

# Omega Healthcare Investors Acquires MedEquities Realty Trust

HUNT VALLEY, Md. & NASHVILLE, Tenn.--(BUSINESS WIRE)-- Omega Healthcare Investors, Inc. (NYSE: OHI) ("Omega") and MedEquities Realty Trust, Inc. (NYSE: MRT) ("MedEquities") today announced the completion of Omega's acquisition of all of the outstanding shares of MedEquities. The transaction represents an enterprise value of approximately \$600 million for MedEquities and further diversifies Omega's assets and operators. Following the acquisition, Omega will continue to be the premier publicly traded real estate investment trust (REIT) focused principally on skilled nursing facilities (SNFs), by adding a diversified portfolio of investments including 34 properties located in 7 states and operated by 11 different operators.

Under the terms of the merger agreement, each outstanding share of MedEquities common stock automatically was converted into the right to receive 0.235 of a share of Omega common stock plus \$2.00 in cash, which represents a value of \$10.85 per MedEquities share based on the \$37.67 closing price for Omega common stock on May 16, 2019. Separately, pursuant to the terms of the merger agreement, MedEquities declared a special cash dividend of \$0.21 per share payable to the holders of record of MedEquities common stock as of the closing of the transaction, which will be paid together with the cash consideration from the transaction.

Taylor Pickett, Omega's Chief Executive Officer stated, "We are even more excited by this transaction today than when we announced it a few months ago. We've had an opportunity to speak with each of the operators and we look forward to working with them and potentially expanding our relationships." Mr. Pickett continued, "We are grateful to John, Bill, Jeff and the entire MedEquities team for their diligence, transparency and professionalism throughout this process, which has enabled a seamless transition."

## Forward-Looking Statements

Certain statements in this document constitute "forward-looking statements" within the meaning of the federal securities laws, including all statements regarding expected synergies and benefits from the transaction and other expectations and beliefs regarding future events. In some cases, you can identify forward-looking statements by the use of forward-looking terminology including "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "would," "will," "seeks," "approximately," "outlook," "looking forward" and other similar expressions or the negative forms of the same. Omega cautions readers that these and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Important risk factors that may cause such a difference include, but are not limited to, risks and uncertainties related to i) the ability of Omega to integrate the acquired business successfully and to achieve anticipated cost savings and other synergies; ii) the possibility that other anticipated benefits of the transaction will not be realized, including without

limitation, anticipated revenues, expenses, earnings and other financial results; iii) litigation relating to the transaction; iv) possible disruptions from the transaction that could harm the business of the company; v) the ability of the company operators and borrowers to maintain the financial strength and liquidity necessary to satisfy their respective rent and debt obligations; vi) the impact of healthcare reform and regulation, including cost containment measures and changes in reimbursement policies, procedures and rates; and vii) the risk factors described in the most recent Annual Report on Form 10-K and other filings of Omega with the Securities and Exchange Commission. Many of these factors are beyond the control of Omega and its management. The list of factors presented here should not be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles or impediments to the realization of forward-looking statements. Omega does not assume any obligation to provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

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