February 6, 2007

LTC Announces Operating Results for the Three and Twelve Months Ended December 31, 2006

WESTLAKE VILLAGE, Calif.--(BUSINESS WIRE)--

LTC Properties, Inc. (NYSE:LTC) released results of operations for the three and twelve months ended December 31, 2006 and announced that net income available to common stockholders for the fourth quarter was $7.7 million or $0.33 per diluted share. For the same period in 2005, net income available to common stockholders was $6.5 million or $0.28 per diluted share. Revenues for the three months ended December 31, 2006, were $18.4 million versus $18.0 million for the same period last year.

The Company also announced that for the twelve months ended December 31, 2006, net income available to common stockholders was $61.6 million or $2.51 per diluted share. For the same period in 2005, net income available to common stockholders was $35.4 million or $1.56 per diluted share. Results for the twelve months ended December 31, 2006 included a gain of $32.6 million from the sale of four assisted living properties with a total of 431 units located in four states and one 174-bed skilled nursing property and income from discontinued operations related to these properties of $0.7 million. Results for the same period in 2005 included income from discontinued operations of $3.6 million, a loss on sale of $1.5 million and $11.7 million additional net income from past due rents and interest income, expense reimbursement, and income from the realization value on a note receivable net of advisory expenses and bonus accrual. Revenues for the twelve months ended December 31, 2006, were $73.2 million versus $72.4 million for the same period last year excluding the one time effects of the income from the realization value on a note receivable described above.

The Company has scheduled a conference call for February 7, 2007, at 10:00 a.m. Pacific time in order to comment on the Company's performance and operating results for the quarter ended December 31, 2006. The conference call is accessible by dialing 866-831-6272 passcode 92626456. The international number is 617-213-8859. The earnings release and any additional financial information that may be discussed on the conference call will also be available on our website. An audio replay of the conference call will be available from February 7, 2007 through February 21, 2007. Callers can access the replay by dialing 888-286-8010 or 617-801-6888 and entering conference ID number 53150315.

At December 31, 2006, LTC had investments in 108 skilled nursing properties, 94 assisted living properties and two schools in 32 states. The Company is a self-administered real estate investment trust that primarily invests in long-term care and other health care related

facilities through mortgage loans, facility lease transactions and other investments. For more information on LTC Properties, Inc., visit the Company's website at www.ltcproperties.com.

This press release includes statements that are not purely historical and are "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, including statements regarding the Company's expectations, beliefs, intentions or strategies regarding the future. All statements other than historical facts contained in this press release are forward looking statements. These forward looking statements involve a number of risks and uncertainties. All forward looking statements included in this press release are based on information available to the Company on the date hereof, and the Company assumes no obligation to update such forward looking statements. Although the Company's management believes that the assumptions and expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. The actual results achieved by the Company may differ materially from any forward looking statements due to the risks and uncertainties of such statements.

LTC PROPERTIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited, amounts in thousands, except per share amounts)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Revenues:				
Rental income	$13,783	$12,311	$52,342	$49,709
Interest income from mortgage loans and notes receivable	3,509	4,709	15,444	14,500
Interest income from REMIC Certificates	-	-	-	3,480
Interest and other income	1,060	1,006	5,377	4,719
Total revenues	18,352	18,026	73,163	72,408
Expenses:				
Interest expense	1,594	1,882	7,028	8,310
Depreciation and amortization	3,504	3,387	13,892	12,738
Legal expenses	6	19	236	194
Operating and other expenses	1,731	2,062	6,696	6,397
Total expenses	6,835	7,350	27,852	27,639
Income before non-operating income and minority interest	11,517	10,676	45,311	44,769
Non-operating income	517	-	517	6,217
Minority interest	(86)	(92)	(343)	(349)
Income from continuing operations	11,948	10,584	45,485	50,637
Discontinued operations:				
Income from discontinued operations	-	921	746	3,576
Gain (loss) on sale of real estate assets, net	-	(691)	32,557	(1,504)
Net income from discontinued				

operations	-	230	33,303	2,072
Net income	11,948	10,814	78,788	52,709
Preferred stock dividends	(4,241)	(4,325)	(17,157)	(17,343)
Net income available to common stockholders	$7,707	$6,489	$61,631	$35,366
Net Income per Common Share from Continuing Operations net of Preferred Stock Dividends:				
Basic	$0.33	$0.27	$1.21	$1.49
Diluted	$0.33	$0.27	$1.21	$1.47
Net Income per Common Share from Discontinued Operations:				
Basic	-	$0.01	$1.43	$0.09
Diluted	-	$0.01	$1.41	$0.09
Net Income per Common Share Available to Common Stockholders:				
Basic	$0.33	$0.28	$2.64	$1.58
Diluted	$0.33	$0.28	$2.51	$1.56
Basic weighted average shares outstanding	23,515	23,218	23,366	22,325

NOTE: Quarterly and year-to-date computations of per share amounts are made independently. Therefore, the sum of per share amounts for the quarters may not agree with the per share amounts for the year. Computations of per share amounts from continuing operations, discontinued operations and net income are made independently. Therefore, the sum of per share amounts from continuing operations and discontinued operations may not agree with the per share amounts from net income available to common stockholders.

Reconciliation of Funds From Operations ("FFO")

FFO is a supplemental measure of a REIT's financial performance that is not defined by accounting principles generally accepted in the United States. We define FFO as net income available to common stockholders adjusted to exclude the gains or losses on the sale of real estate assets and adjusted to add back impairment charges, real estate depreciation and other non-cash charges. Other REITs may not use this definition of FFO and therefore, caution should be exercised when comparing our company's FFO to that of other REITs. FFO is used in the REIT industry as a supplemental measure of financial performance, but is not a substitute for net income per share available to common stockholders determined in accordance with accounting principles generally accepted in the United States.

The following table reconciles net income available to common stockholders to funds from operations available to common stockholders (unaudited, in thousands, except per share amounts):

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2006	2005	2006	2005
Net income available to common stockholders	$7,707	$6,489	$61,631	$35,366
Add: Real estate depreciation	3,504	3,615	13,944	13,698
Add: Non-cash compensation charges	248	182	1,002	579
Add: IRS settlement	-	-	950	-
Less (gain)/add loss on sale of real estate assets	-	691	(32,557)	1,504
FFO available to common stockholders	$11,459	$10,977	$44,970	$51,147
Less: IRS settlement	-	-	(950)	-
Less: Non-cash compensation charges	(248)	(182)	(1,002)	(579)
FFO including IRS settlement and non-cash compensation charges	$11,211	$10,795	$43,018	$50,568
Basic FFO available to common stockholders per share	$0.49	$0.47	$1.93	$2.29
Diluted FFO available to common stockholders per share	$0.48	$0.46	$1.88	$2.19 (1)
Basic FFO including IRS settlement and non-cash compensation charges per share	$0.48	$0.46	$1.84	$2.27
Diluted FFO including IRS settlement and non-cash compensation charges per share	$0.47	$0.45	$1.80	$2.17 (1)

(1) Includes $0.46 of diluted FFO resulting from $11.7 million additional net income from past due rents and interest income, expense reimbursement, and income from realization value on a note receivable net of $2.3 million of advisory expenses and bonus accrual. Excluding the one time effects of these items, diluted FFO available to common stockholders per share for the year ended December 31, 2005 would have been $1.73 and diluted FFO including non-cash compensation charges per share would have been $1.71

LTC PROPERTIES, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except per share amounts)

	December 31, 2006	December 31, 2005
ASSETS		
Real Estate Investments:		
Buildings and improvements, net of accumulated depreciation and amortization: 2006 - $102,091; 2005 - $88,652	$351,148	$342,664
Land	35,048	32,956
Properties held for sale, net of accumulated depreciation and amortization: 2006 - $0; 2005 - $7,119	-	29,332
Mortgage loans receivable, net of allowance for doubtful accounts: 2006 - $1,280; 2005 - $1,280	116,992	148,052
Real estate investments, net	503,188	553,004
Other Assets:		
Cash and cash equivalents	29,887	3,569
Debt issue costs, net	548	1,268
Interest receivable	3,170	3,436
Prepaid expenses and other assets	16,771	5,130
Notes receivable	4,264	8,931
Marketable securities	9,939	9,933
Total Assets	$567,767	$585,271
LIABILITIES AND STOCKHOLDERS' EQUITY		
Bank borrowings	$ -	$16,000
Mortgage loans payable	48,266	58,891
Bonds payable and capital lease obligations	5,545	5,935
Senior mortgage participation payable	-	11,535
Accrued interest	358	524
Accrued expenses and other liabilities	6,223	8,427
Liabilities related to properties held for sale	-	3,852
Distributions payable	3,423	11,890
Total Liabilities	63,815	117,054
Minority interest	3,518	3,524
Stockholders' equity:		
Preferred stock $0.01 par value; 15,000 shares authorized; shares issued and outstanding: 2006 - 8,834; 2005 - 8,993	209,341	213,317
Common stock: $0.01 par value; 45,000 shares authorized; shares issued and outstanding: 2006 - 23,569; 2005 - 23,276	236	233
Capital in excess of par value	332,149	331,415
Cumulative net income	442,833	364,045
Other	1,693	(941)
Cumulative distributions	(485,818)	(443,376)
Total Stockholders' Equity	500,434	464,693
Total Liabilities and Stockholders' Equity	$567,767	$585,271

Source: LTC Properties, Inc.