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Tony: Good morning everyone, and welcome to the SL Green panel presentation. My name is Tony Palone and I'm an analyst at JP Morgan, and I cover the stock. It's my pleasure to introduce to you the Chief Executive Officer of SL Green, Marc Holliday, and to Marc's left is the President of the Company, Andrew Mathias. What we are going to do is -- I think they've passed out some slide decks and -- I'm going to turn over to Marc and Andrew to run through some slides for about 10 minutes. The following 20 minutes we'll just kick it over to Q&A which I'll lead and open it up to all of you for your questions as well. With that we'll get going and I will turn this over to Marc and Andrew. Thanks.

Marc: Tony, thank you, great to be here this morning to kick off meetings today, tomorrow, and appreciate everyone coming to hear, I'm sure about how the company and the market is doing. We'll do a quick overview to try and hit on some of the major topics that we are presented by investors. Then we will take a bunch of questions towards the end. Let's start on page two for those of you that have this book, lower right hand corner and talk about leasing. I think it's one of our favorite topics of shareholders.

The leasing environment for us has performed better than we anticipated towards the beginning of the year. In fact, we have signed nearly 1.2 million square feet of leases through I guess yesterday, this is currently at a 33% mark to market. Clearly given our original guidance the leasing volume in our Manhattan office portfolio has outstripped what we expected. Also, the suburbs, a much smaller portfolio but still important, has 400,000 square feet of leasing at a nearly 3% mark to market. Most notably our occupancies are holding very well in markets where we are outperforming, 97.4% of Manhattan and 84% in the suburbs.

If you turn to the next page you can see under notable leasing what we've done in 2016; these are probably the top ten deals. We added one that we announced this morning, New York life insurance company renewed and expanded its presence in the grey bar building, and they now occupy 128,000 square feet at 420 Lexington Avenue. They're a great anchor tenant, along with ourselves, in the grey building and we did those on economics that are favorable from mark to market. You see there, the other leases comprise in total 900,000 square feet of leasing in our top ten. That's out of 1.6 million square feet of total leasing.

If you turn to page five you'll see that not only have we had a great five month start but that the pipeline is sort of brimming at a level that probably is near-record in terms of pipeline in general. That pipeline is in general somewhere between 1.1 and 1.4 million

square feet. It stands now at 1.9 million square feet. Most of that, I think 70% of that is in pending leases so those are releases where we feel pretty highly confident that we'll be able to convert. There's 1.3 million square feet of pending leases, another 570,000 square feet of term sheets out for negotiation. That's represented by fifty-three individual deals that we hope to close between now and year end. I'm sure we'll be adding to this pipeline as the summer moves on, but clearly this is a stack that we ... That's an unexpected positive surprise for the company.

If you turn to page eight you'll see, just to remind people of what we did on the Citi Group deal where we're selling 388-390 Greenwich to Citi Group. It's a $2 billion sale netted down for all of the unfunded tenant concessions, free rent, TIs, base building, that we hadn't spent to date. Plus we receive the $94 million termination fee to compensate us for the balance of the rent on a net MPV basis between the end of this year and 2017. That deal is expected to close imminently and will result in $1.8 billion of debt reduction, which is comprised of $1.5billion of secured mortgage on 388-390 Greenwich, the balance of the proceeds temporarily going to pay down the revolver and ultimately going to unencumber 485 Lexington Avenue. That will be the culmination of a very successful almost 10 year investment producing a leveraged compounded rate of return of 11%.

If you turn ahead now to something that's gotten a lot of attention recently and we want to try and demystify it a bit because we think it's pretty straight forward when you look at the numbers. Turn to page twelve and we'll look at the new office supply in Manhattan. These are new notable new office buildings in Manhattan being built predominantly on the West Side and Downtown. We'll look at a little bit of history and then we'll look going forward.

Historically, the inventory has been fairly steady at about 400 million square feet of commercial inventory in Manhattan going back twenty-five years. It's been as low as 380, 390. It's been as high as 400, a little above but it's right around 400 million square feet. Today it stands at 395 million. In 2017 it's projected to go to 400 million. The way that inventory has modulated is in fact there has been new supply over the past 15 years of approximately 30 million square feet of new supply, so roughly two million square feet a year of new inventory has been delivered. That's been offset by reductions in inventory caused through demolition or conversion of property.

Obviously, the market has performed very well over that period of time, has shown an ability, a propensity to digest 2 million square feet a year. If you look forward, we've looked at all the new development we think we can feasibly be delivered in the next 5 years. We estimate that to be about 26 million square feet. We deduct from that about 8.5 million square feet we don't believe can be delivered within that period of time. We think that is unanchored, announced but speculative development that has not commenced and will deliver outside of this five year time frame. We also expect there to be a few million square feet more of speculative conversions over the next five years, which is roughly at half the rate historically. That's sort of a conservative estimate of conversions.

You get to actual new supply projected of 15 million square feet. You deduct what's been leased and you add the vacancy created from what's been leased and you get to 14 million square feet, which is the number we think will be delivered to this market over the next five years. That's roughly 2.8 million square feet a year, which is less than 1% addition to inventory per annum. That's probably 66 bps addition to inventory per annum. We think that absorption, which is generally running 3 to 4 million square feet per year will be able to absorb all of that incremental footage and hopefully some more left over to continue to drive down the vacancy rate and increase mark to market rents, which is what we've been experiencing for the last four to five years.

If you turn now to page 16 we'll look at some of the retail opportunity in the portfolio that's been created by two announced leaves in the portfolio. One is Aéropostale's file for bankruptcy. We expect to get that space back from Aeropostale sometime within the next 6 months. Assuming we do, we think there's a mark to market opportunity on that space of anywhere between 2.5 to 4.5 million dollars per year net, which represents somewhere between a 24% and a 44% mark to market on retenanting of that space. American Girl decided that, after a successful period of time at 609 5th, was not willing to or comfortable with paying the increased market rents for that 5th Avenue location. They're moving off the 5th Avenue to a location where they'll be paying rents that are lower than what we expect to achieve 609 5th. You see there we have a mark to market opportunity of anywhere between 34% and 63% mark to market on retenanting.

The American Girl store was and has been in our growth numbers that we have talked to you about over the years and in our December investor meeting. The Aeropostale growth is incremental to those numbers because we had not projected that opportunity to be available to us so early. If you look at debt and preferred equity on page eighteen, we'll just look at the right column and you can see the activity today is tracking on plan. We started the year at a billion eight. We have originated nearly $400 million. We have a fairly substantial pipeline exceeding $375 million. That leaves us to originate for the balance of the year only about $150 million on a pure speculative basis assuming all the pipeline closes.

We'll be projecting to do somewhat less new originations but that's more than offset by the fact that we are experiencing slower or lower amount of pay offs than what we originally projected. After heavy sales and syndications to optimize yields we still expect to end the year right around $1.9 billion to $2 billion of outstanding, new originations tracking at yields of 8.5% or better. The total portfolio tracking at yields of between 9% and 10%.

If you turn forward to page 22, we'll just quickly talk about the investment grade profile of the company, the balance sheet. I'll draw your attention to the lower right hand box where we project by year end really just with the closing of the Citi Group acquisition at 388-390 Greenwich - we expect to have a debt to EBITDA of 7.5x. It's down 25% from where the ratio stood in 2007 and a projected fixed charge coverage level of a very healthy 2.4x. That obviously supports our BBB- ratings, investment grade ratings from all three rating agencies. We are still embarking on a plan to monetize additional assets for

redeployment and or additional debt pay down.

If you turn now to page 24, you've got One Vanderbilt. We've talked a lot about this. Just to refresh people's minds in terms of where we stand in terms of a budget sense the project is expected to cost slightly more than $1,800 a foot all -in with financing cost carry, TIs, commissions, full development and land value. Of that amount we will have spent through year-end about $937 million. We're on track to obtain a construction loan for $1.5 billion sometime by the end of the summer. We feel fairly confident given the receptivity in the market to this financing that we'll be able to achieve that leaving just $700 million dollars left to fund over the next four years. That's roughly $175 million dollars a year, which is readily able for us to fund out of ready cash flow over those next four years or via a JV partnership that we might entertain and close by sometime around year end.

Lastly, if you look at page 25, net asset value, with the fact that the company is doing as well as it is and the earnings are as high as it is, the performance, the portfolio was doing great. Asset values in New York continue to be extremely stable for all product, 4.5% stabilized cap rates and yet we're still trading at roughly a 6.5% cap rate, $560 per foot in a market that, like I said, is somewhere between a 4% to 4.5% cap rate and easily $900 to $1000 to $1100 of asset value. It's our job to try to do whatever we can feasibly do to narrow or eliminate that gap between actual private market evaluations of the underlying portfolio and where the stock price currently trades. Hopefully we'll be able to make good inroads of that over the next few days in meetings at NAREIT. Thank you.

Tony: Great, thank you Marc. I think what we'll do is I want to follow-up with a variety of questions but I think to the extent the audience has some questions, we can spend the next fifteen, twenty minutes of the presentation answering those. Please raise your hand. What I'd like to kick off with is 1.16 million square feet of leasing, we're about halfway into the year. I think by most measures that's ahead of pace I think compared to what we expected. What's changed in the last six months fundamentally in the market that stands out because if we go back to your call in January it was a little bit more cautious and the numbers seem to be a bit better.

Andrew: I think the broad base of demand has continued unabated including from financial services firms. If you look at our leasing velocity for the year it includes large leases to Credit Swiss, Wells Fargo, other financial firms who we, I would say in January, thought would be more cautious in terms of commitments for space. I think financial firms demand outstripped our expectations a bit. We have very significant activity at our Tower 46 property, 10E 53rd, our higher end buildings, those have continued to lease strongly. 280 Park where we signed the Four Seasons lease and have active discussions for the remaining vacancy at that property. We've seen financial firms continue to, I wouldn't say lead the market, but continue to participate at the rate they've been participating in years prior and that's been a pleasant surprise for us.

Tony: Do you think that is more specific to your portfolio or do you think that financial services have surprised more broadly in New York? I think that there's still that perception that it's tough to see that given the layoffs that financial services would be participating in

the way it's manifested in your numbers.

Andrew: I think it's more we've been very successful in our portfolio and that's been direct activity. They've been active elsewhere as well and you've seen major commitments by financial services firms all around midtown and even on the far west side. I think it's broader based and I think these firms are planning for the future, recognizing that rents are at an attractive level today and taking advantage of that and making commitments.

Marc: I would just add to that, the jobs number, which sort of speaks for itself for year to date in the financial services sector fire, finance insurance real estate is up about 1000 jobs. That's tracked by New York City. We go out anecdotally. It seems like everybody who's in the sector has got their head in their hands. They're saying, oh my god, layoffs, shedding, vacancy. Anecdotally there are cut backs in certain areas but there's also growth in other areas. When the city adds up those jobs, as it does every month, the FIRE sector has been a modest grower, not shrinker, not contractor in 2016.

Tony: Just one on supply, you addressed supply in your comments. There is, you said, 2.8 million square feet a year for the next several years. How do you feel that in your day to day leasing? Do you feel it as a nagging competitive set of space of potential group of assets that you're going up against? How does this supply factor in to your day to day?

Andrew: I would say really not at all. Most of the deals that have been done in the far west side are purchases. If you look at Wells Fargo, if you look at Time Warner, if you look at most of the major deals done over there. We're not offering condo space that's competitive to those deals. There's been very few smaller single floor or smaller groups of floor deals done over there. In limited instances like Skadden, which will leave space at 3 Times Square when it moves to Brookfield's project - that will come up against as they multi-tenant that building, but in terms of direct competitive conversations haven't felt it much yet.

Tony: I think there's a question there.

Speaker 4: Are you a publically traded company?

Marc: Yes we are. NYSE: SLG commonly referred to as SluGo.

Speaker 4: What is your PE ratio?

Marc: Our FFO multiple, which is the PE ratio we track, is 100 divided by 7 these days so I guess that's pretty close to 14 and change so low by peer group REIT standards, very low. Our multiple in good markets has traded as high as 25 to 28x.

Tony: I think we have one over here.

Speaker 5: My question [inaudible 00:18:40]

Tony: Can I just repeat this real quick for the web cast? The question here is, at a low 4s cap rate, which seems to be appropriate for where these types of assets trade, how do you think about that in the context of a very low rate environment in the instance, perhaps that maybe rates move? Is that the implication?

Marc: I think one of the grave misunderstandings out in the industry is that cap rate is singularly tied to the ten year treasury and it's not. The capital asset growth model, if you look it up has two inputs. One is cost of funds, the other is expected growth. If you only look at cost of funds without expected growth you're going to come to wrong answers both ways on the direction of cap rates. You can experience very low cap rates at a 5% treasury where you have 6% to 8% growth in NY. You can experience very high cap rates as you see in many markets around the country who are benefiting from a 1.7% treasury but have zero growth in their market and therefore may trade at cap rates of 6% to 8%.

It's the interplay between cost of funds, which for us right now is very low, and all other real estate companies, very low. Our debt costs are depending on short to long anywhere between 1.5% to 4% let's say, and our equity costs are low but not that low because our stock price is so mis-priced and as a result our cost of equity is much higher than for our private market competitors that have access to private market companies that are looking to invest in best of class assets and best location and best markets. Very low debt financing, relatively high equity financing but very good growth in expected NOI.

Our same store NOY growth is, for the year, projected to be over 6%. That's, in my opinion, over double what is the standard within a mature, stabilized office company. In part that's because of the way we operate the business. In part that's because we're in a market that's experiencing very good growth in office rents, notwithstanding the addition to office inventory as evidenced by the 33% mark to market I referenced earlier on 1.2 million square feet of same store leasing. We have a portion of the same store leasing, also the 1.9 million square feet of pipeline where we expect to achieve very good mark to market.

When you have out-sized NOI growth you don't have to be so cost of capital reliant because growing the NOI the way we do on our retail and commercial portfolio is what drives down that cap rate. People will pay today for an income stream if it's expected to grow in the future. That rate of growth we think is at least on par or greater than whatever perceived increase there is or might be in financing cost in the future.

Tony: Thanks, we've another question.

Speaker 6: [inaudible 00:22:19]

Tony: Do you think the NAV discount is based on the geographic concentration?

Andrew: It does seem like SL Green Trades as a proxy for New York. If there're positive feelings about New York and the direction of financial services, which are still our largest tenant

sector, SL Green benefits from it. When people are concerned and think that financial industry is under pressure, people seem to use SL Green as an outlet. We would argue that we have a lot more significant tenant diversity. Financial services is about a third these days of our tenant base so relatively low in percentage and I would say shrinking as opposed to growing as we cycle in more education, non-profit, TAMI sector tenants who are the growing tenants in New York these days.

Tony: I'd like to touch on street retail because you mentioned it in your comments as having pretty sizable mark to markets with Aeropostale and American Girl. There's been a lot of discussion around street retail pulling back. Can you give us some context to what's been happening there in the last 12 to 18 months and how you still land at a pretty strong mark to market for leases?

Andrew: Sure, I think the rate of growth in retail rents has been stratospheric; pretty much unabated even including '09 and '10 from 2001 to today. What we've seen in the major streets is growth rates taking a pause, but rental levels still generally holding and decent velocity in the very high traffic areas where we own our street retail portfolio: Times Square, Fifth Avenue, Soho and Financial District. I think for the best corner or the best location there is still pricing power for landlords. I think in more fringe areas where there's more vacancy, landlords happen to be more competitive in terms of drawing tenants in, but we're still seeing good tenant activity on the few vacancies that we have. Given that stratospheric rate of growth, a lot of our in-place rents are significantly below not only today's market but double or triple today's market in some cases.

Tony: If you were to just think about those market rents, are they higher or lower than they were twelve months ago even though they seem to be pretty substantially above your in-place?

Andrew: Definitely significantly above our in-place and I think generally rents have held. There've been some leases done where there's been concession packages that are maybe larger than they would have been a year ago but generally I think rents have held.

Tony: I'd like to turn to one Vanderbilt and you're probably four plus years away from delivery but you've been showing the space. What's the feedback been like and traffic? Also, at your Investor Day, you did put as a goal potentially signing a lease this year. How realistic is that?

Marc: We said it was a stretch goal at the time but we're working hard to try to meet that goal and we're averaging three to four presentations to tenants per week I would say. Most of these tenants are those that have started early in their process because these guys are generally 18 to 30 months out type decision makers, not 4 year out decision makers. That, not withstanding, their brokers are dragging them into our office to see the presentation and the reaction has been terrific. We have conversations ongoing with several tenants. The uniqueness of the space, the location, the architecture, the amenities and the building -- we really believe are unmatched and that's the feedback we've been getting from brokers.

The tenants have seen it thus far and we expect the pace of those meetings to definitely pickup over the course of the end of the year into next year as people see demolitions. The buildings are almost down. It will be done in August. We're starting foundations August/September. We'll be vertical at some point next year. As people see the physical progress of the site it becomes a lot more tangible and we expect conversations to pick-up significantly then as well.

Tony: How do you think about balancing, bringing in a JV partner capital source versus the timing of the asset? How do you bring the balance sheet into this?

Marc: That's a good question because I think what we're building with One Vanderbilt would be one of the most special assets in New York City. I'm confident if not the single best commercial office building in the city, it will be one of the top two or three. In that regard, what better asset for a company like SL Green to own and develop. In the same sense there's always a desire to manage risk in the balance sheet and a project of this size does present an element of risk. I don't think it's much leasing risk because this will lease as it gets further along in its cycle, when we get closer to the 2019/2020 delivery dates. As Andrew said, the reception to the product has been excellent.

If it were a leasing issue there would be no issue in my mind -- but because of the time and cost to construct, I do think that prudence would guide us in the direction of a joint venture sometime towards the end of this year beginning of next year. We're having those conversations. As we expected, the reception from the community, both domestic and international, has been excellent. I don't think there's anybody who hasn't seen the presentation, seen the project, who doesn't want to take the next step on an expedited basis to engage in conversations about doing a joint venture.

For us, it'll be about the timing of such, the terms of such and the selection of the right partner because on a special project like this, it's not just a matter of opening it up to the highest bidder, if you will, but somebody we think will share our strategic view and appreciation for this very special asset and time-wise, as I mentioned, sometime in the next nine to to twelve months we would look probably to consummate a venture along those lines.

Tony: Got it. I don't know if we have anymore audience questions. I have just one last item. I would just like to get your perspective on, start of the year with a good deal of capital markets activity or capital markets volatility I should say, what does the investment sales market look like right now in New York City?

Andrew: We're still seeing great prints. I think on page 11 we have some of the latest deals hot off the presses. There is still very significant investor demand, both domestic and foreign. You've seen very large deals capitalized. You've seen smaller deals continue to get terrific activity. A land and redevelopment play traded actually in Brooklyn, the Watch Tower property, that's on page 11. I think the international push of capital into New York has really continued unabated. We've been very pleased with the level of demand, the comps that are out there and the competitiveness with which people have pursued any available properties.

Tony: With that folk we're out of time. Want to thank Marc and Andrew for the presentation. Thank all of you for coming.