July 25, 2012

SL Green Announces Fifth Avenue Retail Transactions

Leasing and Repositioning of Tenant Spaces results in Significant Gain in Value

New York, NY - July 25, 2012 - SL Green Realty Corp. (NYSE: SLG) and partner Jeff Sutton have announced the restructuring and recapitalization of their joint venture at 717 Fifth Avenue. In these transactions, SL Green has sold 50% of its interest to Sutton and retains a 10.92% stake in the venture's retail condominium property at a price that values the asset at $618 million, or $5,015 per square foot. This valuation reflects a 4.9% capitalization rate on in-place net operating income.

In addition, the venture has received $590 million of new financing in the form of a $300 million fixed-rate mortgage loan and a $290 million mezzanine loan. The mortgage loan, originated by New York Life and TIAA, has a 10-year term and the mezzanine loan, originated by RREEF, has a 12-year term.

SL Green received $85 million in net cash proceeds from the transactions.

SL Green acquired its interest in the property in 2006 at a price which valued the property at $230 million. During six years of ownership, net operating income was increased by approximately 2.5 times via the execution of new retail leases with Armani and Dolce & Gabbana and the relocation of Escada to new space on 55th Street.

SL Green President, Andrew Mathias, commented, "Our joint venture investment with Jeff Sutton at 717 Fifth Avenue has been a resounding success, as evidenced by the realization of net operating income through creative repositioning and leasing over the past six years. The result is a sizable gain in asset value, as recognized by our lenders, as well as our ability to monetize a portion of our position and generate substantial cash proceeds."

Located in the heart of Manhattan's Plaza District, 717 Fifth Avenue is well positioned along New York City's most desirable stretch of luxury retail properties. The retail condominium totals 123,000 square feet on four floors, with 81.5 feet of sidewalk frontage on Fifth Avenue. The long-term leases with Dolce & Gabanna and Escada were executed in 2011.

About SL Green:

SL Green Realty Corp., New York City's largest office landlord, is the only fully integrated real estate investment trust, or REIT, that is focused primarily on acquiring, managing and maximizing value of Manhattan commercial properties. As of March 31, 2012, SL Green owned interests in 70 Manhattan properties totaling more than 39.0 million square feet. This included ownership interests in 27.3 million square feet of commercial properties and debt and preferred equity investments secured by 11.7 million square feet of properties. In addition to its Manhattan investments, SL Green holds ownership interests in 32 suburban assets totaling 6.9 million square feet in Brooklyn, Queens, Long Island, Westchester County, Connecticut and New Jersey, along with four development properties in the suburbs encompassing approximately 0.5 million square feet.

Forward Looking Statements

This press release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are intended to be covered by the safe harbor provisions thereof. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including such matters as future capital expenditures, dividends and acquisitions (including the amount and nature thereof), development trends of the real estate industry and the Manhattan, Brooklyn, Queens, Westchester County, Connecticut, Long Island and New Jersey office markets, business strategies, expansion and growth of our operations and other similar matters, are forward-looking statements. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate.

Forward-looking statements are not guarantees of future performance and actual results or developments may differ materially, and we caution you not to place undue reliance on such statements. Forward-looking statements are generally identifiable by the use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend," "project," "continue," or the negative of these words, or other similar words or terms.

Forward-looking statements contained in this press release are subject to a number of risks and uncertainties that may cause *our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by forward-looking statements made by us. These risks and uncertainties include the effect of the credit crisis on general economic, business and financial conditions, and on the New York metropolitan real estate market in particular; dependence upon certain geographic markets; risks of real estate acquisitions, dispositions and developments, including the cost of construction delays and cost overruns; risks relating to structured finance investments; availability and creditworthiness of prospective tenants and borrowers; bankruptcy or insolvency of a major tenant or a significant number of smaller tenants; adverse changes in the real estate markets, including reduced demand for office space, increasing vacancy, and increasing availability of sublease space; availability of capital (debt and equity); unanticipated increases in financing and other costs, including a rise in interest rates; our ability to comply with financial covenants in our debt instruments; our ability to maintain our status as a REIT; risks of investing through joint venture structures, including the fulfillment by our partners of their financial obligations; the continuing threat of terrorist attacks, in particular in the New York metropolitan area and on our tenants; our ability to obtain adequate insurance coverage at a reasonable cost and the potential for losses in excess of our insurance coverage, including as a result of environmental contamination; and legislative, regulatory and/or safety requirements adversely affecting REITs and the real estate business, including costs of compliance with the Americans with Disabilities Act, the Fair Housing Act and other similar laws and regulations.*

Other factors and risks to our business, many of which are beyond our control, are described in our filings with the Securities and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of future events, new information or otherwise.

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