	(3,473,406)	(3,210,248)
Accumulated other comprehensive loss	(30,157)	(30,150)
Total stockholders' equity	3,525,488	3,555,091
Noncontrolling interest	328,827	333,167
Total equity	3,854,315	3,888,258
Total liabilities and equity	\$ 8,574,139	\$ 8,773,305

Unaudited (in thousands)

	Six Months Ended	
	June 30,	
	2018	2017
Cash flows from operating activities		
Net income	\$ 169,919	\$ 177,269
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	139,970	140,343
Impairment on real estate properties	8,992	17,773
Provision for uncollectible accounts	8,378	5,077
Interest - amortization of deferred financing costs	4,485	15,240
Accretion of direct financing leases	67	(6,164)
Stock-based compensation expense	8,145	7,478
Gain on assets sold – net	(14,609)	(6,798)
Amortization of acquired in-place leases - net	(5,277)	(6,202)
Effective yield receivable on mortgage notes	(710)	(1,191)
Interest paid-in-kind	(3,493)	-
Change in operating assets and liabilities – net:		
Contractual receivables	1,563	(33,293)
Straight-line rent receivables	(30,746)	(23,174)
Lease inducements	(31,551)	895
Other operating assets and liabilities	(37,967)	(23,053)
Net cash provided by operating activities	<u>217,166</u>	<u>264,200</u>
Cash flows from investing activities		
Acquisition of real estate	(52,744)	(130,977)
Cash acquired	-	2,341
Investments in construction in progress	(63,313)	(46,108)
Investments in direct financing leases	-	(4,767)
Proceeds from sale of direct financing lease	15,433	27,253
Placement of mortgage loans	(56,944)	(24,978)
Distributions from unconsolidated joint venture	3,739	9,741
Net proceeds from sale of real estate investments	221,952	64,061
Capital improvements to real estate investments	(19,183)	(16,861)
Receipts from insurance proceeds	6,901	-
Proceeds from other investments	105,695	35,997
Investments in other investments	(192,962)	(52,228)
Collection of mortgage principal	25,176	673
Net cash used in investing activities	<u>(6,250)</u>	<u>(135,853)</u>
Cash flows from financing activities		
Proceeds from credit facility borrowings	549,000	817,000
Payments on credit facility borrowings	(619,000)	(852,000)
Receipts of other long-term borrowings	-	1,346,749
Payments of other long-term borrowings	(2,049)	(1,252,139)
Payments of financing related costs	(8)	(28,483)
Receipts from dividend reinvestment plan	27,050	19,721
Payments for exercised options and restricted stock	(1,654)	(2,120)
Net proceeds from issuance of common stock	27,509	6,634
Dividends paid	(263,021)	(246,722)
Redemption of Omega OP Units	(118)	(48)
Distributions to Omega OP Unit Holders	(11,765)	(11,143)
Net cash used in financing activities	<u>(294,056)</u>	<u>(202,551)</u>
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(119)	162
Decrease in cash, cash equivalents and restricted cash	(83,259)	(74,042)
Cash, cash equivalents and restricted cash at beginning of period	96,808	107,276
Cash, cash equivalents and restricted cash at end of period	<u>\$ 13,549</u>	<u>\$ 33,234</u>

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

(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net income	\$ 81,986	\$ 68,157	\$169,919	\$ 177,269
Add back loss (deduct gain) from real estate dispositions ...	2,891	622	(14,609)	(6,798)
Add back loss from real estate dispositions of unconsolidated joint venture	640	—	640	—
Sub – total	85,517	68,779	155,950	170,471
Elimination of non-cash items included in net income:				
Depreciation and amortization	69,609	70,350	139,970	140,343
Depreciation - unconsolidated joint venture.....	1,466	1,658	3,123	3,316
(Deduct recovery) add back non-cash provision for impairments on real estate properties	(1,097)	10,135	3,817	17,773
Add back non-cash provision for impairments on real estate properties of unconsolidated joint venture	—	—	608	—
Funds from operations (“FFO”)	<u>\$ 155,495</u>	<u>\$ 150,922</u>	<u>\$303,468</u>	<u>\$ 331,903</u>
Weighted-average common shares outstanding, basic	199,497	197,433	199,204	197,223
Restricted stock and PRSUs	197	467	167	407
Omega OP Units.....	8,766	8,772	8,768	8,793
Weighted-average common shares outstanding, diluted	<u>208,460</u>	<u>206,672</u>	<u>208,139</u>	<u>206,423</u>
Funds from operations available per share	<u>\$ 0.75</u>	<u>\$ 0.73</u>	<u>\$ 1.46</u>	<u>\$ 1.61</u>
Adjustments to calculate adjusted funds from operations:				
Funds from operations	\$ 155,495	\$ 150,922	\$303,468	\$ 331,903
Deduct one-time revenue	—	(1,881)	—	(1,881)
Deduct unrealized gain on warrants	(1,021)	—	(1,602)	—
Deduct contractual settlement	—	—	—	(10,412)
Add back (deduct) acquisition costs	—	19	—	(22)
Add back one-time buy-out of purchase option	—	—	2,000	—
Add back provision for uncollectible accounts	564	2,673	8,378	5,077
Add back interest refinancing expense.....	—	23,539	—	23,539
Add back non-cash stock-based compensation expense.....	4,089	3,734	8,145	7,478
Adjusted funds from operations (“AFFO”)	<u>\$ 159,127</u>	<u>\$ 179,006</u>	<u>\$320,389</u>	<u>\$ 355,682</u>
Adjustments to calculate funds available for distribution:				
Non-cash interest expense.....	\$ 2,215	\$ 2,851	\$ 4,431	\$ 5,661
Capitalized interest	(2,608)	(1,906)	(4,904)	(3,895)
Non-cash revenues	(18,432)	(17,956)	(35,812)	(36,085)
Funds available for distribution (“FAD”)	<u>\$ 140,302</u>	<u>\$ 161,995</u>	<u>\$284,104</u>	<u>\$ 321,363</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 income statement, 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 June 30, 2018 were 5.49x, 5.33x and 5.26x, 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 2nd quarter assuming an April 1st purchase or sale date and (ii) inception to date funding of construction in progress multiplied by the estimated contractual quarterly yield assuming an April 1st in-service 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.

Unaudited (In thousands)	Three Months Ended June 30, 2018
Net income.....	\$ 81,986
Depreciation and amortization.....	69,609
Depreciation - unconsolidated joint venture	1,466
Interest - net.....	50,220
Income taxes.....	838
EBITDA.....	\$ 204,119
Deduct unrealized gain on warrants.....	(1,021)
Deduct non-cash recovery for impairments on real estate properties.....	(1,097)
Add back loss on assets sold - net	2,891
Add back loss on assets sold - unconsolidated joint venture.....	640
Add back foreign currency loss.....	66
Add back non-cash provision for uncollectible accounts.....	564
Add back stock-based compensation expense.....	4,089
Adjusted EBITDA.....	\$ 210,251
Add incremental pro forma EBITDA from new investments in Q2	1,980 ⁽¹⁾
Add incremental pro forma EBITDA from construction in progress through Q2.....	4,684 ⁽¹⁾
Deduct incremental pro forma revenue from Q2 asset divestitures	(3,593) ⁽¹⁾
Adjusted pro forma EBITDA.....	\$ 213,322
DEBT	
Revolving line of credit.....	\$ 220,000
Term loans.....	907,030
Secured borrowings	-
Unsecured borrowings.....	3,370,000
FMV adjustment of assumption of debt	322
Premium/(discount) on unsecured borrowings - net.....	(20,120)
Deferred financing costs - net.....	(29,175)
Total debt.....	\$ 4,448,057
Deduct balance sheet cash and cash equivalents.....	(10,951)
Net total debt.....	\$ 4,437,106
Deduct FMV adjustment for assumption of debt	(322)
Add back discount (deduct premium) on unsecured borrowings - net.....	20,120
Add back deferred financing costs - net.....	29,175
Adjusted total debt (a/k/a Funded Debt).....	\$ 4,486,079
Funded Debt / annualized EBITDA	5.49 x
Funded Debt / adjusted annualized EBITDA	5.33 x
Funded Debt / adjusted pro forma annualized EBITDA.....	5.26 x

(1) Used to calculate leverage only.

NOTE: Assuming the legacy 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 \$221 million, and our Funded Debt / adjusted pro forma annualized EBITDA ratio would be approximately 5x. The timing and terms of the transition of the legacy Orianna portfolio may vary materially due to the bankruptcy process.

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 June 30, 2018 were 4.2x and 4.0x, respectively. Fixed charge coverage is the ratio determined by dividing EBITDA by our fixed charges. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA eliminates items such as acquisition 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.

Unaudited (In thousands)	Three Months Ended June 30, 2018
Net income.....	\$ 81,986
Depreciation and amortization.....	69,609
Depreciation - unconsolidated joint venture	1,466
Interest - net.....	50,220
Income taxes.....	838
EBITDA.....	<u>\$ 204,119</u>
Deduct unrealized gain on warrants.....	(1,021)
Deduct non-cash recovery for impairments on real estate properties.....	(1,097)
Add back loss on assets sold - net.....	2,891
Add back loss on assets sold - unconsolidated joint venture.....	640
Add back foreign currency loss.....	66
Add back non-cash provision for uncollectible accounts.....	564
Add back stock-based compensation expense.....	4,089
Adjusted EBITDA.....	<u>\$ 210,251</u>
 FIXED CHARGES	
Interest expense.....	\$ 47,978
Amortization of non-cash deferred financing charges.....	2,242
Refinancing costs.....	-
Total interest expense.....	<u>\$ 50,220</u>
Add back: capitalized interest.....	2,608
Less: refinancing charges.....	-
Total fixed charges.....	<u>\$ 52,828</u>
 Adjusted EBITDA / total interest expense ratio.....	 <u>4.2 x</u>
Adjusted EBITDA / fixed charge coverage ratio.....	<u>4.0 x</u>

NOTE: We recognize revenue from Orianna on a cash basis of accounting and recorded no revenue in the three months ended June 30, 2018. The timing and terms of the transition of the legacy Orianna portfolio may vary materially due to the bankruptcy process. The Company anticipates annual contractual rent or rent equivalents will likely be in a range of \$32M to \$38M once the transition of the legacy Orianna facilities is complete.

PORTFOLIO METRICS

Core Portfolio: Refers to all stable properties including 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. Any properties falling into the preceding categories 1 through 4 are referred to as “non-core”.

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.