

Supplemental Information

Q3 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 September 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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Bob Stephenson, Chief Financial Officer

Mike Ritz, Chief Accounting Officer

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Stock Symbol: OHI Shares & Units Outstanding September 30, 2018: 209,407,648
Exchange: NYSE CUSIP Number: 681936100

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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 September 30, 2018, unless specifically stated otherwise. We assume no duty to update or supplement the information provided.

INVESTMENT SUMMARY

(\$ in thousands)

As of September 30, 2018

Balance Sheet Data	As of September 30, 2018			Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	Investment Per Bed
	Total No. of Properties	Investment	% of Investment	Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	
Real Estate Investments	851	\$ 7,700,636	90%	846	84,759	
Direct Financing Leases	18	163,467	2%	18	1,753	
Notes Receivable	53	708,178	8%	53	5,764	
	922	\$ 8,572,281	100%	917	92,276	
Assets Held for Sale	10	17,826				
Total Investments	932	\$ 8,590,107				

Investment Data	As of September 30, 2018			Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	Investment Per Bed
	Total No. of Properties	Investment	% of Investment	Total No. of Operating Properties ⁽¹⁾	No. of Operating Beds ⁽¹⁾	Investment Per Bed
Skilled Nursing/Transitional Care	795	\$ 7,083,109	83%	793	84,520	\$84
Senior Housing ⁽²⁾	127	1,489,172	17%	124	7,756	\$192
	922	\$ 8,572,281	100%	917	92,276	\$93
Assets Held for Sale	10	17,826				
Total Investments	932	\$ 8,590,107				

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 September 30, 2018		Nine Months Ended September 30, 2018	
	\$	%	\$	%
Rental Property	\$ 192,276	87%	\$ 579,075	88%
Direct Financing Leases	264	0%	1,374	0%
Mortgage Notes	18,396	8%	51,809	8%
Other Investment Income & Misc Income - net	10,916	5%	29,674	4%
	\$ 221,852	100%	\$ 661,932	100%

Revenue by Facility Type	Three Months Ended September 30, 2018		Nine Months Ended September 30, 2018	
	\$	%	\$	%
Skilled Nursing / Transitional Care	\$ 183,691	83%	\$ 548,210	83%
Senior Housing	27,245	12%	84,048	13%
Other	10,916	5%	29,674	4%
	\$ 221,852	100%	\$ 661,932	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
June 30, 2018	52.7%	34.8%	12.5%	June 30, 2018	82.5%	1.70x	1.34x
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

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

2) Based on available (operating) beds

RENT/INTEREST CONCENTRATION BY OPERATOR

(\$ in thousands)

Operator	Annualized Contractual Rent/Interest ⁽¹⁾⁽²⁾			Properties ⁽¹⁾
	Total (\$000's)	% of Total		
1 Ciena	\$ 94,277	11.9%		74
2 Communicare	61,624	7.8%		46
3 Genesis	57,327	7.2%		50
4 Signature	50,556	6.4%		58
5 Saber	43,379	5.5%		45
6 HHC	35,469	4.5%		44
7 Maplewood	31,367	4.0%		14
8 Guardian	31,192	3.9%		32
9 Daybreak	30,017	3.8%		57
10 Diversicare	28,959	3.7%		35
Remaining Operators ⁽³⁾	328,167	41.3%		427
	\$ 792,334	100.0%		882

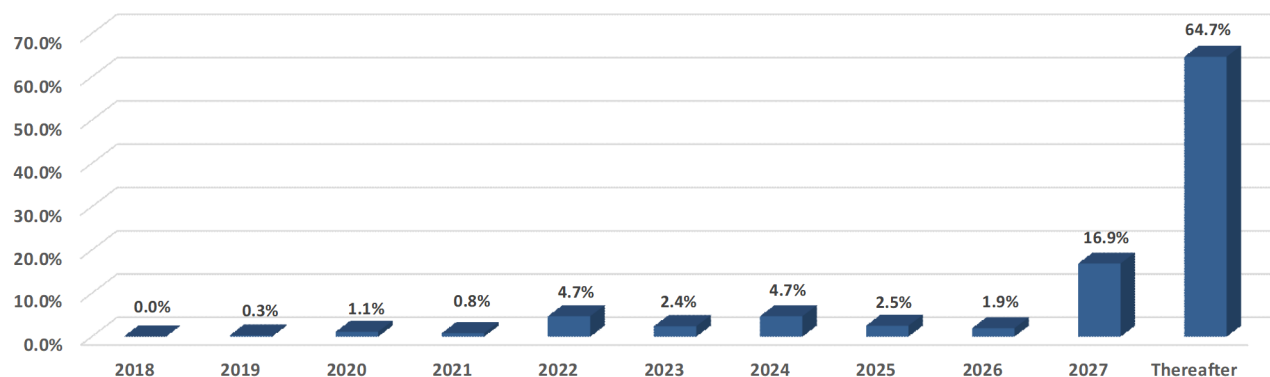
- 1) Excludes facilities which are non-operating, closed and/or not currently providing patient services
- 2) 3Q 2018 contractual rent and interest annualized (also includes mezzanine and term loan interest)
- 3) Excludes 20 Orianna facilities with annual contractual revenue of approximately \$26.1M and 14 Preferred Care facilities with no revenue and one Safe Haven facility with annual revenue of approximately \$1.4M due to their bankruptcy status; all facilities are expected to be transitioned or sold

LEASE AND MORTGAGE EXPIRATIONS ⁽¹⁾

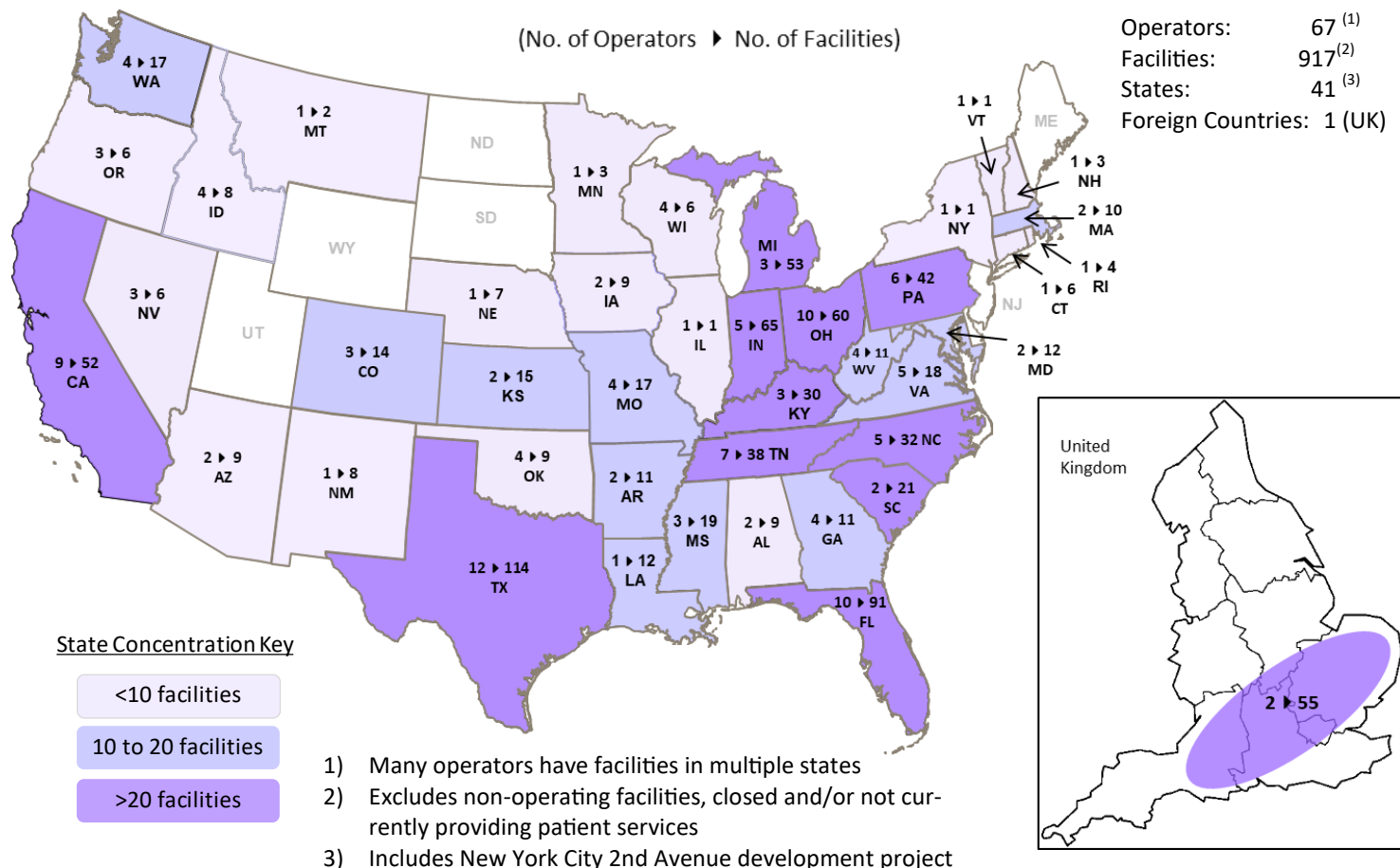
(\$ in thousands)

Year	3Q 2018 Contractual Rent/Interest		Investment Amounts						Operating Facilities		Operating Beds	
	Annualized	%	Lease	Capital Lease	Mortgage	Total	%	No.	%	No.	%	
1 2018	\$ -	0.0%	\$ 8,617	\$ -	\$ 11,590	\$ 20,206	0.2%	-	0.0%	-	0.0%	
2 2019	2,176	0.3%	10,913	-	11,874	22,787	0.3%	3	0.3%	209	0.2%	
3 2020	8,841	1.1%	56,234	244	1,472	57,950	0.7%	9	1.0%	955	1.1%	
4 2021	6,381	0.8%	93,016	-	-	93,016	1.1%	17	1.9%	560	0.6%	
5 2022	37,336	4.7%	329,762	-	-	329,762	4.0%	49	5.6%	4,922	5.5%	
6 2023	19,047	2.4%	205,782	-	-	205,782	2.5%	27	3.1%	2,560	2.9%	
7 2024	37,300	4.7%	358,702	-	-	358,702	4.3%	25	2.8%	3,044	3.4%	
8 2025	19,870	2.5%	159,500	-	-	159,500	1.9%	16	1.8%	2,132	2.4%	
9 2026	15,372	1.9%	194,133	-	-	194,133	2.3%	16	1.8%	1,971	2.2%	
10 2027	133,802	16.9%	1,307,256	-	112,500	1,419,756	17.1%	187	21.2%	15,979	18.0%	
Thereafter	512,210	64.7%	4,840,817	11,494	570,742	5,423,054	65.5%	533	60.4%	56,438	63.6%	
TOTAL	\$ 792,334	100.0%	\$ 7,564,732	\$ 11,738	\$ 708,178	\$ 8,284,648	100.0%	882	100.0%	88,770	100.0%	

Note: All percentages rounded to one decimal



- 1) Excludes 20 Orianna facilities with annual contractual revenue of approximately \$26.1M and 14 Preferred Care facilities with no revenue and one Safe Haven facility with annual revenue of approximately \$1.4M due to their bankruptcy status; all facilities are expected to be transitioned or sold



GEOGRAPHIC CONCENTRATION BY INVESTMENT

(\$ in thousands)

As of September 30, 2018

	No. of Properties ⁽¹⁾	Investment ⁽¹⁾	% Investment	% Occupancy ⁽³⁾⁽⁴⁾
Texas	116	\$ 825,921	9.7%	69.9%
Florida	93	822,624	9.6%	88.3%
Michigan	53	686,212	8.0%	87.1%
Ohio	60	629,884	7.3%	81.9%
Indiana	65	582,802	6.8%	80.6%
California	54	497,588	5.8%	92.6%
Pennsylvania	43	464,270	5.4%	88.3%
Tennessee	35	284,102	3.3%	71.5%
Virginia	18	280,718	3.3%	90.1%
North Carolina	32	274,264	3.2%	84.4%
Remaining 31 states (2)	298	2,821,299	32.9%	81.3%
United Kingdom	55	\$ 402,597	4.7%	91.1%
Total	922	\$ 8,572,281	100.0%	82.5%

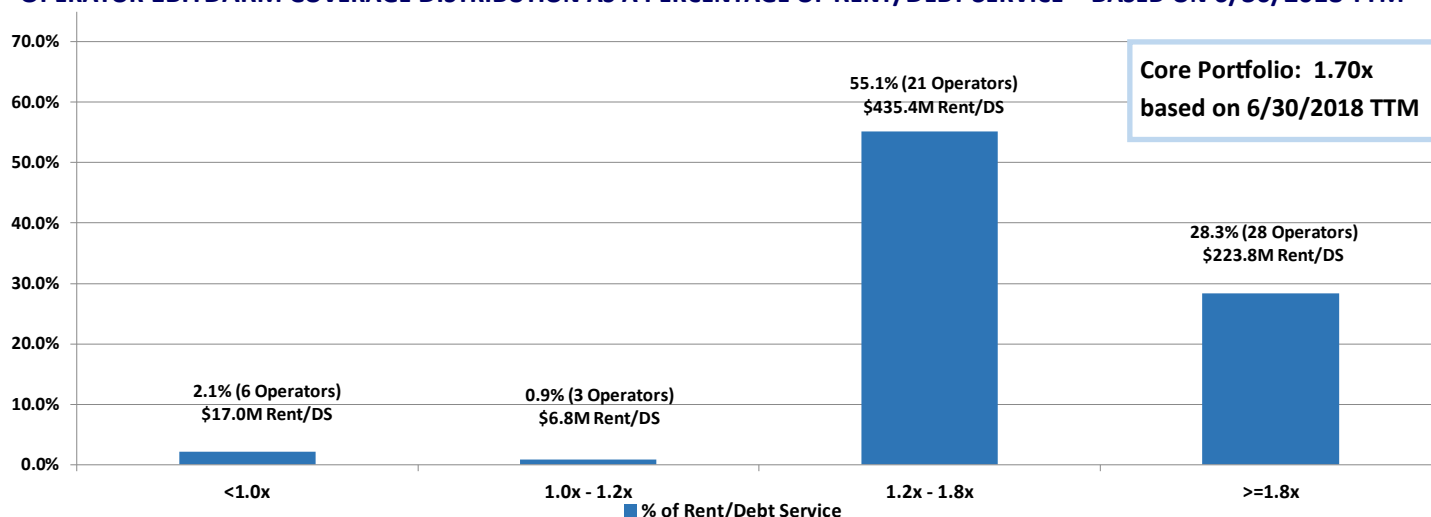
1) Excludes 10 properties with total investment of \$17.8 million classified as assets held for sale

2) Includes New York City 2nd Avenue development project

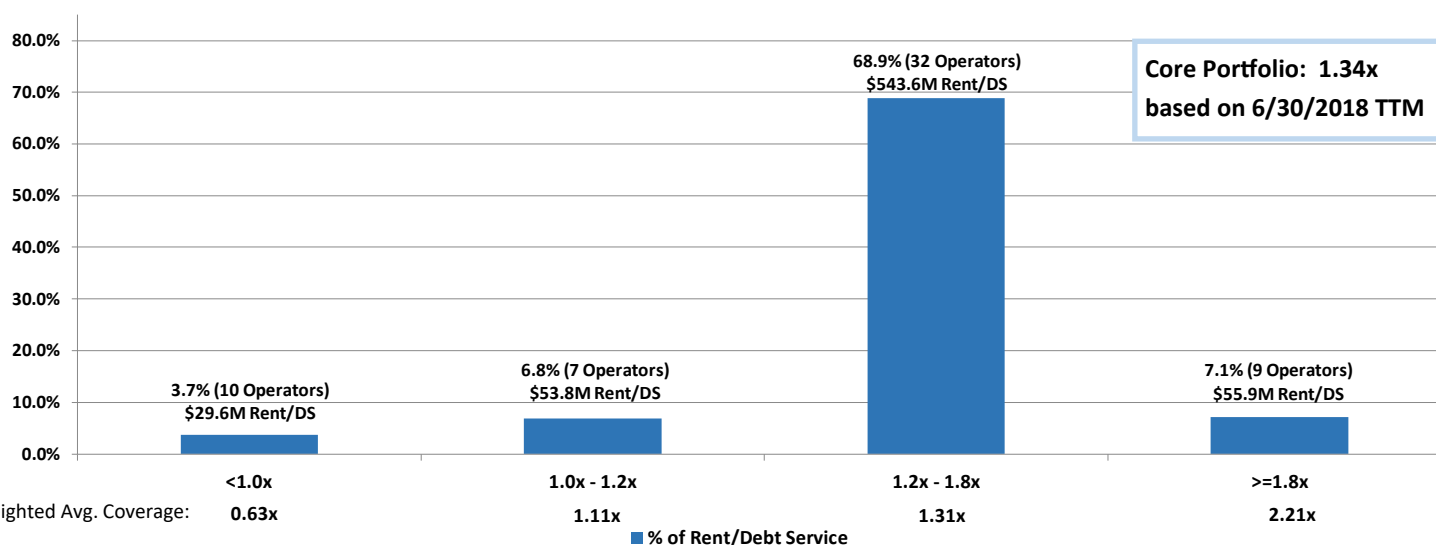
3) As of June 30, 2018, TTM

4) Includes Core Portfolio only

OPERATOR EBITDARM COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 6/30/2018 TTM



OPERATOR EBITDAR COVERAGE DISTRIBUTION AS A PERCENTAGE OF RENT/DEBT SERVICE—BASED ON 6/30/2018 TTM



NOTE: Core portfolio represents 87% 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	0.38	0.19	0.3%	✓		✓	✓
SNF	0.70	0.39	0.8%	✓	✓	✓	✓
SNF	0.73	0.52	0.2%	✓	✓	✓	✓
ALF	0.76	0.64	0.7%	✓	✓	✓	✓
SNF	1.00	0.78	0.5%	✓	✓	✓	
SNF	1.26	0.99	0.9%		✓	✓	✓
Add'l 4 Operators with EBITDAR Cov. <1.0 ⁽²⁾			0.4%	3/4	0/4	4/4	4/4
			3.7%				

(1) Rent is current if < 30 days outstanding; measured on 9/30/2018.

(2) Combined EBITDARM Coverage is 0.88x and combined EBITDAR Coverage is 0.44x

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				90,671										
CAPEX Funding and Other				45,035										
Direct Financing Leases & Other				141,315										
2018 Total Investments				\$ 373,718										

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

Commitment Year	Location	# of Projects	Property Type	Initial Cash Yield ⁽¹⁾	Beds / Units	Investment Commitment	Inception to Date Funding ⁽²⁾	Remaining Commitment	Estimated In Service Date	Estimated Additional Quarterly Rent ⁽³⁾
2014	Middleburg, FL	1	SNF	9.00%	120	18,750,000	12,206,308	6,543,692	Q2 2019	274,642
2015	2nd Avenue, NY	1	ALF / MC	8.00%	214	287,711,161	189,168,968	98,542,193	Q4 2019	3,310,457
2016	Pensacola, FL	1	SNF	8.75%	90	19,500,000	2,198,036	17,301,964	Q4 2019	48,082
2016	Viera, FL	1	SNF	8.75%	131	26,500,000	18,982,308	7,517,692	Q1 2019	415,257
2017	Southport, CT	1	ALF	9.00%	98	41,749,139	18,269,215	23,479,924	Q3 2019	411,057
2017	Lake City, FL	1	SNF	8.75%	113	23,600,000	10,287,381	13,312,619	Q3 2019	225,036
2017	Mocksville, NC	1	SNF	9.25%	108	12,200,000	8,783,907	3,416,093	Q1 2019	203,128
2018	Hillsboro, TX	1	SNF	9.25%	105	9,450,000	3,498,338	5,951,662	Q3 2019	80,899
2018	Thibodaux, LA	1	SNF	7.00%	110	21,000,000	2,795,843	18,204,157	TBD	48,927
Leased Facilities		9			1,089	\$ 460,460,300	\$ 266,190,304	\$ 194,269,996		\$ 5,017,485
2015	Watkins, VA	1	ALF	8.75%	48	11,700,000	11,621,605	78,395	Q4 2018	-
2017	St. Clair Shores, MI	1	SNF	9.50%	101	17,000,000	13,250,735	3,749,265	Q1 2019	-
2017	Westland, MI	1	SNF	9.50%	120	10,000,000	5,473,370	4,526,630	Q2 2019	-
Mortgages⁽⁴⁾		3			269	\$ 38,700,000	\$ 30,345,710	\$ 8,354,290		
Additional CapEx (excluding New Builds)⁽³⁾		68				188,168,614	134,905,727	53,262,887		
Total:		80			1,358	\$ 687,328,914	\$ 431,441,741	\$ 255,887,173		

- Cash yield for 2nd Avenue is 7.0% in year 1, 8.0% in year 2, and 2.5% escalators for the remainder of the lease
- Includes land and finance costs
- Inception to Date Funding multiplied by Initial Cash Yield
- Current quarter revenue already reflects fundings to date

CAPITAL STRUCTURE

Financial Instrument	Secured (Y/N)	Debt Capacity in USD 9/30/2018	Month Ending Rate	Type	Latest Maturity	Yrs to Maturity	Borrowed as of 9/30/2018	% of Total	3Q 2018	
									Debt/Ann. PF EBITDA ⁽⁴⁾	
Credit Facility:										
Revolver - USD	N	900,000,000	3.427%	V ⁽¹⁾	5/25/22 ⁽²⁾	3.6 Yrs	360,000,000	7.8%		
Revolver - USD & Alternate Currency	N	350,000,000	3.427%	V ⁽¹⁾	5/25/22 ⁽²⁾	3.6 Yrs	-	0.0%		
\$425MM U.S Term Loan	N	425,000,000	3.692%	V	5/25/22	3.6 Yrs	425,000,000	9.2%		
\$100MM OHI LP Term Loan	N	100,000,000	3.692%	V	5/25/22	3.6 Yrs	100,000,000	2.2%		
£100MM Sterling Term Loan ⁽³⁾	N	130,410,000	2.175%	V	5/25/22	3.6 Yrs	130,410,000	2.8%		
\$250MM Term	N	250,000,000	3.800%	F	12/16/22	4.2 Yrs	250,000,000	5.4%		
\$20M Sub-Notes	N	20,000,000	9.000%	F	12/21/21	3.2 Yrs	20,000,000	0.4%		
\$700M 4.375% Notes	N	700,000,000	4.375%	F	8/1/23	4.8 Yrs	700,000,000	15.1%		
\$400M 4.95% Notes	N	400,000,000	4.950%	F	4/1/24	5.5 Yrs	400,000,000	8.6%		
\$400M 4.50% Notes	N	400,000,000	4.500%	F	1/15/25	6.3 Yrs	400,000,000	8.6%		
\$600M 5.25% Notes	N	600,000,000	5.250%	F	1/15/26	7.3 Yrs	600,000,000	12.9%		
\$700M 4.50% Notes	N	700,000,000	4.500%	F	4/1/27	8.5 Yrs	700,000,000	15.1%		
\$550M 4.75% Notes	N	550,000,000	4.750%	F	1/15/28	9.3 Yrs	550,000,000	11.9%		
								100.0%		
Total Debt		\$ 5,525,410,000					\$ 4,635,410,000			5.21 x
Weighted Averages			4.23%			6.1 Yrs		4.39%		
		Common Stock:	200,692,897 shares at \$32.77 per share:				6,576,706,235			
		Operating Units:	8,714,751 units at \$32.77 per unit:				285,582,390			
Total Market Capitalization							\$ 11,497,698,625			

Note: At September 30, 2018, Omega held approx. \$9.8MM of net 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 last day of the month

4) See page 19

DEBT MATURITIES

(\$ in thousands)

Year	Unsecured Debt at September 30, 2018			Total Debt Maturities
	Line of Credit & Term Loans ⁽¹⁾	Senior Notes ⁽²⁾	Sub Notes ⁽³⁾	
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	360,000	-	20,000	380,000
2022	905,410	-	-	905,410
2023	-	700,000	-	700,000
Thereafter	-	2,650,000	-	2,650,000
	\$ 1,265,410	\$ 3,350,000	\$ 20,000	\$ 4,635,410

1) The \$360 million Line of Credit borrowings excludes \$4.4 million net deferred financing costs and can be extended into 2022. The \$905 million is comprised of a: \$425 million US Dollar term loan, £100 million term loan (equivalent to \$130 million in US dollars), \$100 million term loan to Omega's operating partnership and \$250 million term loan (excludes \$4.6 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

	CUSIP #	Rating Information		
		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	Unsecured Leverage Ratio	Fixed Charge Cov. Ratio	Unsecured Interest Cov. Ratio	Current Tangible Net Worth
<i>Requirement</i>	<= 60%	<= 60%	>=1.50 to 1	>=2.00 to 1	>\$3,447MM
December 31, 2017	51%	53%	4.6	3.9	Pass
March 31, 2018	52%	53%	4.5	3.9	Pass
June 30, 2018	50%	52%	4.4	3.8	Pass
September 30, 2018	51%	53%	4.4	3.8	Pass
Status	Pass	Pass	Pass	Pass	Pass

UNSECURED NOTES

Quarter Ending	Debt / Adj. Total Assets	Unencumbered Assets / Unsecured Debt
<i>Requirement</i>	<= 60%	>= 150%
December 31, 2017	50%	200%
March 31, 2018	51%	197%
June 30, 2018	50%	201%
September 30, 2018	51%	197%
Status	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
	Q3	Q2	Q1					
Funded Debt / Adj. Pro Forma EBITDA ⁽¹⁾	5.2	5.3	5.2	4.9	4.7	4.5	4.6	4.4
Secured Debt / Adjusted EBITDA ⁽¹⁾	0.0	0.0	0.1	0.1	0.1	0.3	0.5	0.6
Fixed Charge Coverage ⁽²⁾	4.0	4.0	4.0	4.5	5.1	4.7	4.1	4.0
Balance Sheet Cash (\$000)	9,768	10,951	71,231	85,937	93,687	5,424	4,489	2,616

- 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
- 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	Q3	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	309	1,257	
Average Price per Share	\$ 28.94	\$ 34.32	\$ 36.06	\$ 33.27	\$ 30.64	\$ 25.87	\$ 29.22	\$ 31.82	\$ 29.36	
Gross Proceeds (000s)	\$ 55,872	\$ 71,502	\$ 150,871	\$ 240,041	\$ 36,722	\$ 4,886	\$ 22,164	\$ 9,854	\$ 36,904	
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	309	2,169	
Average Price per Share	\$ 29.96	\$ 34.32	\$ 40.36	\$ 33.09	\$ 31.20	\$ 25.87	\$ 30.16	\$ 31.82	\$ 30.02	
Gross Proceeds (000s)	\$ 338,847	\$ 134,954	\$ 609,721	\$ 260,433	\$ 59,796	\$ 4,886	\$ 50,382	\$ 9,854	\$ 65,122	

Percentages of adjusted total debt to adjusted book capitalization and adjusted total debt to total market capitalization at September 30, 2018 were 55.0% and 40.3%, 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 September 30, 2018 plus adjusted total debt.

Unaudited	
(In thousands)	
	At
	September 30, 2018
Revolving line of credit.....	\$ 360,000
Term loans.....	905,410
Unsecured borrowings.....	3,370,000
FMV adjustment of assumption of debt	296
Discount on unsecured borrowings - net	(19,456)
Deferred financing costs - net.....	(28,010)
Total debt.....	\$ 4,588,240
Deduct FMV adjustment of assumption of debt	(296)
Add back discount on unsecured borrowings - net.....	19,456
Add back deferred financing costs - net.....	28,010
Adjusted total debt.....	\$ 4,635,410
BOOK CAPITALIZATION.....	
Adjusted total debt.....	\$ 4,635,410
Omega stockholders' equity.....	3,462,345
Noncontrolling interest	323,621
Adjusted book capitalization.....	\$ 8,421,376
MARKET CAPITALIZATION.....	
Omega common shares and OP units outstanding at 9/30/2018.....	209,408
Market price of common stock at 9/30/2018.....	\$ 32.77
Market capitalization of common stock at 9/30/2018.....	6,862,300
Market capitalization of publicly traded securities.....	6,862,300
Add adjusted total debt.....	4,635,410
Total market capitalization.....	\$ 11,497,710
Adjusted total debt / adjusted book capitalization.....	55.0%
Adjusted total debt / total market capitalization.....	40.3%

Financial Performance: Historical AFFO, FAD and Dividends



	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						
	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						
	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						
	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						
	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						
	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						
	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						
	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						
	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						
	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						
	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%							
	9/30/2018	\$32.77	8.1%	\$ 0.7727	0.66	85.4%	\$0.6844	96.4%							

* Based on the annualized dividend announced the previous quarter

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

2018 Guidance Affirmed:	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 affirmed its 2018 Adjusted FFO and FAD guidance ranges of \$3.03 to \$3.06 and \$2.67 to \$2.74 per diluted share, respectively.

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

(per diluted common share)

	Full Year
Net Income.....	\$1.48 - \$1.51
Depreciation.....	1.35
Gain on assets sold.....	(0.05)
Real estate impairment.....	0.13
FFO.....	\$2.91 - \$2.94
Adjustments:	
Unrealized gain on warrants.....	0.00
Purchase option buyout.....	0.01
Provision for uncollectible accounts.....	0.03
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, \$345 million of assets sold and mortgages repaid through Q3 2018, the sale of \$18 million of assets held for sale, approximately \$60+ 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 restructure/sale portfolio in the fourth quarter of 2018. The Company expects to record approximately \$4.2 million in revenue in Q4 related to the Orianna transition portfolio (in Q3 2018, Omega transitioned 22 facilities subject to direct financing leases with a net carrying value of approximately \$184.5 million from Orianna to other operators with annual contractual rent of approximately \$16.8 million). 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 September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenue				
Rental income	\$ 192,276	\$ 194,063	\$ 579,075	\$ 580,597
Income from direct financing leases	264	614	1,374	31,722
Mortgage interest income	18,396	16,920	51,809	49,173
Other investment income	10,259	7,245	27,883	21,437
Miscellaneous income	657	796	1,791	4,250
Total operating revenues	221,852	219,638	661,932	687,179
Expenses				
Depreciation and amortization	70,711	71,925	210,681	212,268
General and administrative	14,240	11,560	45,952	35,625
Acquisition costs	-	-	-	(22)
Impairment on real estate properties	22,868	17,837	26,685	35,610
Impairment on direct financing leases	-	194,659	15	197,968
(Recovery) provision for uncollectible accounts	(2,000)	11,899	6,363	13,667
Total operating expenses	105,819	307,880	289,696	495,116
Income (loss) before other income and expense	116,033	(88,242)	372,236	192,063
Other income (expense)				
Interest income and other – net	(1,214)	4	496	262
Interest expense	(47,764)	(47,383)	(143,857)	(140,509)
Interest – amortization of deferred financing costs	(2,238)	(2,228)	(6,723)	(7,273)
Interest – refinancing costs	-	-	-	(21,965)
Contractual settlement	-	-	-	10,412
Realized gain on foreign exchange	27	95	20	235
Total other expense	(51,189)	(49,512)	(150,064)	(158,838)
Income (loss) before (loss) gain on assets sold	64,844	(137,754)	222,172	33,225
(Loss) gain on assets sold – net	(5,361)	693	9,248	7,491
Income (loss) from continuing operations	59,483	(137,061)	231,420	40,716
Income tax expense	(804)	(999)	(2,185)	(2,690)
Income (loss) from unconsolidated joint venture	383	545	(254)	1,728
Net income (loss)	59,062	(137,515)	228,981	39,754
Net (income) loss attributable to noncontrolling interest	(2,456)	5,837	(9,619)	(1,735)
Net income (loss) available to common stockholders	\$ 56,606	\$ (131,678)	\$ 219,362	\$ 38,019
Earnings per common share available to common stockholders:				
Basic:				
Net income (loss) available to common stockholders	\$ 0.28	\$ (0.67)	\$ 1.10	\$ 0.19
Diluted:				
Net income (loss)	\$ 0.28	\$ (0.67)	\$ 1.10	\$ 0.19
Dividends declared per common share	\$ 0.66	\$ 0.64	\$ 1.98	\$ 1.89
Weighted-average shares outstanding, basic	200,910	197,890	199,773	197,445
Weighted-average shares outstanding, diluted	210,437	206,662	208,905	206,502

(in thousands, except per share amounts)

	September 30, 2018	December 31, 2017
	(Unaudited)	
ASSETS		
Real estate properties		
Real estate investments	\$ 7,700,636	\$ 7,655,960
Less accumulated depreciation	(1,515,846)	(1,376,828)
Real estate investments – net	6,184,790	6,279,132
Investments in direct financing leases – net	163,467	364,965
Mortgage notes receivable – net	708,178	671,232
	7,056,435	7,315,329
Other investments – net	511,668	276,342
Investment in unconsolidated joint venture	32,159	36,516
Assets held for sale – net	17,826	86,699
Total investments	7,618,088	7,714,886
Cash and cash equivalents	9,768	85,937
Restricted cash	1,371	10,871
Accounts receivable – net	336,825	279,334
Goodwill	644,201	644,690
Other assets	31,711	37,587
Total assets	\$ 8,641,964	\$ 8,773,305
LIABILITIES AND EQUITY		
Revolving line of credit	\$ 360,000	\$ 290,000
Term loans – net	900,847	904,670
Secured borrowings – net	-	53,098
Senior notes and other unsecured borrowings – net	3,327,393	3,324,390
Accrued expenses and other liabilities	253,560	295,142
Deferred income taxes	14,198	17,747
Total liabilities	4,855,998	4,885,047
Equity:		
Common stock \$.10 par value authorized – 350,000 shares, issued and outstanding – 200,693 shares as of September 30, 2018 and 198,309 as of December 31, 2017	20,069	19,831
Common stock – additional paid-in capital	5,012,544	4,936,302
Cumulative net earnings	2,068,295	1,839,356
Cumulative dividends paid	(3,606,181)	(3,210,248)
Accumulated other comprehensive loss	(32,382)	(30,150)
Total stockholders' equity	3,462,345	3,555,091
Noncontrolling interest	323,621	333,167
Total equity	3,785,966	3,888,258
Total liabilities and equity	\$ 8,641,964	\$ 8,773,305

Unaudited (in thousands)

	Nine Months Ended September 30,	
	2018	2017
Cash flows from operating activities		
Net income	\$ 228,981	\$ 39,754
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	210,681	212,268
Impairment on real estate properties	31,860	35,610
Impairment on direct financing leases	15	197,968
Provision for uncollectible accounts	6,363	13,667
Interest - amortization of deferred financing costs	6,723	17,468
Accretion of direct financing leases	89	(6,139)
Stock-based compensation expense	12,107	11,350
Gain on assets sold – net	(9,248)	(7,491)
Amortization of acquired in-place leases - net	(7,518)	(9,101)
Effective yield receivable on mortgage notes	(889)	(1,558)
Interest paid-in-kind	(4,944)	-
Change in operating assets and liabilities – net:		
Contractual receivables	2,265	(35,418)
Straight-line rent receivables	(46,787)	(13,559)
Lease inducements	(32,315)	1,342
Other operating assets and liabilities	(48,918)	(28,893)
Net cash provided by operating activities	<u>348,465</u>	<u>427,268</u>
Cash flows from investing activities		
Acquisition of real estate	(52,744)	(345,268)
Net proceeds from sale of real estate investments	246,351	69,788
Investments in construction in progress	(98,760)	(69,409)
Investments in direct financing leases	-	(6,951)
Proceeds from sale of direct financing lease	16,947	33,074
Placement of mortgage loans	(62,185)	(29,324)
Collection of mortgage principal	25,612	1,058
Distributions from unconsolidated joint venture	4,407	10,966
Capital improvements to real estate investments	(24,425)	(25,293)
Receipts from insurance proceeds	6,911	-
Investments in other investments	(374,784)	(86,075)
Proceeds from other investments	162,118	45,045
Cash acquired	-	2,341
Net cash used in investing activities	<u>(150,552)</u>	<u>(400,048)</u>
Cash flows from financing activities		
Proceeds from credit facility borrowings	1,003,000	1,487,000
Payments on credit facility borrowings	(933,000)	(1,312,000)
Receipts of other long-term borrowings	-	1,346,749
Payments of other long-term borrowings	(2,049)	(1,252,463)
Payments of financing related costs	(8)	(29,198)
Receipts from dividend reinvestment plan	36,904	30,136
Payments for exercised options and restricted stock	(1,654)	(2,120)
Net proceeds from issuance of common stock	27,202	22,196
Dividends paid	(395,738)	(373,424)
Redemption of Omega OP Units	(118)	(48)
Distributions to Omega OP Unit Holders	(17,645)	(16,819)
Net cash used in financing activities	<u>(283,106)</u>	<u>(99,991)</u>
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(476)	409
Decrease in cash, cash equivalents and restricted cash	(85,669)	(72,362)
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>\$ 11,139</u>	<u>\$ 34,914</u>

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

(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Net income (loss)	\$ 59,062	\$ (137,515)	\$228,981	\$ 39,754
Add back loss (deduct gain) from real estate dispositions ...	5,361	(693)	(9,248)	(7,491)
Add back loss from real estate dispositions of unconsolidated joint venture	30	—	670	—
Sub-total	64,453	(138,208)	220,403	32,263
Elimination of non-cash items included in net income:				
Depreciation and amortization	70,711	71,925	210,681	212,268
Depreciation - unconsolidated joint venture	1,381	1,657	4,504	4,973
Add back non-cash provision for impairments on real estate properties	22,868	17,837	26,685	35,610
Add back non-cash provision for impairments on real estate properties of unconsolidated joint venture	—	—	608	—
Funds from operations ("FFO")	<u>\$ 159,413</u>	<u>\$ (46,789)</u>	<u>\$462,881</u>	<u>\$ 285,114</u>
Weighted-average common shares outstanding, basic	200,910	197,890	199,773	197,445
Restricted stock and PRSUs	812	—	382	271
Omega OP Units	8,715	8,772	8,750	8,786
Weighted-average common shares outstanding, diluted	<u>210,437</u>	<u>206,662</u>	<u>208,905</u>	<u>206,502</u>
Funds from operations available per share	<u>\$ 0.76</u>	<u>\$ (0.24)</u>	<u>\$ 2.22</u>	<u>\$ 1.38</u>
Adjustments to calculate adjusted funds from operations:				
Funds from operations	\$ 159,413	\$ (46,789)	\$462,881	\$ 285,114
Deduct one-time revenue	—	—	—	(1,881)
Add back (deduct) unrealized loss (gain) on warrants	1,231	—	(371)	—
Deduct contractual settlement	—	—	—	(10,412)
Deduct acquisition costs	—	—	—	(22)
Add back one-time buy-out of purchase option	—	—	2,000	—
Add back impairment for direct financing leases	—	194,659	15	197,968
(Deduct) add back (recovery) provision for uncollectible accounts	(2,000)	11,899	6,363	13,667
Add back interest refinancing expense	—	—	—	23,539
Add back non-cash stock-based compensation expense	3,962	3,872	12,107	11,350
Adjusted funds from operations ("AFFO")	<u>\$ 162,606</u>	<u>\$ 163,641</u>	<u>\$482,995</u>	<u>\$ 519,323</u>
Adjustments to calculate funds available for distribution:				
Non-cash interest expense	\$ 2,212	\$ 2,200	\$ 6,643	\$ 7,861
Capitalized interest	(2,898)	(1,972)	(7,802)	(5,867)
Non-cash revenues	(17,897)	(13,314)	(53,709)	(49,399)
Funds available for distribution ("FAD")	<u>\$ 144,023</u>	<u>\$ 150,555</u>	<u>\$428,127</u>	<u>\$ 471,918</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 September 30, 2018 were 6.36x, 5.42x and 5.21x, 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 3rd quarter assuming a July 1st purchase or sale date and (ii) inception to date funding of construction in progress multiplied by the estimated contractual quarterly yield assuming a July 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 September 30, 2018
Net income.....	\$ 59,062
Depreciation and amortization.....	70,711
Depreciation - unconsolidated joint venture	1,381
Interest - net.....	49,985
Income taxes.....	804
EBITDA.....	\$ 181,943
Deduct foreign currency gain.....	(27)
Deduct recovery for uncollectible accounts.....	(2,000)
Add back unrealized loss on warrants.....	1,231
Add back non-cash provision for impairments on real estate properties.....	22,868
Add back loss on assets sold - net	5,361
Add back loss on assets sold - unconsolidated joint venture.....	30
Add back stock-based compensation expense.....	3,962
Adjusted EBITDA.....	\$ 213,368
Add incremental pro forma EBITDA from new investments in Q3	3,175 ⁽¹⁾
Add incremental transition facilities for Orianna in Q3.....	821 ⁽¹⁾⁽²⁾
Add incremental pro forma EBITDA from construction in progress through Q3.....	5,017 ⁽¹⁾
Deduct incremental pro forma revenue from Q3 asset divestitures	(321) ⁽¹⁾
Adjusted pro forma EBITDA.....	\$ 222,060
DEBT	
Revolving line of credit.....	\$ 360,000
Term loans.....	905,410
Unsecured borrowings.....	3,370,000
FMV adjustment of assumption of debt	296
Premium/(discount) on unsecured borrowings - net.....	(19,456)
Deferred financing costs - net.....	(28,010)
Total debt.....	\$ 4,588,240
Deduct balance sheet cash and cash equivalents.....	(9,768)
Net total debt.....	\$ 4,578,472
Deduct FMV adjustment for assumption of debt	(296)
Add back discount (deduct premium) on unsecured borrowings - net.....	19,456
Add back deferred financing costs - net.....	28,010
Adjusted total debt (a/k/a Funded Debt).....	\$ 4,625,642
Funded Debt / annualized EBITDA	6.36 x
Funded Debt / adjusted annualized EBITDA	5.42 x
Funded Debt / adjusted pro forma annualized EBITDA.....	5.21 x

(1) Used to calculate leverage only.

(2) The Orianna transition adjustment represents the full quarter cash rent impact of facilities that transitioned from Orianna to other operators during the third quarter of 2018.

NOTE: We estimate the legacy Orianna facilities will generate a total of \$32 million to \$38 million of annual cash rent or rent equivalents when the transition of the entire legacy Orianna portfolio is complete. During the third quarter, we transitioned 22 legacy Orianna facilities to other third party operators with annual cash rents of approximately \$17 million. If the transition of 19 remaining legacy Orianna facilities had been completed on a basis that generated additional annual rent or rent equivalents post-sale and/or transition of approximately \$15 million (to get to the low end of our range), adjusted pro forma EBITDA would have been approximately \$226 million for the quarter and our funded debt to adjusted pro forma annualized EBITDA ratio would have been approximately 5.1x. The timing and the terms of the transition of the remaining legacy Orianna facilities 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 September 30, 2018 were 4.3x 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 September 30, 2018
Net income.....	\$ 59,062
Depreciation and amortization.....	70,711
Depreciation - unconsolidated joint venture	1,381
Interest - net.....	49,985
Income taxes.....	804
EBITDA.....	<u>\$ 181,943</u>
Deduct foreign currency gain.....	(27)
Deduct recovery for uncollectible accounts.....	(2,000)
Add back unrealized loss on warrants.....	1,231
Add back non-cash provision for impairments on real estate properties.....	22,868
Add back loss on assets sold - net.....	5,361
Add back loss on assets sold - unconsolidated joint venture.....	30
Add back stock-based compensation expense.....	3,962
Adjusted EBITDA.....	<u>\$ 213,368</u>
FIXED CHARGES	
Interest expense.....	\$ 47,747
Amortization of non-cash deferred financing charges.....	2,238
Total interest expense.....	<u>\$ 49,985</u>
Add back: capitalized interest.....	2,898
Total fixed charges.....	<u>\$ 52,883</u>
Adjusted EBITDA / total interest expense ratio.....	<u>4.3 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 September 30, 2018. However, during the third quarter, we transitioned 22 legacy Orianna facilities to other third party operators with annual cash rents of approximately \$17 million. The timing and terms of the transition of the remaining 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 entire 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.