



SL Green Realty Corp. Announces Formation Of Specialty Finance Company Gramercy Capital Corp.

Gramercy To File For Initial Public Offering

New York, April 20, 2004 - SL Green Realty Corp. (NYSE: SLG) announced today that its newly formed affiliate, Gramercy Capital Corp., expects to file a registration statement tomorrow in connection with its initial public offering to raise up to \$200 million. Gramercy Capital Corp. is a specialty finance company focused on originating and acquiring loans and other fixed-income investments secured by commercial and multifamily real estate.

SL Green created Gramercy Capital to continue SL Green's structured finance business as a separate public company. The existing fixed-income investment portfolio of SL Green is not being contributed in connection with the IPO. Gramercy Capital Corp. intends to elect to be taxed as a Real Estate Investment Trust (REIT) under the Internal Revenue Code and will apply to be listed on the New York Stock Exchange (NYSE) following the IPO.

The public offering will provide Gramercy Capital Corp. with access to capital, a public company platform and the infrastructure to grow SL Green's established structured finance business within New York City and into other markets and property types. SL Green will have a significant ownership interest in the business by investing up to \$50 million in the initial public offering and will own approximately 25% of the common stock outstanding after the offering. SL Green has established a subsidiary to act as external manager of Gramercy Capital. SL Green will receive substantial additional revenue through the management agreement and its other interests in Gramercy Capital.

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust ("REIT") that acquires, owns, repositions and manages a portfolio of Manhattan office properties. The Company is the only publicly held REIT that specializes exclusively in this niche.

This document is not an offer to sell securities of Gramercy Capital and is not soliciting an offer to buy those securities, which offer may be made only by means of a prospectus.

Forward-looking Information

This press release contains forward-looking information based upon the Company's current best judgment and expectations. Actual results could vary from those presented herein. The risks and uncertainties associated with forward-looking information in this release include the strength of the commercial office real estate markets in New York, competitive market conditions, unanticipated administrative costs, timing of leasing income, general and local economic conditions, interest rates, capital market conditions, tenant bankruptcies and defaults, the availability and cost of comprehensive insurance, including coverage for terrorist acts, and other factors, many of which are beyond the Company's control. We undertake no obligation to publicly update or revise any of the forward-looking information. For further information, please refer to the Company's filing with the Securities and Exchange Commission.