

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K/A No. 1

CURRENT REPORT

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Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 18, 1998

SL GREEN REALTY CORP.  
(Exact name of Registrant as specified in its Charter)

Maryland  
(State of Incorporation)

1-13199  
(Commission File Number)

13-3956775  
(IRS Employer Id. Number)

70 West 36th Street  
New York, New York  
(Address of principal executive offices)

10018  
(Zip Code)

(212) 594-2700  
(Registrant's telephone number, including area code)

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant hereby amends its Current Report on Form 8-K dated March 18, 1998 (filed with the Securities and Exchange Commission on March 31, 1998), to provide the financial statements and pro forma financial information of 420 Lexington Avenue, New York, New York (the Graybar Building) and 1466 Broadway, New York, New York (collectively, the "Properties").

Item 7. Financial Statements and Exhibits

(a) and (b) Financial Statements of the Properties Acquired and Pro Forma Financial Information

Unaudited Pro Forma Combined Financial Information

Pro Forma/Combined Balance Sheet (unaudited)  
as of December 31, 1997

Pro Forma/Combined Statement of Operations (unaudited) for the  
Year Ended December 31, 1997

Notes to Pro Forma/Combined Financial Information

420 Lexington Ave.

Report of Independent Auditors  
Statement of Revenues and Certain Expenses of 420 Lexington  
Avenue for the year Ended December 31, 1997

Notes to Statement of Revenue and Certain Expenses of  
420 Lexington Avenue

1466 Broadway

Report of Independent Auditors

Statement of Revenues and Certain Expenses of 1466 Broadway  
for the Year Ended December 31, 1997

Notes to Statement of Revenues and Certain Expenses of  
1466 Broadway

(c) Exhibits

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SL GREEN REALTY CORP.

By: /s/ David J. Nettina

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David J. Nettina  
Executive Vice President, Chief Operating  
Officer and Chief Financial Officer

Date May 8, 1998

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)

The unaudited pro forma consolidated balance sheet of the Company as of December 31, 1997 has been prepared as if the Company's purchase of the Acquired Properties purchased after December 31, 1997 (1466 Broadway and 420 Lexington Avenue) had been consummated on December 31, 1997. The pro forma consolidated statement of operations for the year ended December 31, 1997 is presented as if the IPO, the Formation Transactions, the Offerings, and the purchase of the Acquired Properties occurred at January 1, 1997 and the effect thereof was carried forward through the year.

The pro forma consolidated financial statements do not purport to represent what the Company's financial position or results of operations would have been assuming the completion of the IPO, Formation Transactions, the Offerings and the purchase of the Acquired Properties had occurred at the beginning of the period indicated, nor do they purport to project the Company's financial position or results of operations at any future date or for any future period. The pro forma consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the period August 21, 1997 to December 31, 1997 and the SL Green Predecessor combined financial statements for the period January 1, 1997 to August 20, 1997 included in the Company's Annual Report on Form 10-K.

SL GREEN REALTY CORP.  
PRO FORMA CONSOLIDATED BALANCE SHEET  
AS OF DECEMBER 31, 1997  
(UNAUDITED)  
(DOLLARS IN THOUSANDS)

	SL GREEN REALTY CORP. HISTORICAL (A)	ACQUIRED PROPERTIES (B)	FINANCING ADJUSTMENTS (C)	COMPANY PRO FORMA AS ADJUSTED
	-----	-----	-----	-----
<b>ASSETS</b>				
Commercial real estate property at cost:				
Land.....	\$ 53,834	\$ 13,074		\$ 66,908
Buildings and improvements....	272,776	52,298		325,074
Building leasehold.....		82,788		82,788
Property under capital lease...	12,208			12,208
	-----	-----		-----
	338,818	148,160		486,978
Less accumulated depreciation.....	(23,800)	--		(23,800)
	-----	-----		-----
Cash and cash equivalents.....	315,018	148,160		463,178
Restricted cash.....	12,782	(146,500)	\$146,500	12,782
Receivables.....	10,310			10,310
Related party receivables.....	738			738
Deferred rents receivable, net of provision for doubtful accounts of \$399.....	1,971			1,971
Investment in Service Corporations.....	11,563			11,563
Mortgage loan receivable.....	1,480			1,480
Deferred costs, net.....	15,500			15,500
Other assets.....	6,099	1,450		7,549
	-----	-----		-----
	7,314			7,314
	-----	-----		-----
Total assets.....	\$ 382,775	\$ 3,110	\$ 146,500	\$ 532,385
	-----	-----	-----	-----
<b>LIABILITIES AND STOCKHOLDERS'</b>				
<b>EQUITY</b>				
Mortgage notes payable.....	\$ 52,820			\$ 52,820
Credit Facility.....	76,000		\$ (76,000)	0
Acquisition Facility.....			222,500	222,500
Accrued interest payable.....	552			552
Accounts payable and accrued expenses.....	3,340			3,340
Accounts payable to related parties.....	367			367
Capitalized lease obligations.....	14,490			14,490
Dividend and distributions payable.....	5,136			5,136
Overage rent payable.....		\$3,110		3,110
Deferred land lease payable....	8,481			8,481
Security deposits.....	11,475			11,475
	-----	-----		-----
Total liabilities.....	172,661	3,110	146,500	322,271
	-----	-----	-----	-----
Minority interest in Operating Partnership.....	33,906			33,906
<b>STOCKHOLDERS' EQUITY</b>				
Common stock.....	123			123
Additional paid-in capital....	178,669			178,669
Distributions in excess of earnings.....	(2,584)			(2,584)
	-----	-----		-----
Total stockholders' equity...	176,208			176,208
	-----	-----		-----
Total liabilities and stockholders' equity.....	\$ 382,775	\$ 3,110	\$ 146,500	\$ 532,385
	-----	-----	-----	-----

SL GREEN REALTY CORP.  
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 1997  
(UNAUDITED)  
(DOLLARS IN THOUSANDS)

	IPO/FORMATION TRANSACTIONS					
	SL GREEN REALTY CORP. HISTORICAL (A)	SL GREEN PREDECESSOR HISTORICAL (B)	ACQUISITION OF PARTNERSHIPS' INTERESTS (C)	EQUITY CONVERSION SERVICE CORPORATIONS (D)	IPO ACQUISITION PROPERTIES (E)	IPO FINANCING ADJUSTMENTS (F)
<b>Revenues</b>						
Rental revenue.....	\$ 20,033	\$ 4,107	\$ 13,079		\$ 12,254	
Escalations and reimbursement revenues.....	2,205	792	859		1,644	
Management revenues.....		1,268		\$ (1,268)		
Leasing commissions.....	484	3,464		(3,464)		
Construction revenues.....		77		(77)		
Investment income.....	485					
Other income.....		16	89	(11)	1,582	
<b>Total revenues.....</b>	<b>23,207</b>	<b>9,724</b>	<b>14,027</b>	<b>(4,820)</b>	<b>15,480</b>	
Equity in net income (loss) in Service Corporations.....	(101)			1,948		
Equity in net (loss) from uncombined joint ventures.....		(770)	770			
<b>Expenses</b>						
Operating expenses.....	7,077	2,722	4,985	(1,000)	3,679	
Interest.....	2,135	1,062	5,320			\$ (3,008)
Depreciation and amortization.....	2,815	811	2,456	(48)	1,390	(16)
Real estate taxes.....	3,498	705	1,741		2,714	
Marketing, general and administrative.....	948	2,189		(1,521)		
<b>Total expenses.....</b>	<b>16,473</b>	<b>7,489</b>	<b>14,502</b>	<b>(2,569)</b>	<b>7,783</b>	<b>(3,024)</b>
Income (loss) before minority interest and extraordinary item.....	6,633	1,465	295	(303)	7,697	3,024
Minority interest in operating partnership..	(1,074)					
<b>Income (loss) before extraordinary item...</b>	<b>\$ 5,559</b>	<b>\$ 1,465</b>	<b>\$ 295</b>	<b>\$ (303)</b>	<b>\$ 7,697</b>	<b>\$ 3,024</b>
Pro forma income before extraordinary item - basic (0).....						
Pro forma income before extraordinary item - diluted (0).....						

	1997 ACQUIRED PROPERTIES (G)	1998 ACQUIRED PROPERTIES (H)	1998 FINANCING ADJUSTMENTS (I)	PRO FORMA ADJUSTMENTS	COMPANY PRO FORMA
<b>Revenues</b>					
Rental revenue.....	\$ 17,725	\$ 34,283			\$ 101,481
Escalations and reimbursement revenues.....	1,390	6,468			13,358
Management revenues.....					
Leasing commissions.....				\$ (484)(L)	
Construction revenues.....				(485)(M)	1,782
Investment income.....	1,782				
Other income.....	96	988			2,760
<b>Total revenues.....</b>	<b>20,993</b>	<b>41,739</b>		<b>(969)</b>	<b>119,381</b>
Equity in net income (loss) in Service Corporations.....				484 (L)	2,331
Equity in net (loss) from uncombined joint ventures.....					
<b>Expenses</b>					
Operating expenses.....	6,747	22,392		1,628 (0)	48,230
Interest.....			\$ 16,207		21,716
Depreciation and amortization.....	2,269	3,796		4 (J)	13,477
Real estate taxes.....	3,267	7,754			19,679

Marketing, general and administrative.....				961 (K)	2,577
	-----				
Total expenses.....	12,283	33,942	16,207	2,593	105,679
	-----				
Income (loss) before minority interest and extraordinary item.....	8,710	7,797	(16,207)	(3,078)	16,033
Minority interest in operating partnership..				(1,523) (N)	(2,597)
	-----				
Income (loss) before extraordinary item...	\$ 8,710	\$ 7,797	\$ (16,207)	\$ (4,601)	\$ 13,436
	-----				
	-----				
Pro forma income before extraordinary item - basic (P).....					\$ 1.09
					-----
Pro forma income before extraordinary item - diluted (P).....					\$ 1.08
					-----
					-----

SL GREEN REALTY CORP.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1997

(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED BALANCE SHEET

(A) To reflect the consolidated balance sheet of SL Green Realty Corp. as of December 31, 1997.

(B) To reflect the acquisition of the two respective Acquired Properties at cost which represents the purchase price, including certain closing costs, of 420 Lexington Avenue and 1466 Broadway as follows:

	420 LEXINGTON AVENUE	1466 BROADWAY	TOTAL
	-----	-----	-----
Assets acquired:			
Land.....		\$ 13,074	\$ 13,074
Building.....		52,298	52,298
Building leasehold.....	\$ 82,788		82,788
	-----	-----	-----
	82,788	65,372	148,160
Liabilities assumed:			
Overage rent payable	(3,110)		(3,110)
	-----	-----	-----
Acquisition costs.....	\$ 79,678	\$ 65,372	\$ 145,050
	-----	-----	-----

The purchase of 420 Lexington and 1466 Broadway were funded primarily by proceeds from the Company's Acquisition Facility totalling approximately \$145,050. In addition, the Company utilized the Acquisition Facility to repay the Credit Facility in the amount of \$76,000 and paid \$1,450 in financing costs related to the Acquisition Facility.



SL GREEN REALTY CORP.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997

(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(C) To reflect the repayment of the Company's Credit Facility. The Credit Facility remained committed until the Acquisition Facility is repaid, at which time, the Company will be in compliance under the Credit Facility and is able to draw additional funds under such Credit Facility.

ADJUSTMENTS TO THE PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 1997

(A) To reflect the historical consolidated statement of operations of SL Green Realty Corp. for the period August 21, 1997 to December 31, 1997.

(B) To reflect the historical combined statement of operations of SL Green Predecessor for the period January 1, 1997 to August 20, 1997.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997  
(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(C) To reflect the period January 1, 1997 to August 20, 1997 operations of 673 First Avenue, 470 Park Avenue South, 29 West 35th Street and 36 West 44th Street (the "Equity Properties") as consolidated entities rather than equity method investees due to the acquisition of 100% of the partnership interests.

ACQUISITION OF PARTNERSHIPS' INTERESTS AND  
FAIR MARKET VALUE ADJUSTMENTS

	ELIMINATE HISTORICAL AMOUNTS	UNCOMBINED TOTAL	673 FIRST AVE	470 PARK AVE	29 WEST 35TH	36 WEST 44TH
<b>REVENUES:</b>						
Rental revenue(a).....		\$ 12,604	\$ 247	\$ 152	\$ 64	\$ 12
Escalations and reimbursement revenues...		859				
Other income.....		89				
<b>Total revenues.....</b>		<b>13,552</b>	<b>247</b>	<b>152</b>	<b>64</b>	<b>12</b>
Equity in net income/(loss) of investees.....	\$ 770					
<b>EXPENSES:</b>						
Operating expenses(b).....		2,976	(221)	(128)	(37)	(62)
Real estate taxes.....		1,741				
Ground rent(c).....		2,425	31			
Interest.....		5,320				
Depreciation and amortization(c).....		2,510	24	(64)	(11)	(2)
<b>Total expenses.....</b>		<b>14,972</b>	<b>(166)</b>	<b>(192)</b>	<b>(48)</b>	<b>(64)</b>
Income (loss) before minority interest...	\$ 770	\$ (1,420)	\$ 413	\$ 344	\$ 112	\$ 76

TOTAL  
ADJUSTMENTS

<b>REVENUES:</b>	
Rental revenue(a).....	\$ 13,079
Escalations and reimbursement revenues...	859
Other income.....	89
<b>Total revenues.....</b>	<b>14,027</b>
Equity in net income/(loss) of investees.....	770
<b>EXPENSES:</b>	
Operating expenses(b).....	2,528
Real estate taxes.....	1,741
Ground rent(c).....	2,456
Interest.....	5,320
Depreciation and amortization(c).....	2,457
<b>Total expenses.....</b>	<b>14,502</b>
Income (loss) before minority interest...	\$ 295

(a) Rental income is adjusted to reflect straight line amounts as of the acquisition date.

(b) Operating expenses are adjusted to eliminate management fees paid to the Service Corporations (Management fee income received by the Service Corporations was also eliminated.)

(c) Ground rent and depreciation and amortization were adjusted to reflect the purchase of the assets.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997  
(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(D) To reflect the operations of the Service Corporations pursuant to the equity method of accounting for the period January 1, 1997 to August 20, 1997.

	HISTORICAL SERVICE CORPORATIONS	EXPENSES ATTRIBUTABLE TO REIT (A)	EQUITY CONVERSION (B)	TOTAL ADJUSTMENT
STATEMENT OF OPERATIONS:				
Management revenues.....	\$ 1,268			\$ (1,268)
Leasing commissions.....	3,464			(3,464)
Construction revenues.....	77			(77)
Equity in net income of Service Corporations.....			\$ (1,948)	1,948
Other income.....	11			(11)
Total revenues.....	4,820		(1,948)	(2,872)
EXPENSES				
Operating expenses.....	1,000			(1,000)
Depreciation and amortization.....	48			(48)
Marketing, general and administrative.....	2,189	\$ (668)		(1,521)
Total expenses.....	3,237	(668)		(2,569)
Income (loss).....	\$ 1,583	\$ 668	\$ (1,948)	\$ (303)

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- (a) Expenses are allocated to the Service Corporations and the Management LLC based upon the job functions of the employees.
- (b) The equity in net income of the Service Corporations is computed as follows:

Historical Service Corporations income.....	\$ 1,583
Adjustment for management fees eliminated in the combined historical financial statements due to acquisition of partnerships interests.....	(201)
Expenses attributable to REIT.....	668
Income.....	\$ 2,050
Equity in net income of Service Corporations' at 95 percent.....	\$ 1,948

SL GREEN REALTY CORP.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997  
(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(E) To reflect the operations of 1372 Broadway, 1140 Avenue of the Americas and 50 West 23rd Street for the period January 1, 1997 to August 20, 1997. Historical rental revenue was adjusted for straight line rents as of the acquisition date, historical operating expenses were reduced for management fees, the land lease on 1140 Avenue of the Americas was recorded, and depreciation and amortization based on cost was recorded.

	1372 BROADWAY			1140 AVENUE OF THE AMERICAS		
	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT	PRO FORMA
<b>REVENUES:</b>						
Rental revenue.....	\$ 5,154	\$ 578	\$ 5,732	\$ 2,768	\$ 230	\$ 2,998
Escalations & reimbursement revenues.....	713		713	440		440
Other income.....	1,520		1,520	61		61
Total revenues.....	7,387	578	7,965	3,269	230	3,499
<b>EXPENSES:</b>						
Operating expenses.....	1,701	(181)	1,520	1,261	(130)	1,131
Ground rent.....					268	268
Depreciation & amortization.....		658	658		271	271
Real estate taxes.....	1,396		1,396	660		660
Total expenses.....	3,097	477	3,574	1,921	409	2,330
Income before minority interest.....	\$ 4,290	\$ 101	\$ 4,391	\$ 1,348	\$ (179)	\$ 1,169

	50 WEST 23RD STREET			TOTAL
	HISTORICAL	ADJUSTMENT	PRO FORMA	PRO FORMA
<b>REVENUES:</b>				
Rental revenue.....	\$ 3,303	\$ 221	\$ 3,524	\$ 12,254
Escalations & reimbursement revenues.....	491		491	1,644
Other income.....	1		1	1,582
Total revenues.....	3,795	221	4,016	15,480
<b>EXPENSES:</b>				
Operating expenses.....	876	(116)	760	3,411
Ground rent.....				268
Depreciation & amortization.....		461	461	1,390
Real estate taxes.....	658		658	2,714
Total expenses.....	1,534	345	1,879	7,783
Income before minority interest.....	\$ 2,261	\$ (124)	\$ 2,137	\$ 7,697

(F) To reflect the changes in interest expense as the result of the IPO financing transactions and the related adjustments to deferred financing expense.

	673 1ST AVE	470 PAS	29 W 35TH	36 W 44TH	70 W 36TH
Interest.....	\$ (1,123)	\$ (1,025)		\$ (593)	\$ (339)
Depreciation and amortization.....	30	9	\$ 3		(47)
Total expenses.....	(1,093)	(1,016)	3	(593)	(386)
Income before minority interest.....	\$ 1,093	\$ 1,016	\$ (3)	\$ 593	\$ 386

	1414 AVE. AMERICAS	NEW MORTGAGE LOAN	TOTAL
Interest.....	\$ (591)	\$ 663	\$ (3,008)
Depreciation and amortization.....	(29)	18	(16)

Total expenses.....	(620)	681	(3,024)
Income before minority interest.....	\$ 620	\$ (681)	\$ 3,024

## NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997  
(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(G) To reflect the operations of 110 East 42nd Street for the period January 1, 1997 to September 15, 1997, 17 Battery Place including the mortgage loan receivable for the period January 1, 1997 to December 18, 1997, and 633 Third Avenue for the period January 1, 1997 to December 31, 1997. Historical rental revenue was adjusted for straight line rents as of the acquisition date, historical operating expenses were reduced for management fees, and depreciation based on recorded cost. These acquisitions were funded by proceeds from the IPO and Revolving Credit Facility.

	110 EAST 42ND STREET			17 BATTERY PLACE			633 THIRD AVENUE
	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL
<b>REVENUES:</b>							
Rental revenue.....	\$ 3,499	\$ (166)	\$ 3,333	\$ 12,458	\$ 742	\$ 13,200	\$ 809
Escalation & reimbursement revenues.....	501		501	889		889	
Investment income.....	14		14	82	1,782	1,782	
Other income.....						82	
Total revenues.....	4,014	(166)	3,848	13,429	2,524	15,953	809
<b>EXPENSES:</b>							
Operating expenses.....	1,839	(147)	1,692	5,264	(410)	4,854	201
Interest expense.....							
Depreciation & amortization.....		426	426		1,627	1,627	
Real estate taxes.....	1,000		1,000	2,075		2,075	192
Total expenses.....	2,839	279	3,118	7,339	1,217	8,556	393
Income before minority interest.....	\$ 1,175	\$ (445)	\$ 730	\$ 6,090	\$ 1,307	\$ 7,397	\$ 416
			TOTAL PRO FORMA				
	ADJUSTMENT	PRO FORMA					
<b>REVENUES:</b>							
Rental revenue.....	\$ 383	\$ 1,192	\$ 17,725				
Escalation & reimbursement revenues.....			1,390				
Investment income.....			1,782				
Other income.....			96				
Total revenues.....	383	1,192	20,993				
<b>EXPENSES:</b>							
Operating expenses.....		201	6,747				
Interest expense.....							
Depreciation & amortization.....	216	216	2,269				
Real estate taxes.....		192	3,267				
Total expenses.....	216	609	12,283				
Income before minority interest.....	\$ 167	\$ 583	\$ 8,710				

SL GREEN REALTY CORP.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 1997  
(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(H) To reflect two of the Acquired Properties operations purchased after December 31, 1997 of 420 Lexington Avenue and 1466 Broadway for the year ended December 31, 1997. Historical rental revenue was adjusted for straight line rents and historical operating expenses were reduced for management fees and depreciation based on the recorded cost.

	420 LEXINGTON AVE			1466 BROADWAY			TOTAL PRO FORMA
	HISTORICAL	ADJUSTMENT	PRO FORMA	HISTORICAL	ADJUSTMENT	PRO FORMA	
Revenue:							
Rental revenue.....	\$ 25,278	\$ 876	\$ 26,154	\$ 7,749	\$ 380	\$ 8,129	\$ 34,283
Escalation & reimbursement revenues.....	5,708		5,708	760		760	6,468
Other income.....	763		763	225		225	988
Total revenues.....	31,749	876	32,625	8,734	380	9,114	41,739
Expenses:							
Operating expenses.....	\$ 20,431	(442)	19,989	2,554	(151)	2,403	22,392
Depreciation & amortization.....		2,516	2,516		1,280	1,280	3,796
Real estate taxes.....	5,823		5,823	1,931		1,931	7,754
Total expenses.....	26,254	2,074	28,328	4,485	1,129	5,614	33,942
Income before minority interest.....	\$ 5,495	\$ (1,198)	\$ 4,297	\$ 4,249	\$ (749)	\$ 3,500	\$ 7,797

SL GREEN REALTY CORP.

NOTES TO PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1997

(UNAUDITED)

(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

(I) To reflect the additional borrowings required under the Acquisition Facility to fund the Acquired Properties (7.3785% interest rate).

(J) To reflect for 70 West 36th Street and 1414 Avenue of the Americas, depreciation expense adjustments for real property transfer taxes capitalized in connection with the Formation Transactions which are amortized over the remaining life of the commercial property.

(K) To reflect the increase in marketing, general and administrative expenses related to operations of a public company for the period January 1, 1997 to August 20, 1997 which includes the following:

Officers' compensation and related costs.....	\$	446
Professional fees.....		203
Directors' fees and insurance.....		174
Printing and distribution costs.....		87
Other.....		51
		-----
	\$	961
		-----
		-----

The additional officers' compensation and related costs are attributable primarily to Employment Agreements with the officers as further described under the caption "Employment and Non Competition Agreement."

(L) Represents the reclassifications of leasing commissions attributable to the Service Corporations since all leasing commissions is presently being recorded in the Service Corporations.

(M) Represents the reduction of interest income from the excess cash that was used to fund Acquired Properties.

(N) Represents the 16.2% interest of the minority shareholders in the Operating Partnership less Unit Holders 9.8% share of the preferred dividends and accretion totalling \$789.

(O) To adjust the provision for doubtful accounts based upon 2% of Pro Forma rental revenue.

(P) Pro Forma income before extraordinary item per common share--basic is based upon 12,292,311 shares of common stock outstanding as of December 31, 1997. Pro Forma income before extraordinary item per common share--diluted is based upon 12,404,412 weighted average shares of common stock outstanding as of December 31, 1997, which gives effect to stock options. As each Unit is redeemable for cash, or at the Company's election, for one share of common stock, the calculation of earnings per share upon redemption will be unaffected as unitholders and stockholders share equally on a per unit and per share basis in the net income of the Company. Pursuant to the terms of the Partnership Agreement, the Unit holders that received Units at the IPO may not, for up to two years from the IPO date, transfer any of their rights or redeem their Units as a limited partner without the consent of the Company.



REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of  
SL Green Realty Corp.

We have audited the statement of revenues and certain expenses of the property at 1466 Broadway, as described in Note 1, for the year ended December 31, 1997. The financial statement is the responsibility of management of the Property. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of revenues and certain expenses was prepared for the purposes of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in Form 8K/A of SL Green Realty Corp., and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and certain expenses of the Property, as described in Note 1 for the year ended December 31, 1997 in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, New York  
March 13, 1998

## STATEMENT OF REVENUES AND CERTAIN EXPENSES

(DOLLARS IN THOUSANDS)

## NOTE 1

	YEAR ENDED DECEMBER 31, 1997
	-----
Revenues	
Rental revenue.....	\$ 7,749
Escalations and reimbursement revenue.....	760
Other income.....	225
	-----
Total revenues.....	8,734
	-----
Certain Expenses	
Property taxes.....	1,931
Utilities.....	559
Cleaning and service contracts.....	542
Payroll and expenses.....	463
Management fees.....	151
Repairs and maintenance.....	453
Professional fees.....	87
Insurance.....	87
Other operating expenses.....	212
	-----
Total certain expenses.....	4,485
	-----
Revenues in excess of certain expenses.....	\$ 4,249
	-----
	-----

See accompanying notes.

## NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES

(DOLLARS IN THOUSANDS)

DECEMBER 31, 1997

## 1. BASIS OF PRESENTATION

Presented herein is the statement of revenues and certain expenses related to the operations of the property, located at 1466 Broadway, in the Times Square sub-market, in the borough of Manhattan in New York City, (the "Property").

The accompanying financial statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for the acquisition of real estate properties. Accordingly, the financial statement excludes certain expenses that may not be comparable to those expected to be incurred by SL Green Realty Corp., in the proposed future operations of the Property. Items excluded consist of interest, amortization and depreciation.

## 2. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## 3. REVENUE RECOGNITION

The Property is leased to tenants under operating leases. Minimum rental income is generally recognized on a straight-line basis over the term of the lease. The excess of amounts due pursuant to the underlying leases over amounts so recognized amounted to approximately \$308 for the year ended December 31, 1997.

## 4. CONCENTRATION OF REVENUE

Approximately 15% of the Property's revenue for the year ended December 31, 1997 was derived from one tenant.

## 5. MANAGEMENT AGREEMENTS

During 1997 the Property was managed by Helmsley Noyes Co., Inc., an affiliate of Helmsley Enterprises Inc., the owner of the Property. During the year ended December 31, 1997 the management fees were based on gross collections, as follows: 5.0% for the first \$200, 3.0% for the next \$300 and 1.5% for the excess above \$500.

The fees incurred for managing the Property by the affiliated company for the year ended December 31, 1997 was \$151.

## 6. LEASE AGREEMENTS

The Property is being leased to tenants under operating leases with term expiration dates ranging from 1998 to 2009. The minimum rental amounts due under the leases are generally subject to scheduled fixed increases. The leases generally also require that the tenants reimburse the Property for increases in certain operating costs and real estate taxes above their base year costs. Approximate future minimum

NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES (CONTINUED)

(DOLLARS IN THOUSANDS)

DECEMBER 31, 1997

6. LEASE AGREEMENTS (CONTINUED)

rents to be received over the next five years and thereafter for non-cancelable operating leases as of December 31, 1997 (exclusive of renewal option periods) are as follows:

1998.....	\$ 6,600
1999.....	5,600
2000.....	4,100
2001.....	3,200
2002.....	2,600
Thereafter.....	13,900
	-----
	\$ 36,000
	-----
	-----

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of  
SL Green Realty Corp.

We have audited the statement of revenues and certain expenses of the property at 420 Lexington Avenue, as described in Note 1, for the year ended December 31, 1997. The financial statement is the responsibility of management of the Property. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of revenues and certain expenses was prepared for the purposes of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in Form 8K/A of SL Green Realty Corp., and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and certain expenses of the Property, as described in Note 1 for the year ended December 31, 1997 in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, New York  
March 13, 1998

420 LEXINGTON AVENUE  
STATEMENT OF REVENUES AND CERTAIN EXPENSES  
(DOLLARS IN THOUSANDS)

NOTE 1

	YEAR ENDED DECEMBER 31, 1997 -----
Revenues	
Rental revenue.....	\$ 25,278
Escalations and reimbursement revenue.....	5,708
Other income.....	763
	-----
Total revenues.....	31,749 -----
Certain Expenses	
Ground rent.....	7,946
Property taxes.....	5,823
Utilities.....	3,452
Cleaning and service contracts.....	946
Payroll and expenses.....	4,537
Management fees.....	442
Repairs and maintenance.....	1,499
Professional fees.....	622
Insurance.....	358
Other operating expenses.....	629
	-----
Total certain expenses.....	26,254 -----
Revenues in excess of certain expenses.....	\$ 5,495 ----- -----

See accompanying notes.

NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES

(DOLLARS IN THOUSANDS)

DECEMBER 31, 1997

1. BASIS OF PRESENTATION

Presented herein is the statement of revenues and certain expenses related to the operations of the property, located at 420 Lexington Avenue, in the Grand Central District sub-market, in the borough of Manhattan in New York City, (the "Property").

The accompanying financial statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for the acquisition of real estate properties. Accordingly, the financial statement excludes certain expenses that may not be comparable to those expected to be incurred by SL Green Realty Corp., in the proposed future operations of the Property. Items excluded consist of interest, amortization and depreciation.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. REVENUE RECOGNITION

The Property is leased to tenants under operating leases. Minimum rental income is generally recognized on a straight-line basis over the term of the lease. The excess of amounts due pursuant to the underlying leases over amounts so recognized amounted to approximately \$201 for the year ended December 31, 1997.

4. CONCENTRATION OF REVENUE

Approximately 20% of the Property's revenue for the year ended December 31, 1997 was derived from two tenants.

5. MANAGEMENT AGREEMENTS

During 1997 the Property was managed by Helmsley Noyes Co., Inc., an affiliate of Helmsley Enterprises Inc., the owner of the Property. During the year ended December 31, 1997 the management fees were based on gross collections, as follows: 5.0% for the first \$200, 3.0% for the next \$300 and 1.5% for the excess above \$500.

The fees incurred for managing the Property by the affiliated company for the year ended December 31, 1997 was \$442.

6. RELATED PARTY TRANSACTIONS

The Property recognized approximately \$116 in rental income from companies affiliated with the seller for the year ended December 31, 1997.

7. GROUND RENT

The Property is subject to an operating sublease agreement (the "Ground Lease"), which is subject to the terms and conditions of three other subleases. The Ground Lease, expiring on December 31, 2008,

## NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES (CONTINUED)

(DOLLARS IN THOUSANDS)

DECEMBER 31, 1997

## 7. GROUND RENT (CONTINUED)

requires fixed annual rent of approximately \$7,918, (which includes \$6,000 of ground rent) plus an additional annual rent (overage rent) equal to 33.3% of net earnings in excess of \$2,740, a portion of which is deferred and paid over five years. The Ground Lease contains an option to renew for an additional term of 21 years to the year 2029.

## 8. LEASE AGREEMENTS

The Property is being leased to tenants under operating leases with term expiration dates ranging from 1998 to 2016. The minimum rental amounts due under the leases are generally subject to scheduled fixed increases. The leases generally also require that the tenants reimburse the Property for increases in certain operating costs and real estate taxes above their base year costs.

Approximate future minimum rents to be received over the next five years and thereafter for non-cancelable operating leases as of December 31, 1997 (exclusive of renewal option periods) are as follows:

1998.....	\$ 23,900
1999.....	21,300
2000.....	19,400
2001.....	16,200
2002.....	12,500
Thereafter.....	66,100
	-----
	\$ 159,400
	-----
	-----