# 2Q

INVESTING IN THE FUTURE OF HEALTHCARE.

Medical Properties Trust

# SECOND QUARTER 2013

SUPPLEMENTAL INFORMATION

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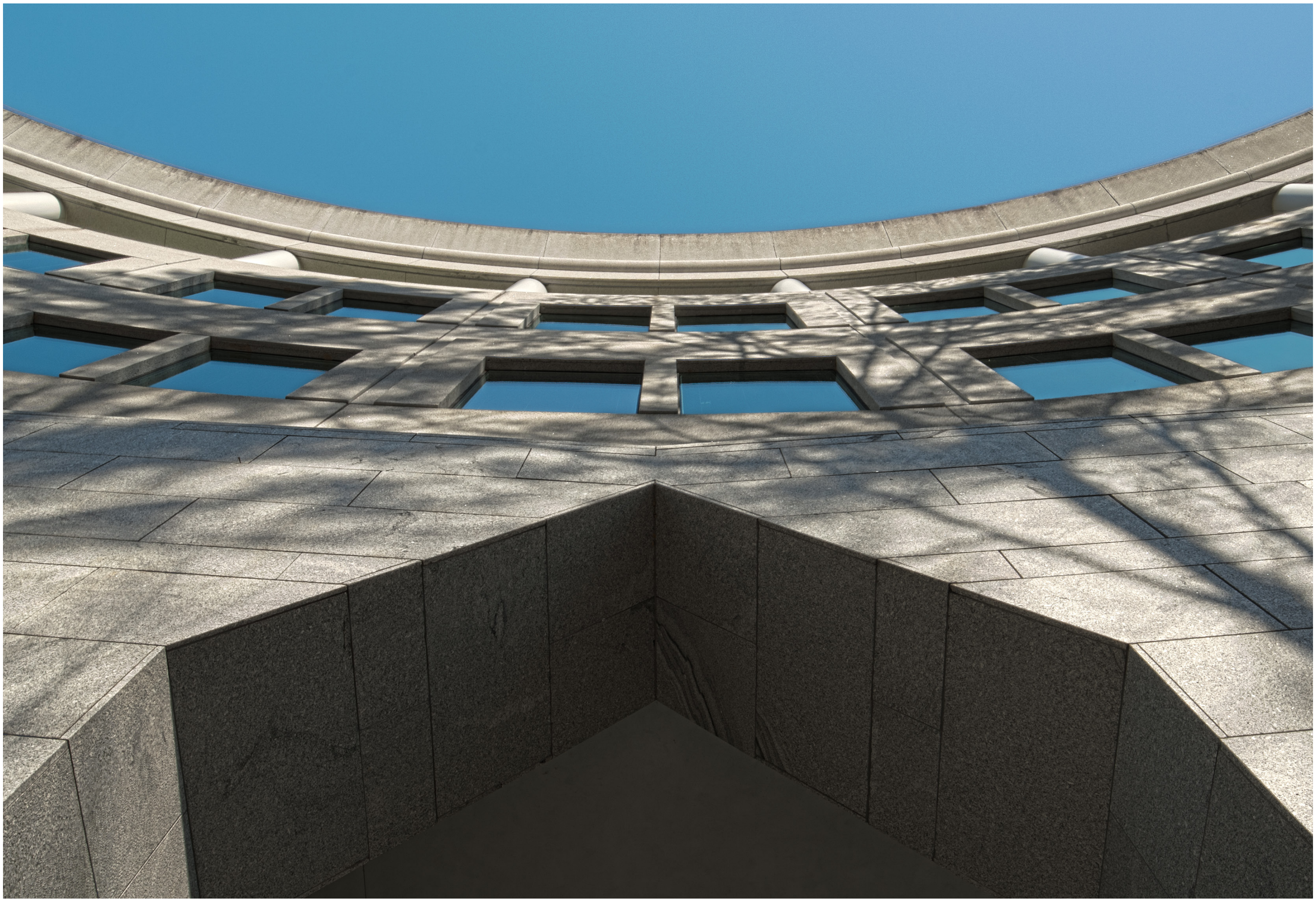
The information in this supplemental information package should be read in conjunction with the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other information filed with the Securities and Exchange Commission. You can access these documents free of charge at www.sec.gov and from the Company's website at www.medicalpropertiestrust.com. The information contained on the Company's website is not incorporated by reference into, and should not be considered a part of, this supplemental package.


**For more information, please contact:**

**Charles Lambert, Managing Director - Capital Markets at (205) 397-8897.**

# Company Information


**Headquarters:** Medical Properties Trust, Inc.
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**Website:** www.medicalpropertiestrust.com


**Executive Officers:** Edward K. Aldag, Jr., Chairman, President and Chief Executive Officer
R. Steven Hamner, Executive Vice President and Chief Financial Officer
Emmett E. McLean, Executive Vice President, Chief Operating Officer, Secretary and Treasurer


**Investor Relations:** Medical Properties Trust, Inc.
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MPW LISTED NYSE

**MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES**
**Reconciliation of Net Income to Funds From Operations**
(Unaudited)

| | For the Three Months Ended | | For the Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2013 | June 30, 2012 (A) | June 30, 2013 | June 30, 2012 (A) |
| **FFO information:** | | | | |
| Net income attributable to MPT common stockholders | $ 27,347,826 | $ 19,316,269 | $ 53,504,318 | $ 29,880,139 |
| Participating securities' share in earnings | (179,263) | (238,167) | (372,325) | (490,034) |
| Net income, less participating securities' share in earnings | $ 27,168,563 | $ 19,078,102 | $ 53,131,993 | $ 29,390,105 |
| Depreciation and amortization: | | | | |
| Continuing operations | 8,717,644 | 8,337,468 | 17,261,597 | 16,518,219 |
| Discontinued operations | - | 527,121 | 103,197 | 1,092,843 |
| Loss (gain) on sale of real estate | (2,054,229) | 1,445,555 | (2,054,229) | 1,445,555 |
| Funds from operations | $ 33,831,978 | $ 29,388,246 | $ 68,442,558 | $ 48,446,722 |
| Acquisition costs | 2,087,903 | 279,258 | 2,278,452 | 3,704,270 |
| Normalized funds from operations | $ 35,919,881 | $ 29,667,504 | $ 70,721,010 | $ 52,150,992 |
| Share-based compensation | 2,285,050 | 1,778,253 | 4,203,905 | 3,636,709 |
| Debt costs amortization | 855,417 | 855,445 | 1,752,149 | 1,710,827 |
| Additional rent received in advance (B) | (300,000) | (300,000) | (600,000) | (600,000) |
| Straight-line rent revenue and other | (4,012,026) | (2,299,056) | (7,904,654) | (4,032,752) |
| Adjusted funds from operations | **$ 34,748,322** | **$ 29,702,146** | **$ 68,172,410** | **$ 52,865,776** |
| **Per diluted share data:** | | | | |
| Net income, less participating securities' share in earnings | $ 0.18 | $ 0.14 | $ 0.36 | $ 0.23 |
| Depreciation and amortization: | | | | |
| Continuing operations | 0.06 | 0.07 | 0.12 | 0.13 |
| Discontinued operations | - | - | - | - |
| Loss (gain) on sale of real estate | (0.02) | 0.01 | (0.01) | 0.01 |
| Funds from operations | $ 0.22 | $ 0.22 | $ 0.47 | $ 0.37 |
| Acquisition costs | 0.02 | - | 0.01 | 0.03 |
| Normalized funds from operations | **$ 0.24** | **$ 0.22** | **$ 0.48** | **$ 0.40** |
| Share-based compensation | 0.02 | 0.01 | 0.03 | 0.03 |
| Debt costs amortization | - | 0.01 | 0.01 | 0.01 |
| Additional rent received in advance (B) | - | - | - | - |
| Straight-line rent revenue and other | (0.03) | (0.02) | (0.05) | (0.03) |
| Adjusted funds from operations | **$ 0.23** | **$ 0.22** | **$ 0.47** | **$ 0.41** |

**(A)** Financials have been restated to reclass the operating results of certain properties sold in 2012 and 2013 to discontinued operations.

**(B)** Represents additional rent from one tenant in advance of when we can recognize as revenue for accounting purposes.
This additional rent is being recorded to revenue on a straight-line basis over the lease life.

Investors and analysts following the real estate industry utilize funds from operations, or FFO, as a supplemental performance measure. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation and amortization of real estate assets, which assumes that the value of real estate diminishes predictably over time. We compute FFO in accordance with the definition provided by the National Association of Real Estate Investment Trusts, or NAREIT, which represents net income (loss) (computed in accordance with GAAP), excluding gains (losses) on sales of real estate and impairment charges on real estate assets, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures.

In addition to presenting FFO in accordance with the NAREIT definition, we also disclose normalized FFO,which adjusts FFO for items that relate to unanticipated or non-core events or activities or accounting changes that, if not noted, would make comparison to prior period results and market expectations less meaningful to investors and analysts. We believe that the use of FFO, combined with the required GAAP presentations, improves the understanding of our operating results among investors and the use of normalized FFO makes comparisons of our operating results with prior periods and other companies more meaningful. While FFO and normalized FFO are relevant and widely used supplemental measures of operating and financial performance of REITs, they should not be viewed as a substitute measure of our operating performance since the measures do not reflect either depreciation and amortization costs or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, which can be significant economic costs that could materially impact our results of operations. FFO and normalized FFO should not be considered an alternative to net income (loss) (computed in accordance with GAAP) as indicators of our financial performance or to cash flow from operating activities (computed in accordance with GAAP) as an indicator of our liquidity.

We calculate adjusted funds from operations, or AFFO, by subtracting from or adding to normalized FFO (i) unbilled rent revenue, (ii) non-cash share-based compensation expense, and (iii) amortization of deferred financing costs. AFFO is an operating measurement that we use to analyze our results of operations based on the receipt, rather than the accrual, of our rental revenue and on certain other adjustments. We believe that this is an important measurement because our leases generally have significant contractual escalations of base rents and therefore result in recognition of rental income that is not collected until future periods, and costs that are deferred or are non-cash charges. Our calculation of AFFO may not be comparable to AFFO or similarly titled measures reported by other REITs. AFFO should not be considered as an alternative to net income (calculated pursuant to GAAP) as an indicator of our results of operations or to cash flow from operating activities (calculated pursuant to GAAP) as an indicator of our liquidity.

## INVESTMENT AND REVENUE BY ASSET TYPE, OPERATOR AND BY STATE

**Investments and Revenue by Asset Type - As of June 30, 2013**

| | | Total Assets | Percentage of Gross Assets | Total Revenue | Percentage of Total Revenue |
|---|---|---|---|---|---|
| General Acute Care Hospitals | A | $ 1,316,916,190 | 55.0% | $ 66,820,210 | 57.9% |
| Long-Term Acute Care Hospitals | | 470,927,384 | 19.7% | 26,872,860 | 23.3% |
| Rehabilitation Hospitals | | 409,565,020 | 17.1% | 20,920,877 | 18.1% |
| Wellness Centers | | 15,624,817 | 0.6% | 830,675 | 0.7% |
| Other assets | | 183,319,403 | 7.6% | - | - |
| Total gross assets | | 2,396,352,814 | 100.0% | | |
| Accumulated depreciation and amortization | | (141,877,101) | | | |
| **Total** | | **$ 2,254,475,713** | | **$ 115,444,622** | **100.0%** |

**Investments and Revenue by Operator - As of June 30, 2013**

| | Total Assets | Percentage of Gross Assets | Total Revenue | Percentage of Total Revenue |
|---|---|---|---|---|
| Prime Healthcare | $ 683,629,764 | 28.5% | $ 36,629,634 | 31.7% |
| Ernest Health, Inc. | 434,054,743 | 18.1% | 23,472,549 | 20.3% |
| IJKG/HUMC | 126,401,831 | 5.3% | 8,121,320 | 7.0% |
| Vibra Healthcare | 86,876,496 | 3.6% | 5,503,047 | 4.8% |
| Kindred Healthcare | 83,434,567 | 3.5% | 4,245,612 | 3.7% |
| 19 other operators | 798,636,010 | 33.3% | 37,472,460 | 32.5% |
| Other assets | 183,319,403 | 7.7% | - | - |
| Total gross assets | 2,396,352,814 | 100.0% | | |
| Accumulated depreciation and amortization | (141,877,101) | | | |
| **Total** | **$ 2,254,475,713** | | **$ 115,444,622** | **100.0%** |

**Investment and Revenue by State - As of June 30, 2013**

| | Total Assets | Percentage of Gross Assets | Total Revenue | Percentage of Total Revenue |
|---|---|---|---|---|
| Texas | $ 535,223,180 | 22.3% | $ 27,893,212 | 24.2% |
| California | 522,826,939 | 21.8% | 31,357,919 | 27.2% |
| New Jersey | 126,401,831 | 5.3% | 8,121,320 | 7.0% |
| Kansas | 94,719,558 | 4.0% | 1,330,677 | 1.2% |
| Idaho | 91,296,448 | 3.8% | 5,184,691 | 4.4% |
| 20 other states | 842,565,455 | 35.2% | 41,556,803 | 36.0% |
| Other assets | 183,319,403 | 7.6% | - | - |
| Total gross assets | 2,396,352,814 | 100.0% | | |
| Accumulated depreciation and amortization | (141,877,101) | | | |
| **Total** | **$ 2,254,475,713** | | **$ 115,444,622** | **100.0%** |

A Includes two medical office buildings

## LEASE MATURITY SCHEDULE - AS OF JUNE 30, 2013

| Total portfolio (1) | Total leases | Base rent (2) | Percent of total base rent |
|---|---|---|---|
| 2013 | - | $ - | - |
| 2014 | 1 | 2,112,416 | 1.3% |
| 2015 | 2 | 4,155,412 | 2.5% |
| 2016 | 1 | 2,250,000 | 1.4% |
| 2017 | - | - | - |
| 2018 | 1 | 1,958,100 | 1.2% |
| 2019 | 9 | 13,088,898 | 8.0% |
| 2020 | 1 | 1,039,728 | 0.6% |
| 2021 | 4 | 12,799,716 | 7.8% |
| 2022 | 12 | 38,548,776 | 23.4% |
| 2023 | 3 | 9,152,292 | 5.6% |
| 2024 | 1 | 2,453,856 | 1.5% |
| 2025 | 4 | 11,228,224 | 6.8% |
| Thereafter | 32 | 65,499,242 | 39.9% |
| | 71 | $ 164,286,660 | 100.0% |

(1) Excludes 5 of our properties that are under development and includes a lease extension that was exercised after June 30, 2013. Also, lease expiration is based on the fixed term of the lease and does not factor in potential renewal options provided for in our leases.

(2) The most recent monthly base rent annualized. Base rent does not include tenant recoveries, additional rents and other lease-related adjustments to revenue (i.e., straight-line rents and deferred revenues).

## DEBT SUMMARY AS OF JUNE 30, 2013

| Instrument | Rate Type | Rate | Balance | 2013 | 2014 | 2015 | 2016 | 2017 | Thereafter |
|---|---|---|---|---|---|---|---|---|---|
| 6.875% Notes Due 2021 | Fixed | 6.88% | $ 450,000,000 | $ - | $ - | $ - | $ - | $ - | $ 450,000,000 |
| 6.375% Notes Due 2022 | Fixed | 6.38% | 200,000,000 | - | - | - | - | - | 200,000,000 |
| 2015 Credit Facility Revolver | Variable | 3.05% (1) | 40,000,000 | - | - | 40,000,000 | - | - | - |
| 2016 Term Loan | Variable | 2.45% | 100,000,000 | - | - | - | 100,000,000 | - | - |
| 2016 Unsecured Notes | Fixed | 5.59% (2) | 125,000,000 | - | - | - | 125,000,000 | - | - |
| Northland - Mortgage Capital Term Loan | Fixed | 6.20% | 14,073,531 | 125,432 | 265,521 | 282,701 | 298,582 | 320,312 | 12,780,983 |
| | | | $ 929,073,531 | $ 125,432 | $ 265,521 | $ 40,282,701 | $ 225,298,582 | $ 320,312 | $ 662,780,983 |

(1) Represents a $400 million unsecured revolving credit facility with spreads over LIBOR ranging from 2.60% to 3.40%.

(2) Represents the weighted-average rate for four traunches of the Notes at June 30, 2013 factoring in interest rate swaps in effect at that time.
The Company has entered into two swap agreements which began in July and October 2011. Effective July 31, 2011, the Company is paying 5.507% on $65 milllion of the Notes and effective October 31, 2011, the Company is paying 5.675% on $60 million of Notes.

## MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES

**Consolidated Statements of Income**

(unaudited)

| | For the Three Months Ended | | For the Six Months Ended | |
|---|---|---|---|---|
| | June 30, 2013 | June 30, 2012 (A) | June 30, 2013 | June 30, 2012 (A) |
| **Revenues** | | | | |
| Rent billed | $ 31,358,897 | $ 30,695,170 | $ 63,196,211 | $ 60,382,988 |
| Straight-line rent | 2,746,033 | 1,324,407 | 5,407,027 | 2,683,500 |
| Income from direct financing leases | 9,229,987 | 5,370,844 | 17,986,458 | 7,206,004 |
| Interest and fee income | 14,138,106 | 11,527,153 | 28,854,926 | 19,448,573 |
| Total revenues | 57,473,023 | 48,917,574 | 115,444,622 | 89,721,065 |
| **Expenses** | | | | |
| Real estate depreciation and amortization | 8,717,644 | 8,337,468 | 17,261,597 | 16,518,219 |
| Property-related | 649,284 | 585,861 | 1,062,131 | 813,131 |
| Acquisition expenses | 2,087,903 | 279,258 | 2,278,452 | 3,704,270 |
| General and administrative | 7,225,370 | 6,697,114 | 15,043,566 | 14,288,670 |
| Total operating expenses | 18,680,201 | 15,899,701 | 35,645,746 | 35,324,290 |
| Operating income | 38,792,822 | 33,017,873 | 79,798,876 | 54,396,775 |
| Interest and other income (expense) | (13,488,033) | (14,025,724) | (28,645,399) | (26,836,842) |
| **Income from continuing operations** | 25,304,789 | 18,992,149 | 51,153,477 | 27,559,933 |
| Income from discontinued operations | 2,099,619 | 368,283 | 2,461,056 | 2,406,728 |
| Net income | 27,404,408 | 19,360,432 | 53,614,533 | 29,966,661 |
| Net income attributable to non-controlling interests | (56,582) | (44,163) | (110,215) | (86,522) |
| **Net income attributable to MPT common stockholders** | **$ 27,347,826** | **$ 19,316,269** | **$ 53,504,318** | **$ 29,880,139** |
| | | | | |
| **Earnings per common share - basic :** | | | | |
| **Income from continuing operations** | **$ 0.17** | **$ 0.14** | **$ 0.35** | **$ 0.21** |
| **Income from discontinued operations** | **0.01** | **-** | **0.02** | **0.02** |
| **Net income attributable to MPT common stockholders** | **$ 0.18** | **$ 0.14** | **$ 0.37** | **$ 0.23** |
| | | | | |
| **Earnings per common share - diluted:** | | | | |
| **Income from continuing operations** | **$ 0.17** | **$ 0.14** | **$ 0.34** | **$ 0.21** |
| **Income from discontinued operations** | **0.01** | **-** | **0.02** | **0.02** |
| **Net income attributable to MPT common stockholders** | **$ 0.18** | **$ 0.14** | **$ 0.36** | **$ 0.23** |
| | | | | |
| **Dividends declared per common share** | **$ 0.20** | **$ 0.20** | **$ 0.40** | **$ 0.40** |
| | | | | |
| **Weighted average shares outstanding - basic** | **149,508,958** | **134,714,505** | **144,927,768** | **129,810,431** |
| **Weighted average shares outstanding - diluted** | **151,055,855** | **134,714,505** | **146,291,083** | **129,810,431** |

**(A)** Financials have been restated to reclass the operating results of certain properties sold in 2012 and 2013 to discontinued operations.

## MEDICAL PROPERTIES TRUST, INC. AND SUBSIDIARIES
### Consolidated Balance Sheets

| | June 30, 2013 (Unaudited) | December 31, 2012 (A) |
|---|---|---|
| **Assets** | | |
| Real estate assets | | |
| Land, buildings and improvements, and intangible lease assets | $ 1,264,229,001 | $ 1,223,760,599 |
| Construction in progress and other | 30,999,817 | 38,338,985 |
| Real estate held for sale | - | 16,497,248 |
| Net investment in direct financing leases | 391,904,435 | 314,411,549 |
| Mortgage loans | 368,650,000 | 368,650,000 |
| Gross investment in real estate assets | 2,055,783,253 | 1,961,658,381 |
| Accumulated depreciation and amortization | (141,877,101) | (124,615,504) |
| Net investment in real estate assets | 1,913,906,152 | 1,837,042,877 |
| Cash and cash equivalents | 26,072,345 | 37,311,207 |
| Interest and rent receivable | 54,231,363 | 45,288,845 |
| Straight-line rent receivable | 41,346,929 | 35,859,703 |
| Other assets | 218,918,924 | 223,383,020 |
| **Total Assets** | **$ 2,254,475,713** | **$ 2,178,885,652** |
| **Liabilities and Equity** | | |
| Liabilities | | |
| Debt, net | $ 929,073,531 | $ 1,025,159,854 |
| Accounts payable and accrued expenses | 58,694,110 | 65,960,792 |
| Deferred revenue | 25,413,091 | 20,609,467 |
| Lease deposits and other obligations to tenants | 18,454,885 | 17,341,694 |
| Total liabilities | 1,031,635,617 | 1,129,071,807 |
| Equity | | |
| Preferred stock, $0.001 par value. Authorized 10,000,000 shares; no shares outstanding | - | - |
| Common stock, $0.001 par value. Authorized 250,000,000 shares; issued and outstanding - 149,314,178 shares at June 30, 2013 and 136,335,427 shares at December 31, 2012 | 149,314 | 136,336 |
| Additional paid in capital | 1,472,960,547 | 1,295,916,192 |
| Distributions in excess of net income | (240,131,752) | (233,494,130) |
| Accumulated other comprehensive income (loss) | (9,875,670) | (12,482,210) |
| Treasury shares, at cost | (262,343) | (262,343) |
| Total Equity | 1,222,840,096 | 1,049,813,845 |
| **Total Liabilities and Equity** | **$ 2,254,475,713** | **$ 2,178,885,652** |

(A) Financials have been derived from the prior year audited financials adjusted for discontinued operations.

## ACQUISITIONS FOR THE SIX MONTHS ENDED JUNE 30, 2013

| Name | Location | Property Type | Acquisition / Development | Investment / Commitment |
|---|---|---|---|---|
| Ernest Health, Inc. | Post Falls, ID | Inpatient Rehabilitation Hospital | Development | $ 14,387,000 |
| Ernest Health, Inc. | South Ogden, UT | Inpatient Rehabilitation Hospital | Development | 19,153,000 |
| Prime Healthcare | Kansas City, KS | Acute Care Hospital | Acquisition | 60,000,000 |
| Prime Healthcare | Leavenworth, KS | Acute Care Hospital | Acquisition | 15,000,000 |
| **Total Investments / Commitments** | | | | **$ 108,540,000** |

## SUMMARY OF DEVELOPMENT PROJECTS AS OF JUNE 30, 2013

| Property | Location | Property Type | Operator | Commitment | Costs Incurred as of 6/30/13 | Percent Leased | Estimated Completion Date |
|---|---|---|---|---|---|---|---|
| Victoria Rehabilitation Hospital | Victoria, TX | Long-Term Acute Care Hospital | Post Acute Medical | $ 9,400,000 | $ 7,937,044 | 100% | 3Q 2013 |
| Spartanburg Rehabilitation Institute | Spartanburg, SC | Inpatient Rehabilitation Hospital | Ernest Health, Inc. | 17,805,000 | 12,274,577 | 100% | 3Q 2013 |
| Rehabilitation Hospital of the Northwest | Post Falls, ID | Inpatient Rehabilitation Hospital | Ernest Health, Inc. | 14,387,000 | 4,937,076 | 100% | 4Q 2013 |
| Oakleaf Surgical Hospital | Altoona, WI | General Acute Care Hospital | National Surgical Hospitals | 33,500,000 | 3,200,783 | 100% | 1Q 2014 |
| First Choice Emergency Rooms | Various | General Acute Care Hospital | First Choice | 100,000,000 | - | 100% | Various |
| Northern Utah Rehabilitation Hospital | South Ogden, UT | Inpatient Rehabilitation Hospital | Ernest Health, Inc. | 19,153,000 | 2,650,337 | 100% | 3Q 2014 |
| | | | | **$ 194,245,000** | **$ 30,999,817** | | |

## DETAIL OF OTHER ASSETS AS OF JUNE 30, 2013

| Operator | Investment | Annual Interest Rate | YTD Ridea Income (4) | Security / Credit Enhancements |
|---|---|---|---|---|
| **Non-Operating Loans** | | | | |
| Vibra Healthcare acquisition loan (1) | $ 13,620,350 | 10.25% | | Secured and cross-defaulted with real estate, other agreements and guaranteed by Parent |
| Vibra Healthcare working capital | 6,012,945 | 9.63% | | Secured and cross-defaulted with real estate, other agreements and guaranteed by Parent |
| Post Acute Medical working capital | 7,873,870 | 10.86% | | Secured and cross-defaulted with real estate; certain loans are cross-defaulted with other loans and real estate |
| Monroe Hospital (2) | 18,141,163 | | | |
| IKJG/HUMC working capital | 15,050,000 | 10.4% | | Secured and cross-defaulted with real estate and guaranteed by Parent |
| | 60,698,328 | | | |
| **Operating Loans** | | | | |
| Ernest Health, Inc. (3) | 93,200,000 | 15.00% | 6,990,000 | Secured and cross-defaulted with real estate and guaranteed by Parent |
| IKJG/HUMC convertible loan | 3,351,831 | | 530,019 | Secured and cross-defaulted with real estate and guaranteed by Parent |
| | 96,551,831 | | 7,520,019 | |
| Equity investments | 13,478,247 | | 1,667,702 | |
| Deferred debt financing costs | 19,507,109 | | | Not applicable |
| Lease and cash collateral | 6,024,409 | | | Not applicable |
| Other assets (5) | 22,659,000 | | | Not applicable |
| Total | $ 218,918,924 | | $ 9,187,721 | |

(1) Original amortizing acquistion loan was $41 million; loan matures in 2019

(2) Ceased accruing interest in 2010; net of $12.0 million reserve.

(3) Cash rate is 7% in 2013 and increases to 10% in 2014.

(4) Income earned on operating loans is reflected in the interest income line of the income statement.

(5) Includes prepaid expenses, office property and equipment and other.

Medical Properties Trust

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