



# Presentation to Investors SL Green's Acquisition of Reckson Associates

August 3, 2006



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# Transaction Overview

Consideration (per share and unit)	
Cash	\$ 31.68
SL Green common shares <sup>(1)</sup>	11.63
Price per share and unit	\$ 43.31
Fully diluted shares and units	86.851 million
Equity value	\$ 3.8 billion
Debt plus transaction costs	2.2 billion
Transaction value	\$ 6.0 billion
Estimated 2007 FFO per share accretion <sup>(2)</sup>	\$0.20 - \$0.40
Estimated 2007 G&A synergies	\$20 + million

Acquired by SLG and Retained	Sq. Ft.	Percentage of Sq. Ft.	2007 GAAP Cap Rate <sup>(3)</sup>
New York City	5,615,607	61.3%	5.3%
Westchester	2,282,130	24.9%	6.7%
Connecticut	1,263,768	13.8%	5.5%
<b>Total / Weighted Average</b>	<b>9,161,505</b>	<b>100.0%</b>	<b>5.6%</b>

<sup>(1)</sup> Based on \$112.00 closing price per share of SLG on August 2, 2006 and based on an exchange ratio of 0.10387.  
<sup>(2)</sup> Accretion to SL Green management FFO estimates.  
<sup>(3)</sup> Based on management projections and does not include transaction costs.

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# Transaction Structure

## Step 1: SLG acquires Reckson



- NYC Office Assets
- Long Island Office Assets
- Long Island Land
- Westchester Office (ex Eastridge) Assets
- Eastridge Office Assets
- Stamford Office Assets
- New Jersey Office Assets
- New Jersey Development and Land
- RSVP
- 25% interest in Australian LPT and Responsible Entity
- Structured Finance Notes

**\$6.0 billion**

## Step 2: SLG sells certain Reckson assets to a partnership of Marathon Asset Management and Reckson Senior Management (the "Investor Group")

### Assets Retained by SLG

- NYC Office Assets
- Westchester Office (ex Eastridge and 711 Westchester) Assets
- Stamford Office Assets
- Structured Finance Notes (ex 50% of Glen Cove and 100% of Tilles notes)
- 50% of RSVP

**\$3.9 billion**

### Assets Sold to Investor Group

- Long Island Office Assets
- Eastridge Office Assets
- 711 Westchester Ave.
- New Jersey Office assets
- Long Island Land
- New Jersey Development and Land
- 25% Interest in Australian LPT and Responsible Entity
- 50% of RSVP
- Structured Finance Notes 100% of Tilles notes and 50% of Glen Cove notes

**\$2.1 billion**

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# Transaction Financing

Sources (\$ in millions)	
Proceeds from sale to the Investor Group	\$ 2,100
Corporate Term Debt <sup>(1)</sup>	1,500
Line of Credit and Cash on Hand	513
New Mortgage Debt	298
Assumed Mortgage Debt (Pro rata)	331
Assumed Convertible Debt	288
Equity	1,010
<b>Total Sources</b>	<b>\$ 6,040</b>

(\$ in millions)	SLG Standalone <sup>(2)</sup>	Pro forma Acquisition <sup>(3)</sup>
Net Debt (Pro rata)	\$ 2,536	\$ 5,426
Preferred Stock	258	258
Equity Market Cap	5,492	6,502
<b>Enterprise Value</b>	<b>\$ 8,286</b>	<b>\$ 12,186</b>
<i>Net Debt to Enterprise Value</i>	<i>30.6%</i>	<i>44.5%</i>

<sup>(1)</sup> May be replaced by proceeds from SLG asset sales and/or assumption of Reckson's unsecured notes.

<sup>(2)</sup> Balance sheet data as of June 30, 2006 for SLG (pro forma for 2.0mm share issuance).

<sup>(3)</sup> Pro forma for the acquisition, but not pro forma proceeds from SLG asset sales.

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# Strategic Rationale

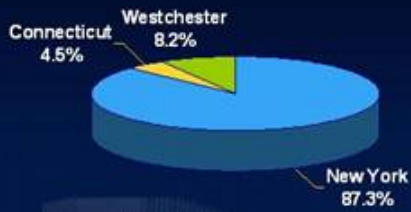
- This transaction reinforces SLG's position as the premier landlord in NYC
  - Properties totaling 24.3 million square feet
  - \$1.01 billion of combined NYC revenues <sup>(1)</sup>
  - 1,228 tenants
- Reckson acquisition will provide substantial accretion
  - Synergies in excess of \$20 million
  - Projected accretion in 2007: \$0.20 - \$0.40 per share
  - Initial Pro forma FFO guidance for 2007: \$5.25 per share
- There is significant upside to the retained Reckson portfolio from below-market rents and SLG operating initiatives
  - CBD office portfolio in-place rents are an estimated 25% below market rates
  - 1185 Avenue of the Americas and 1350 Avenue of the Americas have substantial near term lease rollover
- Transaction offers unique opportunity to acquire high quality assets in irreplaceable locations at a discount to replacement cost
- Provides SLG with the opportunity to realize gains from the immediate disposition of non-core Reckson assets, while retaining selective suburban exposure to offer tenants an alternative to Manhattan escalating rents
- Enables SLG to continue the selective disposition of its own non-core assets which can be deployed into Reckson assets on a tax-efficient basis

<sup>(1)</sup> Annualized 1Q06 rent as reported in companies' financial supplementals.

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# Pro Forma Combined Portfolios

## Pro Forma Total Square Footage



	Sq. Ft.	Percentage
New York City	24,295,507	87.3%
Westchester	2,282,130	8.2%
Connecticut	1,263,768	4.5%
<b>Total</b>	<b>27,841,405</b>	<b>100.0%</b>

## Pro Forma Pro Rata 2007E NOI



	Percentage
New York City	89.6%
Westchester	7.1%
Connecticut	3.3%
<b>Total</b>	<b>100.0%</b>

Source: SL Green 3/31/06 Supplemental and management projections/measurements. Future results are not guaranteed.

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# Reckson Manhattan Portfolio



Address	Square Feet
919 Third Avenue <sup>(1)</sup>	1,454,367
1185 Avenue of the Americas	1,062,069
810 Seventh Avenue	692,024
1350 Avenue of the Americas	561,582
120 West 45 <sup>th</sup> St.	443,956
<b>Total</b>	<b>4,213,998</b>

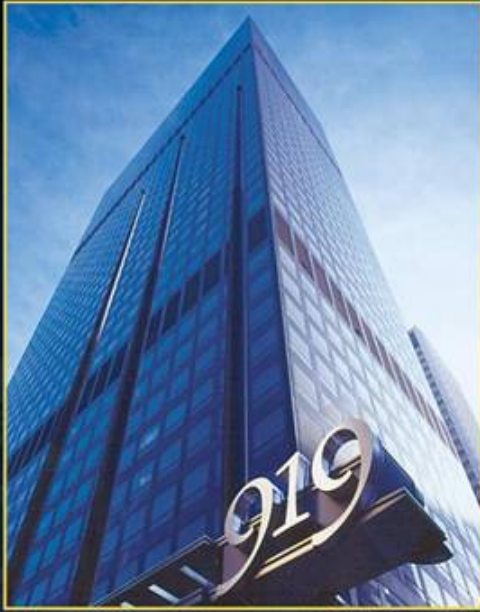
With the Reckson acquisition, SL Green has further enhanced its position as the largest office landlord in New York City and incrementally improved the overall quality of its portfolio

(1) 51% joint venture interest.

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## 919 Third Avenue



- Class A; Built in 1970
- 100% Occupied
- 1,454,000 Square Feet
- 47 Floors
- Expansive Floor Plates
  - Low-rise: 44,000 SF
  - High-rise: 30,000 SF
- 22 passenger elevators / 3 freight elevators
- Major tenants: Debevoise & Plimpton, BNP Paribas and Schulte Roth & Zabel, Draft Worldwide
- 51% joint venture with NYSTERS

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## 1185 Avenue of the Americas



- Class A; Built in 1969
- 98.6% Occupied
- 1,062,000 Square Feet
- Leasehold interest
- 42 Floors
- Typical Floors: 26,500 SF
- Convenient access to multiple transportation from the Rockefeller Center concourse
- 18 passenger elevators, 2 freight elevators, and 1 loading dock
- Major tenants: WestPoint Stevens, King & Spalding, Amerada Hess, American Express, Fleet Bank, Addison Wesley, Longman/Pearson and Westdeutsche Landesbank

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## 810 Seventh Avenue



- Class A; Built in 1970
- 100% Occupied
- 692,000 Square Feet
- 41 Floors
- Typical Floors
  - Low-rise: 20,500 SF
  - High-rise: 15,500 SF
- Situated in the midst of Times Square, Corporate Row and Central Park
- 12 passenger / 1 freight elevator
- Major tenants: Fox Television, EMI Entertainment, Hearst Communications, Oppenheimer & Co., USA Networks, Metromedia Company, AT&T Wireless, IAC.InterActiveCorp

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## 1350 Avenue of the Americas



- Class A; Built in 1966
- 98.8% occupied
- 562,000 square feet
- 35 Floors
- Attractive floor plates
  - Low-rise: 24,000 SF
  - Mid-rise: 19,000 SF
  - High-rise: 12,500 SF
- 11 passenger elevators / 1 freight elevator
- Major Tenants: Metro Goldwyn Mayer, Harper Collins, Burberry, Remy Martin Amerique

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# 120 West 45<sup>th</sup> Street



- Class A; Built in 1989
- 100% Occupied
- 444,000 Square Feet
- 40 Floors
- Typical Floors: 10,000 - 13,000 SF
- Virtually column free floors
- Close proximity to Grand Central Terminal and Port Authority
- 8 passenger elevators / 1 freight elevator
- Major tenants: D.E. Shaw, NEC, Heller Ehrman

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# Westchester Assets Acquired by SL Green



360 Hamilton Avenue

Address	City	Square Feet
360 Hamilton Avenue	White Plains (CBD)	384,000
200 Summit Lake Drive	White Plains	240,834
100 Summit Lake Drive	White Plains	210,000
500 Summit Lake Drive	White Plains	206,660
120 White Plains Road	Tarrytown	204,500
520 White Plains Road	Tarrytown	180,000
115-117 Stevens Avenue	White Plains	178,000
140 Grand Street	White Plains (CBD)	130,136
1 International Drive	Rye Brook	90,000
2 International Drive	Rye Brook	90,000
3 International Drive	Rye Brook	90,000
4 International Drive	Rye Brook	90,000
5 International Drive	Rye Brook	90,000
6 International Drive	Rye Brook	90,000
100 White Plains Road	Tarrytown	6,000
<b>Total</b>		<b>2,282,130</b>
<b>Pro Rata Share</b>		<b>2,178,985</b>

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# Connecticut Assets Acquired by SL Green



Address	City	Square Feet
1 Landmark Square	Stamford	280,636
750 Washington Blvd	Stamford	186,148
1055 Washington Blvd	Stamford	178,000
6 Landmark Square	Stamford	163,263
680 Washington Blvd	Stamford	132,759
3 Landmark Square	Stamford	129,245
4 Landmark Square	Stamford	100,028
5 Landmark Square	Stamford	58,000
2 Landmark Square	Stamford	35,689
<b>Total</b>		<b>1,263,768</b>
<b>Pro Rata Share</b>		<b>1,107,594</b>

1055 Washington Blvd

(1) Subject to a ground lease.

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## Other Assets

- ☑ Land Parcels
  - 3 Westchester, NY parcels
  - 2 Stamford, CT parcels
- ☑ Structured Finance Notes
  - 72 Madison Avenue
  - 50% of Glen Cove
  - 100 Wall Street
- ☑ 50% Interest in RSVP
  - Catskills, NY hotels and development sites
  - Illinois toll road retail concessions
- ☑ 1166 Avenue of the Americas
  - Mezzanine loan
  - Participating loan
  - 5.2% equity interest

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# Reckson Organizational Structure



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# Acquisition Timeline

Announce acquisition.....	August 3 <sup>rd</sup>
File S-4 with SEC.....	Early-September
Shareholder Vote.....	December 2006
Close acquisition.....	January 2007

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