

SL Green Realty Corp. Reports Second Quarter 2014 FFO of \$1.64 Per Share Before Transaction Costs; And EPS of \$2.46 Per Share

Financial and Operating Highlights

- Second quarter FFO of \$1.64 per share before transaction related costs of \$0.02 per share compared to prior year FFO of \$1.29 per share before transaction related costs of \$0.02 per share.
- Second quarter net income attributable to common stockholders of \$2.46 per share compared to net income of \$0.09 per share in the prior year. Current quarter net income includes a gain recognized on the sale of 673 First Avenue of \$1.18 per share and a purchase price fair value adjustment related to the acquisition of the Company's joint venture partner's interest in 388-390 Greenwich Street of \$0.72 per share.
- Combined same-store cash NOI increased 3.5 percent for the second quarter compared to the prior year.
- Signed 64 Manhattan office leases covering 272,645 square feet during the second quarter. The mark-to-market on signed Manhattan office leases was 10.5 percent higher in the second quarter than the previously fully escalated rents on the same spaces.
- Signed 34 Suburban office leases covering 163,777 square feet during the second quarter. The mark-to-market on signed Suburban office leases was 3.2 percent higher in the second quarter than the previously fully escalated rents on the same spaces.

Investing Highlights

- Closed on the acquisition of the Company's joint venture partner's interest in 388-390 Greenwich Street at a valuation for the consolidated investment of \$1.585 billion and simultaneously closed on a \$1.45 billion mortgage refinancing of the property.
- Entered into an agreement to sell the leased fee interest in 2 Herald Square for \$365.0 million.
- Together with its joint venture partner, reached an agreement to sell the mixed-use college dormitory/retail asset at 180 Broadway for a gross sales price of \$222.5 million.
- Closed today on the sale of the development properties at 985-987 Third Avenue for \$68.7 million.
- Closed on the sale of the Company's leasehold interest in 673 First Avenue for \$145.0 million and recognized a gain on sale of \$117.8 million.
- Closed on the sale of the Company's joint venture interest in 747 Madison Avenue for a gross sales price of \$160.0 million, recognizing a promote of \$10.3 million and a deferred gain on sale of \$13.1 million.
- Closed on the acquisition of 719 Seventh Avenue for \$41.1 million, expanding the Company's retail footprint in Times Square.
- Closed on the acquisition of a prime retail condominium at 115 Spring Street for \$52.0 million, located along one of SoHo's most popular shopping corridors.
- Originated and retained or acquired debt and preferred equity investments totaling \$219.3 million in the second quarter at a weighted average current yield of 9.1 percent.

Summary

New York, NY, July 23, 2014 - SL Green Realty Corp. (NYSE: SLG) today reported funds from operations, or FFO, for the quarter ended June 30, 2014 of \$160.9 million, or \$1.62 per share, after giving consideration to transaction costs of \$1.7 million, or \$0.02 per share, as compared to FFO for the same quarter of 2013 of \$120.5 million, or \$1.27 per share, after giving consideration to transaction costs of \$1.7 million, or \$0.02 per share, and non-recurring charges related to the redemption of

the Series C Cumulative Redeemable Preferred Stock of \$12.2 million, or \$0.13 per share.

Net income attributable to common stockholders for the quarter ended June 30, 2014 totaled \$235.5 million, or \$2.46 per share, inclusive of \$117.8 million, or \$1.18 per share, of gains recognized from the sale of 673 First Avenue and a purchase price fair value adjustment of \$71.4 million, or \$0.72 per share, related to the acquisition of the Company's joint venture partner's interest in 388-390 Greenwich Street, compared to net income attributable to common stockholders of \$8.3 million, or \$0.09 per share, for the same quarter in 2013.

All per share amounts in this press release are presented on a diluted basis.

Operating and Leasing Activity

For the second quarter of 2014, the Company reported consolidated revenues and operating income of \$387.2 million and \$237.3 million, respectively, compared to \$353.9 million and \$198.7 million, respectively, for the same period in 2013.

Same-store cash NOI on a combined basis increased by 3.5 percent to \$170.8 million and by 2.0 percent to \$331.5 million for the three and six months ended June 30, 2014, respectively, as compared to the same periods in 2013. For the quarter, consolidated property same-store cash NOI increased by 1.4 percent to \$152.9 million and unconsolidated joint venture property same-store cash NOI increased 25.4 percent to \$18.0 million. For the first six months, consolidated property same-store cash NOI decreased by 0.2 percent to \$296.8 million and unconsolidated joint venture property same-store cash NOI increased 24.8 percent to \$34.7 million.

During the second quarter, the Company signed 64 office leases in its Manhattan portfolio totaling 272,645 square feet. Twenty-seven leases comprising 106,892 square feet represented office leases that replaced previous vacancy. Thirty-seven leases comprising 165,753 square feet, representing office leases on space that had been occupied within the prior twelve months, are considered replacement leases on which mark-to-market is calculated. Those replacement leases had average starting rents of \$63.16 per rentable square foot, representing a 10.5 percent increase over the previously fully escalated rents on the same office spaces. The average lease term on the Manhattan office leases signed in the second quarter was 6.6 years and average tenant concessions were 2.8 months of free rent with a tenant improvement allowance of \$37.36 per rentable square foot.

During the first six months of 2014, the Company has signed 139 office leases in its Manhattan portfolio totaling 820,707 square feet. Forty-eight leases comprising 267,506 square feet represented office leases that replaced previous vacancy. Ninety-one leases comprising 553,201 square feet, representing office leases on space that had been occupied within the prior twelve months, are considered replacement leases on which mark-to-market is calculated. Those replacement leases had average starting rents of \$62.23 per rentable square foot, representing a 13.7 percent increase over the previously fully escalated rents on the same office spaces.

Manhattan same-store occupancy was 94.9 percent as of June 30, 2014, inclusive of 275,657 square feet of leases signed but not yet commenced as compared to 94.9 percent at March 31, 2014 and 94.2 percent at June 30, 2013.

During the second quarter, the Company signed 34 office leases in the Suburban portfolio totaling 163,777 square feet. Eighteen leases comprising 121,045 square feet represented office leases that replaced previous vacancy. Sixteen leases comprising the remaining 42,732 square feet, representing office leases on space that had been occupied within the prior twelve months, are considered replacement leases on which mark-to-market is calculated. Those replacement leases had average starting rents of \$31.39 per rentable square foot, representing a 3.2 percent increase over the previously fully escalated rents on the same office spaces. The average lease term on the Suburban office leases signed in the second quarter was 8.3 years and average tenant concessions were 6.4 months of free rent with a tenant improvement allowance of \$33.45 per rentable square foot.

During the first six months of 2014, the Company has signed 67 office leases in its Suburban portfolio totaling 322,911 square feet. Thirty-four leases comprising 192,175 square feet represented office leases that replaced previous vacancy. Thirty-three leases comprising 130,736 square feet, representing office leases on space that had been occupied within the prior twelve months, are considered replacement leases on which mark-to-market is calculated. Those replacement leases had average starting rents of \$32.04 per rentable square foot, representing a 1.6 percent increase over the previously fully escalated rents on the same office spaces.

Same-store occupancy for the Company's Suburban portfolio increased to 82.8 percent at June 30, 2014, inclusive of 98,370 square feet of leases signed but not yet commenced, as compared to 81.2 percent at March 31, 2014 and 79.3 percent at June 30, 2013.

Significant leases that were signed during the second quarter included:

- New lease on 39,200 square feet with Sony Entertainment for 10.8 years at The Meadows, Rutherford, New Jersey;
- New lease on 20,966 square feet with TPR Education for 10.4 years at 110 East 42nd Street;

- Renewal and expansion on 17,922 square feet with Curex Group Holdings, LLC for 5 years at 120 West 45th Street;
- Early renewal on 17,901 square feet with SLR Acquisitions, Corp at 110 East 42nd Street bringing the remaining weighted average lease term to 4.3 years; and
- New lease on 16,315 square feet with Titan Advisors, LLC for 8.8 years at 750 Washington Boulevard, Stamford, Connecticut.

Marketing, general and administrative, or MG&A, expenses for the quarter ended June 30, 2014 were \$23.9 million, or 5.4 percent of total revenues and an annualized 50 basis points of total assets including the Company's share of joint venture revenues and assets.

Real Estate Investment Activity

In May, the Company closed on the acquisition of Ivanhoe Cambridge's stake in 388-390 Greenwich Street for a gross valuation of \$1.585 billion, thereby assuming full ownership of the 2.6 million square foot property located in Tribeca, which is triple-net leased to an affiliate of Citigroup Inc. through 2035.

In July, the Company entered into an agreement to sell the leased fee interest in 2 Herald Square for \$365.0 million. The sale of the leased fee interest, which is improved with an existing 11-story 365,000 square foot commercial office building, is expected to close during the fourth quarter of 2014, subject to the satisfaction of customary closing conditions.

In July, the Company, together with its partner, reached an agreement to sell all their interests, including their fee position and retail condominium unit, in the mixed-use college dormitory/retail asset at 180 Broadway for a gross sales price of \$222.5 million. This transaction is expected to close during the third quarter of 2014, subject to the satisfaction of customary closing conditions.

Today, the Company closed on the sale of its development properties at 985-987 Third Avenue for \$68.7 million. The sale is being made in conjunction with the pending sale of the adjacent parcel, which the Company does not own. The total amount paid for the combined development site, plus development rights, was \$100.0 million.

In May, the Company closed on the sale of its leasehold interest in 673 First Avenue for \$145.0 million, reflecting a capitalization rate based on in-place net operating income of 4.7 percent, and recognized a gain on sale of \$117.8 million.

In May, the Company closed on the sale of its joint venture interest in a 10,000 square foot property located at 747 Madison Avenue for a gross sales price of \$160.0 million, recognizing a promote of \$10.3 million and a deferred gain on sale of \$13.1 million.

In July, the Company, together with its joint venture partner, closed on the acquisition of 719 Seventh Avenue for \$41.1 million. The site can accommodate a building up to 28,114 square feet in addition to highly coveted LED signage towers, akin to those the Company has constructed at 1551-1555 Broadway, 1515 Broadway and most recently at 1552-1560 Broadway. The Company intends to demolish the building in due course in order to take full advantage of the development rights.

In July, the Company closed on the acquisition of a 5,218 square foot prime retail condominium at 115 Spring Street, located along one of SoHo's most popular shopping corridors, for \$52.0 million, expanding the Company's SoHo presence, which includes retail assets at 131-137 Spring Street, a participating preferred investment at 530-536 Broadway and a contract to purchase the retail condominium at 121 Greene Street.

In April, the Company entered into a contract to acquire the fee interest at 635 Madison Avenue for \$145.0 million. The property is encumbered by a ground lease through April 2030 with one twenty-one year renewal extension option. The improvements of the fee interest include a 19-story 176,530-square-foot office tower. The transaction is expected to be completed during the third quarter of 2014, subject to the satisfaction of customary closing conditions.

Debt and Preferred Equity Investment Activity

The carrying value of the Company's debt and preferred equity investment portfolio totaled \$1.5 billion at June 30, 2014. During the second quarter, the Company originated and retained or acquired new debt and preferred equity investments totaling \$219.3 million, at a weighted average current yield of 9.1 percent, and recorded \$81.9 million of principal reductions from investments that were sold or repaid. As of June 30, 2014, the debt and preferred equity investment portfolio had a weighted average maturity of 1.8 years, excluding any extension options, and had a weighted average yield during the second quarter of 10.6 percent.

Financing and Capital Activity

In May, the Company closed on a \$1.45 billion mortgage refinancing of 388-390 Greenwich Street. The new loan, which bears interest at 175 basis points over LIBOR, has an initial 4-year term and three, 1-year as-of-right extension options, and replaces

the former \$1.138 billion financing. The Company has swapped \$504.0 million of the mortgage to fixed rate. A portion of the net proceeds from the refinancing were used to close on the purchase of Ivanhoe Cambridge's interest, which occurred simultaneously with the closing of the new financing.

In April, the Company and its joint venture partner closed on a \$275.0 million refinancing of 724 Fifth Avenue, resulting in proceeds in excess of our original basis in the building. The new loan matures in April 2017 with two one-year extension options and bears interest at a blended rate of 242 basis points over LIBOR.

Dividends

During the second quarter of 2014, the Company declared quarterly dividends on its outstanding common and preferred stock as follows:

- \$0.50 per share of common stock, which was paid on July 15, 2014 to stockholders of record on the close of business on June 30, 2014; and
- \$0.40625 per share on the Company's 6.50% Series I Cumulative Redeemable Preferred Stock for the period April 15, 2014 through and including July 14, 2014, which was paid on July 15, 2014 to stockholders of record on the close of business on June 30, 2014, and reflects the regular quarterly dividend which is the equivalent of an annualized dividend of \$1.625 per share.

Annual Institutional Investor Conference

The Company will host its Annual Institutional Investor Conference on Monday, December 8, 2014 in New York City. To be added to the Conference's email distribution list or to pre-register, please email SLG2014@slgreen.com. Details of the event will be provided to those on the Conference's email distribution list in September 2014.

Conference Call and Audio Webcast

The Company's executive management team, led by Marc Holliday, Chief Executive Officer, will host a conference call and audio webcast on Thursday, July 24, 2014 at 2:00 pm ET to discuss the financial results.

The supplemental package will be available prior to the quarterly conference call on the Company's website, www.slgreen.com, under "Financial Reports" in the Investors section.

The live conference will be webcast in listen-only mode on the Company's website under "Event Calendar & Webcasts" in the Investors section and on Thomson's StreetEvents Network. The conference may also be accessed by dialing (877) 280-4959 using pass-code "SL Green."

A replay of the call will be available through July 31, 2014 by dialing 888.286.8010 Domestic or 617.801.6888 International, using pass-code 73321053.

Company Profile

SL Green Realty Corp., New York City's largest office landlord, is a fully integrated real estate investment trust, or REIT, that is focused primarily on acquiring, managing and maximizing value of Manhattan commercial properties. As of June 30, 2014, SL Green held interests in 94 Manhattan buildings totaling 44.9 million square feet. This included ownership interests in 28.0 million square feet of commercial buildings and debt and preferred equity investments secured by 16.9 million square feet of buildings. In addition to its Manhattan investments, SL Green held ownership interests in 35 suburban buildings totaling 5.9 million square feet in Brooklyn, Long Island, Westchester County, Connecticut and New Jersey.

To be added to the Company's distribution list or to obtain the latest news releases and other Company information, please visit our website at www.slgreen.com or contact Investor Relations at 212.594.2700.

Disclaimers

Non-GAAP Financial Measures

During the quarterly conference call, the Company may discuss non-GAAP financial measures as defined by SEC Regulation G. In addition, the Company has used non-GAAP financial measures in this press release. A reconciliation of each non-GAAP financial measure and the comparable GAAP financial measure can be found on pages 11 through 12 of this release and in the Company's Supplemental Package.

Forward-looking Statement

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, are forward-looking statements. Forward-looking statements are not guarantees of future performance 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, many of which are beyond our control, 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. Factors and risks to our business that could cause actual results to differ from those contained in the forward-looking statements 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.

SL GREEN REALTY CORP.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited and in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Revenues:				
Rental revenue, net	\$ 285,234	\$ 262,743	\$ 551,755	\$ 518,560
Escalation and reimbursement	39,529	38,747	79,912	78,551
Investment and preferred equity income	39,714	46,731	93,798	99,439
Other income	22,750	5,723	37,331	11,015
Total revenues	<u>387,227</u>	<u>353,944</u>	<u>762,796</u>	<u>707,565</u>
Expenses:				
Operating expenses (including approximately \$4,450 and \$7,861 (2014) and \$3,953 and \$7,842 (2013) of related party expenses)	70,675	68,611	144,160	139,780
Real estate taxes	53,267	51,749	108,583	104,203
Ground rent	8,040	7,930	16,073	16,058
Interest expense, net of interest income	78,611	79,551	156,330	157,860
Amortization of deferred financing costs	5,500	4,229	9,357	8,681
Depreciation and amortization	94,838	81,577	184,217	160,200
Transaction related costs, net of recoveries	1,697	1,706	4,171	3,085
Marketing, general and administrative	23,872	21,514	47,128	42,582
Total expenses	<u>336,500</u>	<u>316,867</u>	<u>670,019</u>	<u>632,449</u>
Income from continuing operations before equity in net income (loss) from unconsolidated joint ventures, equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate, loss on sale of investment in marketable securities and loss on early extinguishment of debt	50,727	37,077	92,777	75,116
Equity in net income (loss) from unconsolidated joint ventures	8,619	(3,761)	14,748	1,313
Equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate	1,444	(3,583)	106,084	(3,583)
Loss on sale of investment in marketable securities	—	(8)	—	(65)
Purchase price fair value adjustment	71,446	(2,305)	71,446	(2,305)
Loss on early extinguishment of debt	(1,028)	(10)	(1,025)	(18,523)
Income from continuing operations	<u>131,208</u>	<u>27,410</u>	<u>284,030</u>	<u>51,953</u>
Net income from discontinued operations	4,389	3,838	8,178	8,519
Gain on sale of discontinued operations	114,735	—	114,735	1,113
Net income	<u>250,332</u>	<u>31,248</u>	<u>406,943</u>	<u>61,585</u>
Net income attributable to noncontrolling interests in the Operating Partnership	(8,645)	(244)	(13,374)	(799)
Net income attributable to noncontrolling interests in other partnerships	(1,843)	(3,004)	(3,333)	(5,905)
Preferred unit distributions	(565)	(565)	(1,130)	(1,130)
Net income attributable to SL Green	<u>239,279</u>	<u>27,435</u>	<u>389,106</u>	<u>53,751</u>
Preferred stock redemption costs	—	(12,160)	—	(12,160)
Perpetual preferred stock dividends	(3,738)	(6,999)	(7,475)	(14,406)
Net income attributable to SL Green common stockholders	<u>\$ 235,541</u>	<u>\$ 8,276</u>	<u>\$ 381,631</u>	<u>\$ 27,185</u>
Earnings Per Share (EPS)				
Net income per share (Basic)	<u>\$ 2.47</u>	<u>\$ 0.09</u>	<u>\$ 4.01</u>	<u>\$ 0.30</u>
Net income per share (Diluted)	<u>\$ 2.46</u>	<u>\$ 0.09</u>	<u>\$ 3.99</u>	<u>\$ 0.30</u>
Funds From Operations (FFO)				
FFO per share (Basic)	<u>\$ 1.63</u>	<u>\$ 1.28</u>	<u>\$ 3.15</u>	<u>\$ 2.44</u>
FFO per share (Diluted)	<u>\$ 1.62</u>	<u>\$ 1.27</u>	<u>\$ 3.14</u>	<u>\$ 2.43</u>
Basic ownership interest				
Weighted average REIT common shares for net income per share	95,455	91,660	95,288	91,530
Weighted average partnership units held by noncontrolling interests	3,515	2,652	3,339	2,694
Basic weighted average shares and units outstanding	<u>98,970</u>	<u>94,312</u>	<u>98,627</u>	<u>94,224</u>
Diluted ownership interest				
Weighted average REIT common share and common share equivalents	95,969	91,884	95,789	91,758
Weighted average partnership units held by noncontrolling interests	3,515	2,652	3,339	2,694
Diluted weighted average shares and units outstanding	<u>99,484</u>	<u>94,536</u>	<u>99,128</u>	<u>94,452</u>

SL GREEN REALTY CORP.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	June 30, 2014	December 31, 2013
	<u>(Unaudited)</u>	
Assets		
Commercial real estate properties, at cost:		
Land and land interests	\$ 3,466,587	\$ 3,032,526
Building and improvements	8,843,315	7,884,663
Building leasehold and improvements	1,390,004	1,366,281
Properties under capital lease	27,445	50,310
	<u>13,727,351</u>	<u>12,333,780</u>
Less accumulated depreciation	<u>(1,769,428)</u>	<u>(1,646,240)</u>
	11,957,923	10,687,540
Assets held for sale	339,809	—
Cash and cash equivalents	308,103	206,692
Restricted cash	157,225	142,051
Investment in marketable securities	39,912	32,049
Tenant and other receivables, net of allowance of \$20,026 and \$17,325 in 2014 and 2013, respectively	51,844	60,393
Related party receivables	8,915	8,530
Deferred rents receivable, net of allowance of \$27,616 and \$30,333 in 2014 and 2013, respectively	354,388	386,508
Debt and preferred equity investments, net of discounts and deferred origination fees of \$14,633 and \$18,593 in 2014 and 2013, respectively, and allowance of \$1,000 in 2013	1,547,808	1,304,839
Investments in unconsolidated joint ventures	971,926	1,113,218
Deferred costs, net	300,043	267,058
Other assets	679,840	750,123
Total assets	<u>\$ 16,717,736</u>	<u>\$ 14,959,001</u>
Liabilities		
Mortgages and other loans payable	\$ 5,939,176	\$ 4,860,578
Revolving credit facility	—	220,000
Term loan and senior unsecured notes	2,127,206	1,739,330
Accrued interest payable and other liabilities	128,730	114,622
Accounts payable and accrued expenses	164,215	145,889
Deferred revenue	223,394	263,261
Capitalized lease obligations	20,635	47,671
Deferred land leases payable	1,044	22,185
Dividend and distributions payable	53,193	52,255
Security deposits	65,166	61,308
Liabilities related to assets held for sale	193,375	—
Junior subordinate deferrable interest debentures held by trusts that is sued trust preferred securities	100,000	100,000
Total liabilities	<u>9,016,134</u>	<u>7,627,099</u>
Commitments and contingencies	—	—
Noncontrolling interest in the Operating Partnership	379,805	265,476
Series G Preferred Units, \$25.00 liquidation preference, 1,902 issued and outstanding at both June 30, 2014 and December 31, 2013	47,550	47,550
Series H Preferred Units, \$25.00 liquidation preference, 80 issued and outstanding at both June 30, 2014 and December 31, 2013	2,000	2,000
Equity		
SL Green Realty Corp. stockholders' equity:		
Series I Preferred Stock, \$0.01 par value, \$25.00 liquidation preference, 9,200 issued and outstanding at both June 30, 2014 and December 31, 2013	221,932	221,932
Common stock, \$0.01 par value 160,000 shares authorized, 99,188 and 98,563 issued and outstanding at June 30, 2014 and December 31, 2013, respectively (including 3,601 and 3,570 shares held in Treasury at June 30, 2014 and December 31, 2013, respectively)	993	986
Additional paid-in capital	5,085,965	5,015,904
Treasury stock at cost	(320,152)	(317,356)
Accumulated other comprehensive loss	(6,196)	(15,211)
Retained earnings	1,797,580	1,619,150
Total SL Green Realty Corp. stockholders' equity	<u>6,780,122</u>	<u>6,525,405</u>
Noncontrolling interests in other partnerships	492,125	491,471
Total equity	<u>7,272,247</u>	<u>7,016,876</u>
Total liabilities and equity	<u>\$ 16,717,736</u>	<u>\$ 14,959,001</u>

SL GREEN REALTY CORP.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
FFO Reconciliation:				
Net income attributable to SL Green common stockholders	\$ 235,541	\$ 8,276	\$ 381,631	\$ 27,185
Add:				
Depreciation and amortization	94,838	81,577	184,217	160,200
Discontinued operations depreciation adjustments	—	2,060	433	4,126
Joint venture depreciation and noncontrolling interest adjustments	8,161	17,620	21,148	25,148
Net income attributable to noncontrolling interests	10,488	3,248	16,707	6,704
Less:				
Gain on sale of discontinued operations	114,735	—	114,735	1,113
Equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate	1,444	(3,583)	106,084	(3,583)
Purchase price fair value adjustment	71,446	(2,305)	71,446	(2,305)
Depreciable real estate reserves, net of recoveries	—	(2,150)	—	(2,150)
Depreciation on non-rental real estate as sets	503	343	1,017	588
Funds From Operations	\$ 160,900	\$ 120,476	\$ 310,854	\$ 229,700

	Consolidated Properties Three Months Ended June 30,		SL Green's share of Unconsolidated Joint Ventures Three Months Ended June 30,		Combined Three Months Ended June 30,	
	2014	2013	2014	2013	2014	2013
Operating income and Same-store NOI Reconciliation:						
Income from continuing operations before equity in net income (loss) from unconsolidated joint ventures, equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate, loss on sale of investment in marketable securities, purchase price fair value adjustment and loss on early extinguishment of debt	\$ 50,727	\$ 37,077	\$ -	\$ -		
Equity in net income (loss) from unconsolidated joint ventures	8,619	(3,761)	8,619	(3,761)		
Depreciation and amortization	94,838	81,577	14,928	26,246		
Interest expense, net of interest income	78,611	79,551	15,427	19,846		
Amortization of deferred financing costs	5,500	4,229	832	2,979		
Loss on early extinguishment of debt	(1,028)	(10)	-	-		
Operating income	\$ 237,267	\$ 198,663	\$ 39,806	\$ 45,310		
Marketing, general & administrative expense	23,872	21,514	-	-		
Net operating income from discontinued operations	7,106	11,955	-	-		
Loan loss and other investment reserves, net of recoveries	-	-	-	-		
Transaction related costs, net of recoveries	1,697	1,706	27	15		
Non-building revenue	(56,988)	(49,337)	(6,365)	(4,172)		
Equity in net (income) loss from unconsolidated joint ventures	(8,619)	3,761	-	-		
Loss on early extinguishment of debt	1,028	10	1,787	-		
Net operating income (NOI)	205,363	188,272	35,255	41,153	240,618	229,425
NOI from discontinued operations	(7,106)	(11,955)	-	-	(7,106)	(11,955)
NOI from other properties/affiliates	(24,403)	(5,624)	(14,605)	(23,233)	(39,008)	(28,857)
Same-Store NOI	\$ 173,854	\$ 170,693	\$ 20,650	\$ 17,920	\$ 194,504	\$ 188,613
Ground lease straight-line adjustment	400	221	-	-	400	221
Straight-line and free rent	(15,458)	(12,761)	(2,377)	(2,706)	(17,835)	(15,467)
Rental income – FAS 141	(5,939)	(7,366)	(307)	(885)	(6,246)	(8,251)
Same-store cash NOI	\$ 152,857	\$ 150,787	\$ 17,966	\$ 14,329	\$ 170,823	\$ 165,116

SL GREEN REALTY CORP.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
	FFO Reconciliation:			
Net income attributable to SL Green common stockholders	\$ 235,541	\$ 8,276	\$ 381,631	\$ 27,185
Add:				
Depreciation and amortization	94,838	81,577	184,217	160,200
Discontinued operations depreciation adjustments	—	2,060	433	4,126
Joint venture depreciation and noncontrolling interest adjustments	8,161	17,620	21,148	25,148
Net income attributable to noncontrolling interests	10,488	3,248	16,707	6,704
Less:				
Gain on sale of discontinued operations	114,735	—	114,735	1,113
Equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate	1,444	(3,583)	106,084	(3,583)
Purchase price fair value adjustment	71,446	(2,305)	71,446	(2,305)
Depreciable real estate reserves, net of recoveries	—	(2,150)	—	(2,150)
Depreciation on non-rental real estate assets	503	343	1,017	588
Funds From Operations	<u>\$ 160,900</u>	<u>\$ 120,476</u>	<u>\$ 310,854</u>	<u>\$ 229,700</u>

	Consolidated Properties Three Months Ended June 30,		SL Green's share of Unconsolidated Joint Ventures Three Months Ended June 30,		Combined Three Months Ended June 30,	
	2014	2013	2014	2013	2014	2013
	Operating income and Same-store NOI Reconciliation:					
Income from continuing operations before equity in net income (loss) from unconsolidated joint ventures, equity in net gain (loss) on sale of interest in unconsolidated joint venture/real estate, loss on sale of investment in marketable securities, purchase price fair value adjustment and loss on early extinguishment of debt	\$ 50,727	\$ 37,077	\$ -	\$ -		
Equity in net income (loss) from unconsolidated joint ventures	8,619	(3,761)	8,619	(3,761)		
Depreciation and amortization	94,838	81,577	14,928	26,246		
Interest expense, net of interest income	78,611	79,551	15,427	19,846		
Amortization of deferred financing costs	5,500	4,229	832	2,979		
Loss on early extinguishment of debt	(1,028)	(10)	-	-		
Operating income	<u>\$ 237,267</u>	<u>\$ 198,663</u>	<u>\$ 39,806</u>	<u>\$ 45,310</u>		
Marketing, general & administrative expense	23,872	21,514	-	-		
Net operating income from discontinued operations	7,106	11,955	-	-		
Loan loss and other investment reserves, net of recoveries	-	-	-	-		
Transaction related costs, net of recoveries	1,697	1,706	27	15		
Non-building revenue	(56,988)	(49,337)	(6,365)	(4,172)		
Equity in net (income) loss from unconsolidated joint ventures	(8,619)	3,761	-	-		
Loss on early extinguishment of debt	1,028	10	1,787	-		
Net operating income (NOI)	<u>205,363</u>	<u>188,272</u>	<u>35,255</u>	<u>41,153</u>	\$ 240,618	\$ 229,425
NOI from discontinued operations	(7,106)	(11,955)	-	-	(7,106)	(11,955)
NOI from other properties/affiliates	(24,403)	(5,624)	(14,605)	(23,233)	(39,008)	(28,857)
Same-Store NOI	<u>\$ 173,854</u>	<u>\$ 170,693</u>	<u>\$ 20,650</u>	<u>\$ 17,920</u>	<u>\$ 194,504</u>	<u>\$ 188,613</u>
Ground lease straight-line adjustment	400	221	-	-	400	221
Straight-line and free rent	(15,458)	(12,761)	(2,377)	(2,706)	(17,835)	(15,467)
Rental income – FAS 141	(5,939)	(7,366)	(307)	(885)	(6,246)	(8,251)
Same-store cash NOI	<u>\$ 152,857</u>	<u>\$ 150,787</u>	<u>\$ 17,966</u>	<u>\$ 14,329</u>	<u>\$ 170,823</u>	<u>\$ 165,116</u>

	Consolidated Properties Six Months Ended June 30,		SL Green's share of Unconsolidated Joint Ventures Six Months Ended June 30,		Combined Six Months Ended June 30,	
	2014	2013	2014	2013	2014	2013
	Operating income and Same-store NOI Reconciliation:					
Income from continuing operations before equity in net income from unconsolidated joint ventures, equity in net gain on sale of interest in unconsolidated joint venture/real estate, loss on sale of investment in marketable securities, purchase price fair value adjustment and loss on early extinguishment of debt	\$ 92,777	\$ 75,116	\$ -	\$ -		

Equity in net income from unconsolidated joint ventures	14,748	1,313	14,748	1,313		
Depreciation and amortization	184,217	160,200	35,085	42,256		
Interest expense, net of interest income	156,330	157,860	34,130	39,388		
Amortization of deferred financing costs	9,357	8,681	3,458	5,341		
Loss on early extinguishment of debt	(1,025)	(18,523)	-	-		
Operating income	\$ 456,404	\$ 384,647	\$ 87,421	\$ 88,298		
Marketing, general & administrative expense	47,128	42,582	-	-		
Net operating income from discontinued operations	14,457	21,718	-	-		
Loan loss and other investment reserves, net of recoveries	-	-	-	-		
Transaction related costs, net of recoveries	4,171	3,085	100	15		
Non-building revenue	(118,592)	(100,363)	(10,170)	(8,208)		
Equity in income from unconsolidated joint ventures	(14,748)	(1,313)	-	-		
Loss on early extinguishment of debt	1,025	18,523	3,382	-		
Net operating income (NOI)	389,845	368,879	80,733	80,105	\$ 470,578	\$ 448,984
NOI from discontinued operations	(14,457)	(21,718)	-	-	(14,457)	(21,718)
NOI from other properties/affiliates	(39,605)	(11,774)	(39,746)	(46,656)	(79,351)	(58,430)
Same-Store NOI	\$ 335,783	\$ 335,387	\$ 40,987	\$ 33,449	\$ 376,770	\$ 368,836
Ground lease straight-line adjustment	801	640	-	-	801	640
Straight-line and free rent	(28,197)	(26,215)	(5,630)	(4,425)	(33,827)	(30,640)
Rental income – FAS 141	(11,544)	(12,516)	(686)	(1,244)	(12,230)	(13,760)
Same-store cash NOI	\$ 296,843	\$ 297,296	\$ 34,671	\$ 27,780	\$ 331,514	\$ 325,076

**SL GREEN REALTY CORP.
SELECTED OPERATING DATA-UNAUDITED**

	June 30,	
	2014	2013
Manhattan Operating Data: ⁽¹⁾		
Net rentable area at end of period (in 000's)	21,905	24,282
Portfolio percentage leased at end of period	94.4%	93.6%
Same-Store percentage leased at end of period	93.6%	92.7%
Number of properties in operation	30	36
Office square feet where leases commenced during quarter (rentable)	314,938	649,425
Average mark-to-market percentage-office	0.5%	5.0%
Average starting cash rent per rentable square foot-office	\$54.18	\$56.39

⁽¹⁾ Includes wholly-owned and joint venture properties.

CONTACT
James Mead
Chief Financial Officer
-and-
Heidi Gillette
Investor Relations
(212) 594-2700