

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):

**April 25, 2005**

**SL GREEN REALTY CORP.**

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

**MARYLAND**

(STATE OF INCORPORATION)

**1-13199**

(COMMISSION FILE NUMBER)

**13-3956775**

(IRS EMPLOYER ID. NUMBER)

**420 Lexington Avenue  
New York, New York**

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

**10170**

(ZIP CODE)

**(212) 594-2700**

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition**

The information (including exhibits 99.1 and 99.2) being furnished pursuant to this "Item 2.02 Results of Operations and Financial Condition" shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing.

Following the issuance of a press release on April 25, 2005 announcing the Company's results for the first quarter ended March 31, 2005, the Company intends to make available supplemental information regarding the Company's operations that is too voluminous for a press release. The Company is attaching the press release as Exhibit 99.1 and the supplemental package as Exhibit 99.2 to this Current Report on Form 8-K.

**Item 7.01. Regulation FD Disclosure**

The information being furnished pursuant to this "Item 7.01 Regulation FD Disclosure" shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing. This information will not be deemed an admission as to the materiality of such information that is required to be disclosed solely by Regulation FD.

**Item 9.01. Financial Statements and Exhibits**

(c) *Exhibits*

- 99.1 Press Release regarding first quarter earnings
- 99.2 Supplemental package

**NON-GAAP Supplemental Financial Measures**

## **Funds from Operations (FFO)**

FFO is a widely recognized measure of REIT performance. We compute FFO in accordance with standards established by the National Association of Real Estate Investment Trusts, or NAREIT, which may not be comparable to FFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, or that interpret the NAREIT definition differently than we do. The revised White Paper on FFO approved by the Board of Governors of NAREIT in April 2002 defines FFO as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales of properties, plus real estate related depreciation and amortization and after adjustments for unconsolidated partnerships and joint

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ventures. We present FFO because we consider it an important supplemental measure of our operating performance and believe that it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, particularly those that own and operate commercial office properties. We also use FFO as one of several criteria to determine performance-based bonuses for members of our senior management. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, interest costs, providing perspective not immediately apparent from net income. FFO does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP), as an indication of our financial performance or to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to make cash distributions.

## **Funds Available for Distribution (FAD)**

FAD is a non-GAAP financial measure that is not intended to represent cash flow for the period and is not indicative of cash flow provided by operating activities as determined in accordance with GAAP. FAD is presented solely as a supplemental disclosure with respect to liquidity because the Company believes it provides useful information regarding the Company's ability to fund its dividends. Because all companies do not calculate FAD the same way, the presentation of FAD may not be comparable to similarly titled measures of other companies. FAD does not represent cash flow from operating, investing and finance activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP), as an indication of our financial performance, as an alternative to net cash flows from operating activities (determined in accordance with GAAP), or as a measure of our liquidity.

## **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)**

The Company presents earnings before interest, taxes, depreciation and amortization (EBITDA) because the Company believes that EBITDA, along with cash flow from operating activities, investing activities and financing activities, provides investors with an additional indicator of the Company's ability to incur and service debt. EBITDA should not be considered as an alternative to net income (determined in accordance with GAAP), as an indication of our financial performance, as an alternative to net cash flows from operating activities (determined in accordance with GAAP), or as a measure of our liquidity.

## **Same-Store Net Operating Income**

The Company presents same-store net operating income on a cash and GAAP basis because the Company believes that it provides investors with useful information regarding the operating

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performance of properties that are comparable for the periods presented. For properties owned since January 1, 2004, the Company determines net operating income by subtracting property operating expenses and ground rent from recurring rental and tenant reimbursement revenues. Same-store net operating income is not an alternative to net income (determined in accordance with GAAP) and same-store performance should not be considered an alternative to GAAP net income performance.

## **Debt to Market Capitalization Ratio**

The Company presents the ratio of debt to market capitalization as a measure of the Company's leverage position relative to the Company's estimated market value. The Company's estimated market value is based upon the quarter-end trading price of the Company's common stock multiplied by all common shares and operating partnership units outstanding plus the face value of the Company's preferred equity. This ratio is presented on a consolidated basis and a combined basis. The combined debt to market capitalization includes the Company's pro-rata share of off-balance sheet (unconsolidated) joint venture debt. The Company believes this ratio may provide investors with another measure of the Company's current leverage position. The debt to market capitalization ratio should be used as one measure of the Company's leverage position, and this measure is commonly used in the REIT sector; however, this may not be comparable to other REITs that do not compute in the same manner. The debt to market capitalization ratio does not represent the Company's borrowing capacity and should not be considered an alternative measure to the Company's current lending arrangements.

## **Coverage Ratios**

The Company presents fixed charge and interest coverage ratios to provide a measure of the Company's financial flexibility to service current debt amortization, interest expense and ground rent from current cash net operating income. These coverage ratios are provided on both a consolidated and combined basis. The combined coverage ratios include the Company's pro-rata share of off-balance sheet (unconsolidated) joint venture fixed charges and cash net operating income. These coverage ratios represent a common measure of the Company's ability to service fixed cash payments; however, these ratios are not used as an alternative to cash flow from operating, financing and investing activities (determined in accordance with GAAP).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SL GREEN REALTY CORP.

/S/ Gregory F. Hughes

Gregory F. Hughes

Chief Financial Officer

Date: April 26, 2005



420 Lexington Avenue, New York City, NY 10170

**FOR IMMEDIATE RELEASE**

**CONTACT**

Gregory F. Hughes  
Chief Financial Officer  
(212) 594-2700

or  
Michelle M. LeRoy  
Investor Relations  
(212) 594-2700

**SL GREEN REALTY CORP. REPORTS  
FIRST QUARTER FFO OF \$0.99 PER SHARE**

**First Quarter Highlights**

- **Increased first quarter FFO to \$0.99 per share (diluted), a 19% increase over the same quarter in 2004.**
- **Increased net income available to common shareholders to \$0.54 per share (diluted), a 35% increase over the same quarter in 2004.**
- **Recognized same store GAAP NOI growth of 9.6% during the first quarter.**
- **Increased average office starting rents to \$40.60, representing a 4.9% over previously fully escalated rents and continuing the upward trend in rents.**
- **Completed acquisition of 28 West 44<sup>th</sup> Street for \$105 million, or \$293 per square foot.**
- **Entered into agreements to acquire One Madison Avenue for \$918 million, or \$650 per square foot, through joint ventures with Gramercy Capital Corp. and Credit Suisse First Boston.**
- **Entered into agreement to sell 1414 Avenue of the Americas for \$60.5 million, or \$500 per square foot, resulting in a gain of approximately \$35.0 million or \$0.77 per share on closing in April 2005.**
- **Entered into agreement to sell 180 Madison Avenue for \$92.7 million, or \$355 per square foot, which will result in a joint venture gain of approximately \$43.0 million or \$0.48 per share for SL Green's interest.**
- **Maintained occupancy at 95.7% for the portfolio and at 96.3% for the combined same store portfolio.**

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- **Signed 55 office leases totaling 415,806 square feet during the first quarter, including approximately 280,000 square feet at 625 Madison Avenue, thus increasing occupancy at the property to 92%.**

**Summary**

New York, NY, April 25, 2005 - SL Green Realty Corp. (NYSE: SLG) today reported funds from operations available to common shareholders ("FFO") of \$44.6 million, or \$0.99 per share for the first quarter ended March 31, 2005, a 19% increase over the same quarter in 2004.

Net income available to common shareholders was \$22.9 million for the first quarter 2005, an increase of \$6.9 million, or 44%, over the same period in 2004. Net income available to common shareholders for the quarter ended March 31, 2004 was \$16.0 million. The increase was primarily due to acquisitions that closed in 2004 and 2005, including 750 Third Avenue and 485 Lexington Avenue (July 2004), 625 Madison Avenue (October 2004) and 28 West 44<sup>th</sup> Street (February 2005).

All per share amounts are presented on a diluted basis.

**Operating and Leasing Activity**

Revenues and EBITDA of \$100.9 million and \$61.1 million increased \$19.8 million (or 25%) and \$16.6 million (or 37%), respectively, from the prior year, largely due to the new acquisitions described above. Same-store GAAP NOI increased 9.6% to \$34.9 million during the first quarter.

Average starting office rents of \$40.60 per rentable square foot for the first quarter represented a 4.9% increase over the previously fully escalated rents.

359,000 square feet were added to the portfolio during the first quarter of 2005, increasing total useable square feet under ownership from 17.0 million to 17.4 million square feet. Occupancy for the portfolio increased from 95.6% at December 31, 2004 to 95.7% at March 31, 2005. Quarter end occupancy does not yet reflect the full benefit of two leases signed during the quarter at 625 Madison Avenue. After giving effect to the new leases, occupancy would be 96.4%. During the quarter, the Company signed 64 leases totaling 535,690 square feet.

Significant leasing activities during the first quarter included:

- 55 office leases totaling approximately 416,000 square feet signed, representing a significant increase in the average size lease when compared to 59 office leases totaling 251,000 square feet signed during the same period in 2004.
  - Renewal of Astor Parking Corp. for approximately 70,000 square feet at 1515 Broadway.
  - Renewal and expansion of Related Company LLC for approximately 87,000 square feet at 625 Madison Avenue.
  - Renewal and expansion of Polo Ralph Lauren Corporation for approximately 186,000 square feet at 625 Madison Avenue.
  - Renewal and expansion of American Media Operations, Inc. for approximately 78,000 square feet at One Park Avenue.
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### **Real Estate Investment Activity**

During the first quarter of 2005, the Company announced acquisitions totaling approximately \$1.0 billion and dispositions totaling approximately \$153.2 million.

Investment activity announced during the first quarter included:

- Acquisition of the fee interest in One Madison Avenue for \$918 million, or approximately \$650 per square foot. The property consists of two contiguous buildings - the South Building and the North Tower - totaling approximately 1.4 million square feet. The transaction, which is subject to customary closing conditions, is expected to close during the second quarter of 2005. The Company entered into a joint venture agreement with Gramercy Capital Corp. whereby SL Green will own a 55% interest in the 1.2 million square foot South Building, which is occupied almost entirely by Credit Suisse First Boston, New York pursuant to a lease that expires in 2020. SL Green and Gramercy will acquire the building on a pari passu basis for approximately \$803.0 million. SL Green and Credit Suisse First Boston (USA), Inc. will share in the profits of the residential component. The acquisition deposit of approximately \$41.0 million is included in other assets on the accompanying balance sheet.
- Acquisition of the fee interest in 28 West 44<sup>th</sup> Street for \$105.0 million, or approximately \$293 per square foot. The property is approximately 359,000 square feet. The transaction closed during the first quarter of 2005.
- Sale of the fee interest in 1414 Avenue of the Americas for \$60.5 million, or approximately \$500 per square foot. The property is approximately 121,000 square feet. The Company will recognize a gain on sale of approximately \$35.0 million upon closing of the transaction in April 2005. The sale was effectuated through a reverse 1031 exchange with 625 Madison Avenue, which resulted in substantially all of the taxable gain on sale being deferred.
- Entered into an agreement to sell the fee interest at 180 Madison Avenue for \$92.7 million, or \$355 per square foot. The property is approximately 265,000 square feet and owned through a joint venture between Morgan Stanley Real Estate Funds and SL Green. The joint venture expects to recognize a gain of approximately \$43.0 million from the sale, which is expected to close, subject to customary closing conditions, in the third quarter of 2005. SL Green expects to recognize an incentive fee of at least \$5.0 million pending final resolution of cash disbursements in August 2005.

### **Structured Finance Activity**

The Company's structured finance investments totaled \$375.1 million on March 31, 2005, a net increase of \$25.1 million from December 31, 2004. The structured finance investments currently have a weighted average maturity of 5.5 years. The weighted average yield for the quarter ended March 31, 2005 was 10.4%, up slightly from 10.0% for the quarter ended December 31, 2004.

### **Investment In Gramercy Capital Corp.**

The Company's investment in Gramercy Capital Corp. increased from \$47.0 million to \$69.0 million. This includes an additional investment of approximately \$22.0 million that

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settled on January 3, 2005. Fees earned from agreements between the Company and Gramercy Capital Corp. totaled approximately \$2.4 million for the quarter ended March 31, 2005.

### **Dividends**

During the first quarter of 2005, the Company declared dividends as follows:

- \$0.54 per common share. Dividends were paid on April 15, 2005 to stockholders of record on the close of business on March 31, 2005.
- \$0.4766 and \$0.4922 per share on the Company's Series C and D Preferred Stock, respectively, for the period January 15, 2005 through and including April 14, 2005. Dividends were paid on April 15, 2005 to stockholders of record on the close of business on March 31, 2005. Distributions reflect regular quarterly distributions, which are the equivalent of an annualized distribution of \$1.90625 and \$1.96875, respectively.

### **Conference Call and Audio Webcast**

The Company's executive management team, led by Marc Holliday, President and Chief Executive Officer, will host a conference call and audio web cast on Tuesday, April 26, 2005 at 2:00 p.m. EDT to discuss first quarter financial results. The conference call may be accessed by dialing (800) 810-0924 Domestic or (913) 981-4900 International. No pass code is required. The live conference will be simultaneously broadcast in a listen-only mode on the Company's web site at [www.slgreen.com](http://www.slgreen.com).

A replay of the call will be available through Monday, May 2, 2005 by dialing (888) 203-1112 Domestic or (719) 457-0820 International, using pass code 5423418.

### **Supplemental Information**

The Supplemental Package outlining first quarter 2005 financial results will be available prior to the quarterly conference call on the Company's website.

### **Company Profile**

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust, or REIT, that predominantly acquires, owns, repositions and manages a portfolio of Manhattan office properties. As of March 31, 2005, the Company owned 29 properties totaling 17.4 million square feet. The Company is the only publicly held REIT that specializes exclusively in this niche.

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](http://www.slgreen.com) or contact Investor Relations at 212-216-1601.

### **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 (net income) can be found on pages 6 and 8 of this release and in the Company's Supplemental Package.*

#### ***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, 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.*

**SL GREEN REALTY CORP.**  
**STATEMENTS OF OPERATIONS-UNAUDITED**  
*(Amounts in thousands, except per share data)*

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2005</b>	<b>2004</b>
<b>Revenue:</b>		
Rental revenue, net	\$ 70,555	\$ 55,698
Escalations & reimbursement revenues	11,634	9,037
Preferred equity investment income	2,039	4,044
Investment income	9,108	9,783
Other income	7,519	2,464
Total revenues	<u>100,855</u>	<u>81,026</u>
Equity in net income from unconsolidated joint ventures	12,059	10,551
<b>Expenses:</b>		
Operating expenses	24,601	21,103
Ground rent	4,516	3,866
Real estate taxes	14,455	11,163
Marketing, general and administrative	8,238	10,903
Total expenses	<u>51,810</u>	<u>47,035</u>
<b>Earnings Before Interest, Depreciation and Amortization (EBITDA)</b>	61,104	44,542
Interest expense	17,194	14,561
Depreciation and amortization	14,834	11,686
Net income from Continuing Operations	<u>29,076</u>	<u>18,295</u>

Income from Discontinued Operations, net of minority interests	379	1,512
Gain on sale of Discontinued Operations, net of minority interests	—	—
Minority interests	(1,576)	(852)
Preferred stock dividends	(4,969)	(3,000)
Net income available to common shareholders	\$ 22,910	\$ 15,955
Net income per share (Basic)	\$ 0.56	\$ 0.42
Net income per share (Diluted)	\$ 0.54	\$ 0.40
Funds From Operations (FFO)		
FFO per share (Basic)	\$ 1.02	\$ 0.87
FFO per share (Diluted)	\$ 0.99	\$ 0.83
<b>FFO Calculation:</b>		
<b>Net income from continuing operations</b>	\$ 29,076	\$ 18,295
Add:		
Depreciation and amortization	14,834	11,686
FFO from Discontinued Operations	512	2,965
Joint venture FFO adjustment	6,082	6,000
<b>Less:</b>		
Dividend on perpetual preferred stock	(4,969)	(3,000)
Amortization of deferred financing costs and depreciation of non-real estate assets	(974)	(956)
FFO before minority interests — BASIC and DILUTED	\$ 44,561	\$ 34,990
Basic ownership interest		
Weighted average REIT common shares for net income per share	41,302	37,978
Weighted average partnership units held by minority interests	2,531	2,286
Basic weighted average shares and units outstanding for FFO per share	43,833	40,264
Diluted ownership interest		
Weighted average REIT common share and common share equivalents	42,629	39,724
Weighted average partnership units held by minority interests	2,531	2,286
Diluted weighted average shares and units outstanding	45,160	42,010

**SL GREEN REALTY CORP.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Amounts in Thousands)

	March 31, 2005	December 31, 2004
	(Unaudited)	
<b>Assets</b>		
Commercial real estate properties, at cost:		
Land and land interests	\$ 224,943	\$ 206,824
Buildings and improvements	1,135,318	1,065,654
Building leasehold and improvements	472,558	471,418
Property under capital lease	12,208	12,208
	1,845,027	1,756,104
Less accumulated depreciation	(179,180)	(176,238)
	1,665,847	1,579,866
Assets held for sale	16,486	—
Cash and cash equivalents	16,789	35,795
Restricted cash	53,410	56,417
Tenant and other receivables, net of allowance of \$9,431 and \$8,921 in 2005 and 2004, respectively	16,174	15,248
Related party receivables	4,519	5,027
Deferred rents receivable, net of allowance of \$7,047 and \$6,541 in 2005 and 2004, respectively	64,074	61,302
Structured finance investments, net of discount of \$1,628 and \$1,895 in 2005 and 2004, respectively	375,099	350,027
Investments in unconsolidated joint ventures	579,194	557,089
Deferred costs, net	55,041	47,869
Other assets	86,329	43,241
Total assets	\$ 2,932,962	\$ 2,751,881
<b>Liabilities and Stockholders' Equity</b>		
Mortgage notes payable	\$ 600,315	\$ 614,476
Revolving credit facilities	290,000	110,900
Term loans	425,000	425,000
Derivative instruments at fair value	—	1,347
Accrued interest payable	5,768	4,494
Accounts payable and accrued expenses	60,869	72,298
Deferred revenue/gain	19,558	18,648
Capitalized lease obligations	16,106	16,442
Deferred land lease payable	15,883	15,723
Dividend and distributions payable	28,026	27,553
Security deposits	21,870	22,056
Total liabilities	1,483,395	1,328,937
Commitments and contingencies	—	—
Minority interest in partially owned entities	702	509
Minority interest in operating partnership	74,557	74,555
<b>Stockholders' Equity</b>		
7.625% Series C perpetual preferred shares, \$0.01 per value, \$25.00 liquidation preference, 6,300 issued and	151,981	151,981

outstanding at March 31, 2005 and December 31, 2004, respectively		
7.875% Series D perpetual preferred shares, \$0.01 per value, \$25.00 liquidation preference, 4,000 and none issued and outstanding at March 31, 2005 and December 31, 2004, respectively	96,321	96,321
Common stock, \$0.01 par value 100,000 shares authorized, 41,622 and 40,876 issued and outstanding at March 31, 2005 and December 31, 2004, respectively	416	409
Additional paid - in capital	940,170	917,613
Deferred compensation plan	(21,360)	(15,273)
Accumulated other comprehensive income	15,164	5,647
Retained earnings	191,616	191,182
Total stockholders' equity	1,374,308	1,347,880
Total liabilities and stockholders' equity	\$ 2,932,962	\$ 2,751,881

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

	March 31,	
	2005	2004
<b>Operating Data: (1)</b>		
Net rentable area at end of period (in 000's)	17,359	15,444
Portfolio percentage leased at end of period	95.7%	96.3%
Same-Store percentage leased at end of period	96.0%	96.9%
Number of properties in operation	29	27
Office square feet leased during quarter (rentable)	415,806	251,444
Average mark-to-market percentage-office	4.9%	2.5%
Average starting cash rent per rentable square foot-office	\$ 40.60	\$ 30.98

(1) Includes wholly owned and joint venture properties.

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

	Three Months Ended March 31,	
	2005	2004
<b>Earnings before interest, depreciation and amortization (EBITDA):</b>	\$61,104	\$44,542
<b>Add:</b>		
Marketing, general & administrative expense	8,238	10,903
Operating income from discontinued operations	684	3,206
<b>Less:</b>		
Non-building revenue	(18,666)	(16,291)
Equity in net income from joint ventures	(12,059)	(10,551)
<b>GAAP net operating income (GAAP NOI)</b>	39,301	31,809
<b>Less:</b>		
Operating income from discontinued operations	(684)	(3,206)
GAAP NOI from other properties/ affiliates	(3,763)	3,206
<b>Same-Store GAAP NOI</b>	\$34,854	\$31,809

\* See page 6 for a reconciliation of FFO and EBITDA to net income.





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SL Green Realty Corp. is a fully integrated, self-administered and self-managed Real Estate Investment Trust (REIT) that primarily owns, manages, leases, acquires and repositions office properties in emerging, high-growth submarkets of Manhattan.

- SL Green's common stock is listed on the New York Stock Exchange, and trades under the symbol SLG.
- SL Green maintains an internet site at [www.slgreen.com](http://www.slgreen.com) at which most key investor relations data pertaining to dividend declaration, payout, current and historic share price, etc. can be found. Such information is not reiterated in this supplemental financial package. This supplemental financial package is available through the Company's internet site.
- This data is presented to supplement audited and unaudited regulatory filings of the Company and should be read in conjunction with those filings. The financial data herein is unaudited and is provided from the perspective of timeliness to assist readers of quarterly and annual financial filings. As such, data otherwise contained in future regulatory filings covering the same period may be restated from the data presented herein.

Questions pertaining to the information contained herein should be referred to Michelle Leroy at [michelle.leroy@slgreen.com](mailto:michelle.leroy@slgreen.com) or at 212-216-1692.

This report includes certain statements that may be deemed to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this report that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including such matters as future capital expenditures, dividends and acquisitions (including the amount and nature thereof), expansion and other development trends of the real estate industry, business strategies, expansion and growth of the Company's operations and other such matters are forward-looking statements. These statements are based on certain assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, general economic and business conditions, the business opportunities that may be presented to and pursued by the Company, changes in laws or regulations and other factors, many of which are beyond the control of the Company. Any such statements are not guarantees of future performance and actual results or developments may differ materially from those anticipated in the forward-looking statements.

The following discussion related to the consolidated financial statements of the Company should be read in conjunction with the financial statements for the quarter ended March 31, 2005 that will subsequently be released on Form 10-Q to be filed on or before May 10, 2005.

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## CORPORATE PROFILE

SL Green Realty Corp. (the "Company") was formed on August 20, 1997 to continue the commercial real estate business of S.L. Green Properties Inc. founded in 1980 by Stephen L. Green, our current Chairman. For more than 20 years SL Green has been engaged in the business of owning, managing, leasing, acquiring and repositioning office properties in Manhattan. The Company's investment focus is to create value through the acquisition, redevelopment and repositioning of Manhattan office properties and releasing and managing these properties for maximum cash flow.

Looking forward, SL Green Realty Corp. will continue its opportunistic investment philosophy through three established business lines: investment in long-term core properties, investment in opportunistic assets and structured finance investments. With the formation of Gramercy Capital Corp., or Gramercy, (NYSE: GKK) in 2004, there will be a reduced focus on direct structured finance investments by the Company. This three-legged investment strategy will allow SL Green to balance the components of its portfolio to take advantage of each stage in the business cycle.

Today, the Company is the only fully integrated, self-managed, self-administered Real Estate Investment Trust (REIT) exclusively focused on owning and operating office buildings in Manhattan. SL Green is a pure play for investors to own a piece of New York.

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## FINANCIAL HIGHLIGHTS

FIRST QUARTER 2005  
UNAUDITED



### FINANCIAL RESULTS

Funds From Operations, or FFO, available to common shareholders, for the first quarter 2005 totaled \$44.6 million, or \$0.99 per share (diluted), a 19% increase compared to the same quarter in 2004 when FFO totaled \$35.0 million, or \$0.83 per share (diluted).

Net income available for common shareholders for the first quarter 2005 totaled \$22.9 million, or \$0.54 per share (diluted), compared to the same quarter in 2004 when net income totaled \$16.0 million, or \$0.40 per share (diluted).

Funds available for distribution, or FAD, for the first quarter 2005 increased to \$0.65 per share (diluted) versus \$0.56 per share (diluted) in the prior year, a 16.1% increase.

The Company's dividend payout ratio was 54.7% of FFO and 82.9% of FAD before first cycle leasing costs.

### CONSOLIDATED RESULTS

Total quarterly revenues increased 25% in the first quarter to \$100.9 million compared to \$81.0 million in the prior year. The \$19.9 million growth in revenue resulted primarily from the following items:

- \$13.4 million increase from 2005 and 2004 acquisitions,
- \$4.6 million increase from same-store properties,
- \$4.7 million increase in other revenue, which was primarily due to fees earned from Gramercy (\$2.2 million) and by the Service Corporation (\$1.9 million), and
- \$2.8 million decrease in preferred equity and investment income primarily due to the recognition of a one-time gain on a mortgage investment in 2004 (\$4.2 million).

The Company's earnings before interest, taxes, depreciation and amortization, or EBITDA, increased by \$16.6 million to \$61.1 million. The following items drove EBITDA improvements:

- \$1.5 million increase from the equity in net income from unconsolidated joint ventures primarily due to our investments in Gramercy (\$1.1 million) and 1515 Broadway (\$1.5 million). This was partially offset by the sale of an interest in One Park Avenue in 2004 (\$1.2 million).
- \$8.0 million increase from 2005 and 2004 acquisitions.
- \$3.1 million increase from same-store properties.
- \$2.8 million decrease in preferred equity and investment income primarily due to the recognition of a one-time gain on a mortgage investment in 2004 (\$4.2 million). The weighted-average structured finance investment balance increased to \$363.2 million from \$269.6 million. The weighted-average yield decreased from 12.16% to 10.4%.

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- \$2.7 million increase from lower MG&A expense. The 2004 period included a one-time charge related to a restricted stock award.
  - \$4.1 million increase in non-real estate revenues net of expenses, including fee income from Gramercy (\$2.2 million) and the Service Corporation (\$1.3 million).

FFO before minority interests improved \$9.6 million primarily as a result of:

- \$16.6 million increase in EBITDA,
- \$0.1 million increase in FFO from unconsolidated joint ventures,
- \$2.0 million decrease from perpetual preferred stock dividends,
- \$2.6 million decrease from higher interest expense, and
- \$2.5 million decrease from discontinued operations.

#### SAME-STORE RESULTS

Same-store first quarter 2005 GAAP NOI increased \$3.1 million (9.6%) to \$34.9 million compared to the prior year. Operating margins after ground rent increased from 47.9% to 49.3%.

The \$3.1 million increase in GAAP NOI was primarily due to:

- \$2.1 million (3.8%) increase in rental revenue primarily due to improved leasing,
- \$1.3 million (14.3%) increase in escalation and reimbursement revenue primarily due to real estate tax and utility reimbursements,
- \$1.2 million (480.0%) increase in other income primarily due to lease buy-out income at 420 Lexington Avenue,
- \$1.0 million (8.7%) increase in real estate taxes,
- \$1.0 million (5.6%) increase in operating expenses, and
- \$0.5 million (13.0%) decrease in ground rent expense.

#### Structured Finance Activity

As of March 31, 2005, our structured finance and preferred equity investments totaled \$375.1 million. The weighted average balance outstanding for the first quarter of 2005 was \$363.2 million. During the first quarter of 2005, the weighted average yield was 10.4%.

During the first quarter 2005, the Company originated \$25.0 million of structured finance investments with an initial yield of approximately 12.9%. There were no redemptions during the quarter.

#### QUARTERLY LEASING HIGHLIGHTS

Vacancy at December 31, 2004 was 744,245 useable square feet net of holdover tenants. During the quarter, 366,369 additional useable office, retail and storage square feet became available at an average escalated cash rent of \$35.12 per rentable square foot. The Company acquired 28 West 44<sup>th</sup> Street which included 43,672 useable square feet. Space

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available to lease during the quarter totaled 1,154,286 useable square feet, or 6.7% of the total portfolio.

During the first quarter, 55 office leases, including early renewals, were signed totaling 415,806 rentable square feet. New cash rents averaged \$40.60 per rentable square foot. Replacement rents were 4.9% higher than rents on previously occupied space, which had fully escalated cash rents averaging \$38.69 per rentable square foot. The average lease term was 8.7 years and average tenant concessions were 4.6 months of free rent with a tenant improvement allowance of \$31.64 per rentable square foot.

The Company also signed 9 retail and storage leases, including early renewals, for 119,884 rentable square feet. New cash rents averaged \$30.53 per rentable square foot. Replacement rents were 47.3% higher than rents on previously occupied space, which had fully escalated cash rents averaging \$20.73 per rentable square foot. The average lease term was 10.7 years and average tenant concessions were 1 month of free rent, with no tenant improvement allowance.

#### REAL ESTATE ACTIVITY

Major real estate investment transactions entered into during the first quarter included:

- Acquisition of the fee interest in One Madison Avenue for \$918 million, or approximately \$650 per square foot. The property consists of two contiguous buildings-the South Building and the North Tower-totaling approximately 1.4 million square feet. The transaction, which is subject to customary closing conditions, is expected to close during the second quarter of 2005. The Company entered into a joint venture agreement with Gramercy Capital Corp. whereby SL Green will own a 55% interest in the 1.2 million square foot South Building, which is occupied almost entirely by Credit Suisse First Boston, New York pursuant to a lease that expires in 2020. SL Green and Gramercy will acquire the building on a pari passu basis for approximately \$803.0 million. SL Green and Credit Suisse First Boston (USA), Inc. will share in the profits of the residential component. The acquisition deposit of approximately \$41.0 million is included in other assets on the accompanying balance sheet.
- Acquisition of the fee interest in 28 West 44<sup>th</sup> Street for \$105.0 million, or approximately \$293 per square foot. The property is approximately 359,000 square feet. The transaction closed during the first quarter of 2005.
- Sale of the fee interest in 1414 Avenue of the Americas for \$60.5 million, or approximately \$500 per square foot. The property is approximately 121,000 square feet. The Company will recognize a gain on sale of approximately \$35.0 million upon closing of the transaction in April 2005. The sale was effectuated through a reverse 1031 exchange with 625 Madison Avenue, which resulted in substantially all of the taxable gain on sale being deferred.
- Entered into an agreement to sell the fee interest at 180 Madison Avenue for \$92.7 million, or \$355 per square foot. The property is approximately 265,000 square

feet and owned through a joint venture between Morgan Stanley Real Estate Funds and SL Green. The joint venture expects to recognize a gain of approximately \$43.0 million from the sale, which is expected to close, subject to customary closing conditions, in the third quarter of 2005. SL Green expects to recognize an incentive fee of at least \$5.0 million pending final resolution of cash disbursements in August 2005.

### Investment In Gramercy Capital Corp.

The Company's investment in Gramercy Capital Corp. increased from \$47.0 million to \$69.0 million. This includes an additional investment of approximately \$22.0 million that settled on January 3, 2005. Fees earned from agreements between the Company and Gramercy Capital Corp. totaled approximately \$2.4 million for the quarter ended March 31, 2005.

### Financing/ Capital Activity

#### Dividends

On March 17, 2005, the Company declared a dividend distribution of \$0.54 per common share for the first quarter 2005. This distribution reflects the regular quarterly dividend, which is the equivalent of an annualized distribution of \$2.16 per common share.

On March 17, 2005, the Company also declared a dividend on its Series C preferred stock for the period January 15, 2005 through and including April 14, 2005, of \$0.4766 per share, payable April 15, 2005 to shareholders of record on the close of business on March 31, 2005. The distribution reflects the regular quarterly dividend, which is the equivalent of an annualized distribution of \$1.90625 per Series C preferred stock.

On March 17, 2005, the Company also declared a dividend on its Series D preferred stock for the period January 15, 2005 through and including April 14, 2005, of \$0.4922 per share, payable April 15, 2005 to shareholders of record on the close of business on March 31, 2005. The distribution reflects the regular quarterly dividend, which is the equivalent of an annualized distribution of \$1.96875 per Series D preferred stock.

### SL Green Realty Corp.

#### Key Financial Data

March 31, 2005

(Dollars in Thousands Except Per Share and Sq. Ft.)



	As of or for the three months ended				
	3/31/2005	12/31/2004	9/30/2004	6/30/2004	3/31/2004
<b>Earnings Per Share</b>					
Net income available to common shareholders - diluted	\$ 0.54	\$ 2.64	\$ 0.49	\$ 1.13	\$ 0.40
Funds from operations available to common shareholders - diluted	\$ 0.99	\$ 0.95	\$ 0.94	\$ 1.04	\$ 0.83
Funds available for distribution to common shareholders - diluted	\$ 0.65	\$ 0.63	\$ 0.57	\$ 0.72	\$ 0.56
<b>Common Share Price &amp; Dividends</b>					
At the end of the period	\$ 56.22	\$ 60.55	\$ 51.81	\$ 46.80	\$ 47.70
High during period	\$ 59.74	\$ 60.55	\$ 51.81	\$ 48.20	\$ 47.78
Low during period	\$ 52.70	\$ 52.30	\$ 47.19	\$ 40.24	\$ 41.12
Common dividends per share	\$ 0.54	\$ 0.54	\$ 0.50	\$ 0.50	\$ 0.50
FFO Payout Ratio	54.73%	56.69%	53.26%	48.08%	60.03%
FAD Payout Ratio	82.90%	85.84%	88.45%	69.86%	89.68%
<b>Common Shares &amp; Units</b>					
Common shares outstanding	41,622	40,876	40,547	38,692	38,551
Units outstanding	2,531	2,531	2,225	2,225	2,225
Total shares and units outstanding	44,153	43,407	42,772	40,917	40,776
Weighted average common shares and units outstanding - basic	43,833	43,132	41,611	40,863	40,264
Weighted average common shares and units outstanding - diluted	45,160	44,700	43,317	42,456	42,010
<b>Market Capitalization</b>					
Market value of common equity	\$ 2,482,282	\$ 2,628,294	\$ 2,216,017	\$ 1,914,902	\$ 1,945,017
Liquidation value of preferred equity	257,500	257,500	257,500	218,750	157,500
Consolidated debt	1,315,315	1,150,376	1,127,254	919,080	1,060,428
Consolidated market capitalization	\$ 4,055,097	\$ 4,036,170	\$ 3,600,771	\$ 3,052,732	\$ 3,162,945
SLG portion JV debt	564,945	565,211	565,482	496,542	489,940
Combined market capitalization	\$ 4,620,042	\$ 4,601,381	\$ 4,166,253	\$ 3,549,274	\$ 3,652,885

Consolidated debt to market capitalization	32.44%	28.50%	31.31%	30.11%	33.53%
Combined debt to market capitalization	40.70%	37.28%	40.63%	39.88%	42.44%
Consolidated debt service coverage	3.65	3.63	3.63	4.05	3.68
Consolidated fixed charge coverage	2.43	2.38	2.44	2.78	2.59
Combined fixed charge coverage	2.16	2.31	2.37	2.63	2.49
<b>Portfolio Statistics</b>					
Directly owned buildings	21	20	21	20	20
Joint venture buildings	8	8	8	7	7
	<u>29</u>	<u>28</u>	<u>29</u>	<u>27</u>	<u>27</u>
Directly owned square footage	9,164,000	8,805,000	8,950,000	8,170,000	8,170,000
Joint venture square footage	8,195,000	8,195,000	8,195,000	7,274,000	7,274,000
	<u>17,359,000</u>	<u>17,000,000</u>	<u>17,145,000</u>	<u>15,444,000</u>	<u>15,444,000</u>
Quarter end occupancy-portfolio	95.7%	95.6%	95.8%	96.4%	96.3%
Quarter end occupancy- same store - wholly owned	96.0%	95.8%	95.5%	96.7%	96.9%
Quarter end occupancy- same store - combined (wholly owned + joint venture)	96.3%	96.3%	95.5%	96.6%	96.5%

**SL Green Realty Corp.**  
**Key Financial Data**  
**March 31, 2005**  
(Dollars in Thousands Except Per Share and Sq. Ft.)



	As of or for the three months ended				
	3/31/2005	12/31/2004	9/30/2004	6/30/2004	3/31/2004
<b>Selected Balance Sheet Data</b>					
Real estate assets before depreciation	\$ 1,859,431	\$ 1,756,104	\$ 1,630,558	\$ 1,370,329	\$ 1,355,880
Investments in unconsolidated joint ventures	\$ 579,194	\$ 557,089	\$ 549,654	\$ 502,658	\$ 600,002
Structured finance investments	\$ 375,099	\$ 350,027	\$ 325,807	\$ 264,296	\$ 276,538
<b>Total Assets</b>	<b>\$ 2,932,962</b>	<b>\$ 2,751,881</b>	<b>\$ 2,591,425</b>	<b>\$ 2,256,614</b>	<b>\$ 2,295,883</b>
Fixed rate & hedged debt	\$ 1,025,315	\$ 1,039,476	\$ 1,008,354	\$ 884,180	\$ 782,428
Variable rate debt	290,000	110,900	118,900	34,900	278,000
<b>Total consolidated debt</b>	<b>\$ 1,315,315</b>	<b>\$ 1,150,376</b>	<b>\$ 1,127,254</b>	<b>\$ 919,080</b>	<b>\$ 1,060,428</b>
<b>Total Liabilities</b>	<b>\$ 1,483,395</b>	<b>\$ 1,328,937</b>	<b>\$ 1,292,834</b>	<b>\$ 1,069,335</b>	<b>\$ 1,210,662</b>
Fixed rate & hedged debt-including SLG portion of JV debt	1,245,569	\$ 1,306,684	\$ 1,275,771	\$ 1,151,772	\$ 1,010,358
Variable rate debt - including SLG portion of JV debt	634,691	408,903	416,965	263,850	540,010
<b>Total combined debt</b>	<b>\$ 1,880,260</b>	<b>\$ 1,715,587</b>	<b>\$ 1,692,736</b>	<b>\$ 1,415,622</b>	<b>\$ 1,550,368</b>
<b>Selected Operating Data</b>					
Property operating revenues	\$ 82,189	\$ 80,229	\$ 72,602	\$ 67,174	\$ 64,735
Property operating expenses	43,572	39,236	38,178	35,140	36,132
Property operating NOI	\$ 38,617	\$ 40,993	\$ 34,425	\$ 32,034	\$ 28,603
NOI from discontinued operations	684	1,993	4,066	3,413	3,206
<b>Total property operating NOI</b>	<b>\$ 39,301</b>	<b>\$ 42,986</b>	<b>\$ 38,491</b>	<b>\$ 35,447</b>	<b>\$ 31,809</b>
SLG share of Property NOI from JVs	\$ 23,527	\$ 23,978	\$ 22,413	\$ 22,412	\$ 22,174
SLG share of FFO from Gramercy Capital	\$ 1,143	\$ 526	\$ 3	\$ -	\$ -
Structured finance income	\$ 11,147	\$ 8,421	\$ 8,283	\$ 8,562	\$ 13,829
Other income	\$ 7,519	\$ 5,466	\$ 4,984	\$ 6,978	\$ 2,464
<b>Marketing general &amp; administrative expenses</b>	<b>\$ 8,238</b>	<b>\$ 9,336</b>	<b>\$ 5,574</b>	<b>\$ 4,467</b>	<b>\$ 10,903</b>
Consolidated interest	\$ 17,366	\$ 17,065	\$ 16,239	\$ 14,578	\$ 14,830
Combined interest	\$ 23,422	\$ 22,937	\$ 21,656	\$ 19,616	\$ 19,944
Preferred Dividend	\$ 4,969	\$ 4,969	\$ 4,843	\$ 3,446	\$ 3,000
<b>Office Leasing Statistics</b>					
Total office leases signed	55	73	91	70	59
Total office square footage leased	415,806	719,292	522,001	341,730	251,144
Average rent psf	\$ 40.60	\$ 32.11	\$ 31.48	\$ 32.43	\$ 30.98
Escalated rents psf	\$ 38.69	\$ 30.49	\$ 31.38	\$ 32.95	\$ 30.22
Percentage of rent over escalated	4.9%	5.3%	0.3%	-1.6%	2.5%
Tenant concession packages psf	\$ 31.64	\$ 25.40	\$ 25.06	\$ 20.34	\$ 26.21
Free rent months	4.6	2.8	3.5	1.4	1.9

**COMPARATIVE BALANCE SHEETS**

**Unaudited**  
(\$000's omitted)



	3/31/2005	12/31/2004	9/30/2004	6/30/2004	3/31/2004
<b>Assets</b>					
Commercial real estate properties, at cost:					
Land & land interests	\$ 224,943	\$ 206,824	\$ 206,824	\$ 174,625	\$ 168,660
Buildings & improvements fee interest	1,135,318	1,065,654	1,055,811	862,527	857,278
Buildings & improvements leasehold	472,558	471,418	225,207	320,969	317,734
Buildings & improvements under capital lease	12,208	12,208	12,208	12,208	12,208
	<u>\$ 1,845,027</u>	<u>\$ 1,756,104</u>	<u>\$ 1,500,050</u>	<u>\$ 1,370,329</u>	<u>\$ 1,355,880</u>
Less accumulated depreciation	(179,180)	(176,238)	(163,734)	(175,601)	(165,333)
	<u>\$ 1,665,847</u>	<u>\$ 1,579,866</u>	<u>\$ 1,336,316</u>	<u>\$ 1,194,728</u>	<u>\$ 1,190,547</u>
Other Real Estate Investments:					
Investment in unconsolidated joint ventures	579,194	557,089	549,654	502,658	600,002
Structured finance investments	375,099	350,027	325,807	264,296	276,538
<b>Assets held for sale</b>	<b>16,486</b>	<b>-</b>	<b>125,322</b>	<b>-</b>	<b>-</b>



Cash and cash equivalents	16,789	35,795	23,299	65,045	22,393
Restricted cash	53,410	56,417	45,938	41,868	47,768
Tenant and other receivables, net of \$9,431 reserve at 3/31/05	16,174	15,248	18,109	14,347	14,333
Related party receivables	4,519	5,027	3,935	4,509	3,524
Deferred rents receivable, net of reserve for tenant credit loss of \$7,047 at 3/31/05	64,074	61,302	58,735	66,811	64,562
Deferred costs, net	55,041	47,869	50,574	44,831	44,379
Other assets	86,329	43,241	53,736	57,521	31,837
<b>Total Assets</b>	<b>\$ 2,932,962</b>	<b>\$ 2,751,881</b>	<b>\$ 2,591,425</b>	<b>\$ 2,256,614</b>	<b>\$ 2,295,883</b>

## COMPARATIVE BALANCE SHEETS

Unaudited  
(\$000's omitted)



	3/31/2005	12/31/2004	9/30/2004	6/30/2004	3/31/2004
<b>Liabilities and Stockholders' Equity</b>					
Mortgage notes payable	\$ 600,315	\$ 614,476	\$ 513,354	\$ 514,180	\$ 515,018
Unsecured & Secured term loans	425,000	425,000	425,000	300,000	367,410
Revolving credit facilities	290,000	110,900	188,900	104,900	178,000
Derivative Instruments-fair value	—	1,347	4,822	1,277	11,518
Accrued interest payable	5,768	4,494	5,015	4,135	4,788
Accounts payable and accrued expenses	60,869	72,298	62,692	57,801	46,953
Deferred revenue	19,558	18,648	13,156	8,599	8,623
Capitalized lease obligations	16,106	16,442	16,385	16,328	16,247
Deferred land lease payable	15,883	15,723	15,646	15,486	15,326
Dividend and distributions payable	28,026	27,553	25,569	23,447	24,003
Liabilities related to assets held for sale	—	—	1,822	—	—
Security deposits	21,870	22,056	20,473	23,182	22,776
<b>Total Liabilities</b>	<b>\$ 1,483,395</b>	<b>\$ 1,328,937</b>	<b>\$ 1,292,834</b>	<b>\$ 1,069,335</b>	<b>\$ 1,210,662</b>
Minority interest (2,531 units outstanding) at 3/31/05	75,259	75,064	54,297	54,240	52,756
<b>Stockholders' Equity</b>					
7.625% Series C Perpetual Preferred Shares	151,981	151,981	151,981	151,981	151,981
7.875% Series D Perpetual Preferred Shares	96,321	96,321	96,321	58,873	—
Common stock, \$.01 par value 100,000 shares authorized, 41,622 issued and outstanding at 3/31/05	416	409	405	387	385
Additional paid – in capital	940,170	917,613	907,638	830,821	825,842
Deferred compensation plans	(21,360)	(16,273)	(16,329)	(17,051)	(17,642)
Accumulated other comprehensive income/(loss)	15,164	5,647	2,548	6,337	(3,704)
Retained earnings	191,616	191,182	101,730	101,691	75,603
<b>Total Stockholders' Equity</b>	<b>\$ 1,374,308</b>	<b>\$ 1,347,880</b>	<b>\$ 1,244,294</b>	<b>\$ 1,133,039</b>	<b>\$ 1,032,465</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 2,932,962</b>	<b>\$ 2,751,881</b>	<b>\$ 2,591,425</b>	<b>\$ 2,256,614</b>	<b>\$ 2,295,883</b>

## COMPARATIVE STATEMENTS OF OPERATIONS

Unaudited  
(\$000's omitted)



	Three Months Ended		Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004	December 31, 2004	September 30, 2004
<b>Revenues</b>				
Rental revenue, net	\$ 70,555	\$ 55,698	\$ 67,147	\$ 59,856
Escalation and reimbursement revenues	11,634	9,037	13,082	12,746
Investment income	11,147	13,827	8,419	8,281
Other income	7,519	2,464	5,466	4,984
<b>Total Revenues, net</b>	<b>100,855</b>	<b>81,026</b>	<b>94,114</b>	<b>85,868</b>
Equity in net income from unconsolidated joint ventures	12,059	10,551	12,021	10,632
Operating expenses	24,601	21,103	20,797	22,463
Ground rent	4,516	3,866	4,688	3,759
Real estate taxes	14,455	11,163	13,751	11,956
Marketing, general and administrative	8,238	10,903	9,336	5,574
<b>Total Operating Expenses</b>	<b>51,810</b>	<b>47,035</b>	<b>48,572</b>	<b>43,752</b>
<b>EBITDA</b>	<b>61,104</b>	<b>44,542</b>	<b>57,563</b>	<b>52,749</b>
Interest	17,194	14,561	16,796	15,969
Depreciation and amortization	14,834	11,686	14,933	13,025
<b>Income Before Minority Interest and Items</b>	<b>29,076</b>	<b>18,295</b>	<b>25,834</b>	<b>23,755</b>
Income from discontinued operations	379	1,512	1,486	2,428
Gain on sale of discontinued operations	—	90,199	—	—
Equity in net gain on sale of joint venture property	—	—	—	—
Minority interest - OP	(1,576)	(852)	(1,025)	(1,033)
<b>Net Income</b>	<b>27,879</b>	<b>18,955</b>	<b>116,494</b>	<b>25,150</b>
Dividends on perpetual preferred shares	4,969	3,000	4,969	4,843
<b>Net Income Available For Common Shareholders</b>	<b>\$ 22,910</b>	<b>\$ 15,955</b>	<b>\$ 111,525</b>	<b>\$ 20,307</b>
<b>Earnings per Share</b>				
Net income per share (basic)	\$ 0.56	\$ 0.42	\$ 2.75	\$ 0.52
Net income per share (diluted)	\$ 0.54	\$ 0.40	\$ 2.64	\$ 0.49

**COMPARATIVE COMPUTATION OF FFO AND FAD**


**Unaudited**  
(\$000's omitted - except per share data)

	Three Months Ended		Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004	December 31, 2004	September 30, 2004
Funds from operations				
Net Income before Minority Interests and Items	\$ 29,076	\$ 18,295	\$ 25,834	\$ 23,755
Add:				
Depreciation and amortization	14,834	11,686	14,933	13,025
FFO from discontinued operations	512	2,965	1,734	3,793
FFO adjustment for joint ventures	6,082	6,000	6,115	5,922
Less:				
Dividends on preferred shares	4,969	3,000	4,969	4,843
Non real estate depreciation and amortization	974	956	1,069	990
<b>Funds From Operations</b>	<b>\$ 44,561</b>	<b>\$ 34,990</b>	<b>\$ 42,578</b>	<b>\$ 40,662</b>
<b>Funds From Operations - Basic per Share</b>	<b>\$ 1.02</b>	<b>\$ 0.87</b>	<b>\$ 0.99</b>	<b>\$ 0.98</b>
<b>Funds From Operations - Diluted per Share</b>	<b>\$ 0.99</b>	<b>\$ 0.83</b>	<b>\$ 0.95</b>	<b>\$ 0.94</b>
<b>Funds Available for Distribution</b>				
FFO	\$ 44,561	\$ 34,990	\$ 42,578	\$ 40,662
Add:				
Non real estate depreciation and amortization	974	956	1,069	990
Non-cash deferred compensation	983	4,900	1,056	722
Less:				
FAD adjustment for Joint Ventures	5,012	3,561	5,683	6,980
FAD adjustment for discontinued operations	(11)	113	10	57
Straight-line rental income and other non cash adjustments	4,948	1,178	3,031	1,971
Second cycle tenant improvements	4,148	6,952	4,034	3,169
Second cycle leasing commissions	2,904	5,240	1,988	5,120
Revenue enhancing recurring CAPEX	22	62	686	147
Non-revenue enhancing recurring CAPEX	76	317	1,150	441
<b>Funds Available for Distribution</b>	<b>\$ 29,418</b>	<b>\$ 23,422</b>	<b>\$ 28,120</b>	<b>\$ 24,487</b>
<b>Diluted per Share</b>	<b>\$ 0.65</b>	<b>\$ 0.56</b>	<b>\$ 0.63</b>	<b>\$ 0.57</b>
First Cycle Leasing Costs				
Tenant improvements	138	48	1,003	128
Leasing commissions	895	—	—	300
<b>Funds Available for Distribution after First Cycle Leasing Costs</b>	<b>\$ 28,385</b>	<b>\$ 23,374</b>	<b>\$ 27,117</b>	<b>\$ 24,059</b>
Funds Available for Distribution per Diluted Weighted Average Unit and Common Share	\$ 0.63	\$ 0.56	\$ 0.61	\$ 0.56
Redevelopment Costs	\$ 429	\$ 876	\$ 4,997	\$ 1,301
<b>Payout Ratio of Funds From Operations</b>	<b>54.73 %</b>	<b>60.03 %</b>	<b>56.69 %</b>	<b>53.26 %</b>
<b>Payout Ratio of Funds Available for Distribution Before First Cycle Leasing Costs</b>	<b>82.90 %</b>	<b>89.68 %</b>	<b>85.84 %</b>	<b>88.45 %</b>

**CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY**


**Unaudited**  
(\$000's omitted)

	Series C Preferred Stock	Series D Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Deferred Compensation Plan	Accumulated Other Comprehensive Income	TOTAL
<b>Balance at December 31, 2004</b>	\$ 151,981	\$ 96,321	\$ 409	\$ 917,613	\$ 191,182	\$ (15,273)	\$ 5,647	\$ 1,347,880
Net Income					27,879			27,879
Preferred Dividend					(4,969)			(4,969)
Exercise of employee stock options			5	13,922				13,927
Stock based compensation fair value				263				263
Cash distributions declared (\$0.54 per common share)					(22,476)			(22,476)
Comprehensive Income - Unrealized gain of derivative instruments							9,517	9,517
Dividend reinvestment plan			—	1,120				1,120
Deferred compensation plan			2	7,252		(7,070)		184
Amortization of deferred compensation						983		983
<b>Balance at March 31, 2005</b>	<b>\$ 151,981</b>	<b>\$ 96,321</b>	<b>\$ 416</b>	<b>\$ 940,170</b>	<b>\$ 191,616</b>	<b>\$ (21,360)</b>	<b>\$ 15,164</b>	<b>\$ 1,374,308</b>

**RECONCILIATION OF SHARES AND UNITS OUTSTANDING, AND DILUTION COMPUTATION**

	Common Stock	OP Units	Stock-Based Compensation	Sub-total	Preferred Stock	Diluted Shares
<b>Share Count at December 31, 2004</b>	<b>40,875,989</b>	<b>2,530,942</b>	<b>—</b>	<b>43,406,931</b>	<b>—</b>	<b>43,406,931</b>
YTD share activity	746,301	—	—	746,301	—	746,301
<b>Share Count at March 31, 2005 - Basic</b>	<b>41,622,290</b>	<b>2,530,942</b>	<b>—</b>	<b>44,153,232</b>	<b>—</b>	<b>44,153,232</b>
Weighting Factor	(320,467)	0	1,327,696	1,007,229	—	1,007,229
<b>Weighted Average Share Count at March 31, 2005 - Diluted</b>	<b>41,301,823</b>	<b>2,530,942</b>	<b>1,327,696</b>	<b>45,160,461</b>	<b>—</b>	<b>45,160,461</b>

**TAXABLE INCOME**

**Unaudited**

(\$000's omitted)



	Three Months Ended	
	March 31 2005	March 31 2004
Net Income Available For Common Shareholders	\$ 22,910	\$ 15,955
Book/Tax Depreciation Adjustment	891	(784)
Book/Tax Gain Recognition Adjustment	—	4,254
Book/Tax JV Net equity adjustment	106	971
Other Operating Adjustments	(695)	(506)
C-corp Earnings	(571)	348
<b>Taxable Income (Projected)</b>	<b>\$ 22,641</b>	<b>\$ 20,238</b>
Dividend per share	\$ 0.54	\$ 0.50
Estimated payout of taxable income	99%	101%
Shares outstanding - basic	41,622	40,876

**Payout of Taxable Income Analysis:**

Estimated taxable income is derived from net income less straightline rent, free rent net of amortization of free rent, plus tax gain on sale of properties, credit loss, straightline ground rent and the difference between tax and GAAP depreciation. The Company has deferred the taxable gain on the sales 29 West 35th Street, 17 Battery Place South, 90 Broad Street, 50 West 23rd Street, 1370 Broadway, 1412 Broadway, 17 Battery Place North and 1466 Broadway through 1031 exchanges. In addition, the Company has deferred substantially all of the taxable gain resulting from the sale of an interest in One Park Avenue.

**JOINT VENTURE STATEMENTS**

**Balance Sheet for Unconsolidated Property Joint Ventures  
Unaudited  
(\$000's omitted)**



	March 31, 2005		March 31, 2004	
	Total Property	SLG Property Interest	Total Property	SLG Property Interest
Land & land interests	\$ 486,338	\$ 206,876	\$ 424,722	\$ 208,511
Buildings & improvements	2,033,873	869,856	1,782,616	876,140
	2,520,211	1,076,732	2,207,338	1,084,651
Less accumulated depreciation	(108,639)	(52,495)	(73,041)	(38,554)
Net Real Estate	2,411,572	1,024,237	2,134,297	1,046,097
Cash and cash equivalents	53,898	24,092	53,834	26,634
Restricted cash	35,978	16,078	32,785	17,328
Tenant receivables, net of \$1,133 reserve at 3/31/05	6,559	3,312	4,128	2,140
Deferred rents receivable, net of reserve for tenant credit loss of \$1,691 at 3/31/05	40,525	19,931	24,895	13,343
Deferred costs, net	33,173	15,442	14,001	7,474
Other assets	21,557	9,900	18,860	9,411
<b>Total Assets</b>	<b>\$ 2,603,262</b>	<b>\$ 1,112,992</b>	<b>\$ 2,282,800</b>	<b>\$ 1,122,427</b>
Mortgage loans payable	\$ 1,336,728	\$ 564,945	\$ 954,855	\$ 489,940
Derivative Instruments-fair value	25	14	—	—
Accrued interest payable	5,358	2,225	2,256	1,149
Accounts payable and accrued expenses	59,598	26,708	59,530	28,974
Security deposits	9,783	4,492	6,603	3,229
Contributed Capital (1)	1,191,770	514,608	1,259,556	599,135
<b>Total Liabilities and Equity</b>	<b>\$ 2,603,262</b>	<b>\$ 1,112,992</b>	<b>\$ 2,282,800</b>	<b>\$ 1,122,427</b>

As of March 31, 2005 the Company has eight joint venture interests representing a 50% interest in 180 Madison Avenue acquired in December 2000, a 55% interest in 1250 Broadway acquired in September 2001, a 50% interest in 100 Park Avenue acquired in February 2000, a 16.67% interest in 1 Park Avenue reduced from 55% in May 2004, a 55% interest in 1515 Broadway acquired in May 2002, a 45% interest in 1221 Avenue of the Americas acquired in December 2003, a 35% interest in 19 W. 44th Street acquired in March 2004, and a 30% interest in 485 Lexington Avenue acquired in July 2004. These interests are accounted for on the equity method of accounting and, therefore, are not consolidated into the company's financial statements.

(1) Contributed capital includes adjustments to capital to reflect our share of capital based on implied sales prices of partially sold or contributed properties. Our investment in unconsolidated joint venture reflects our actual contributed capital base.



## JOINT VENTURE STATEMENTS



## Statements of Operations for Unconsolidated Property Joint Ventures

Unaudited  
(\$000's omitted)

	Three Months Ended March 31, 2005		Three Months Ended December 31, 2004		Three Months Ended March 31, 2004	
	Total Property	SLG Property Interest	SLG Property Interest	Total Property	SLG Property Interest	Total Property
<b>Revenues</b>						
Rental Revenue, net	\$ 75,632	\$ 33,911	\$ 33,251	\$ 66,508	\$ 32,948	
Escalation and reimbursement revenues	13,952	6,526	6,765	12,197	6,153	
Investment and other income	293	161	124	166	83	
<b>Total Revenues, net</b>	<b>\$ 89,877</b>	<b>\$ 40,598</b>	<b>\$ 40,140</b>	<b>\$ 78,871</b>	<b>\$ 39,184</b>	
<b>Expenses</b>						
Operating expenses	20,884	9,746	9,019	19,695	9,932	
Real estate taxes	15,914	7,325	7,143	14,135	7,078	
<b>Total Operating Expenses</b>	<b>\$ 36,798</b>	<b>\$ 17,071</b>	<b>\$ 16,162</b>	<b>\$ 33,830</b>	<b>\$ 17,010</b>	
<b>GAAP NOI</b>	<b>\$ 53,079</b>	<b>\$ 23,527</b>	<b>\$ 23,978</b>	<b>\$ 45,041</b>	<b>\$ 22,174</b>	
<b>Cash NOI</b>	<b>\$ 46,471</b>	<b>\$ 20,543</b>	<b>\$ 20,962</b>	<b>\$ 41,412</b>	<b>\$ 20,371</b>	
Interest	15,100	6,056	5,872	9,817	5,114	
Depreciation and amortization	14,871	6,554	6,611	13,000	6,509	
<b>Net Income</b>	<b>\$ 23,108</b>	<b>\$ 10,917</b>	<b>\$ 11,495</b>	<b>\$ 22,224</b>	<b>\$ 10,551</b>	
Plus: Real estate depreciation	13,859	6,081	6,115	12,086	6,000	
<b>Funds From Operations</b>	<b>\$ 36,967</b>	<b>\$ 16,998</b>	<b>\$ 17,610</b>	<b>\$ 34,310</b>	<b>\$ 16,551</b>	
<b>FAD Adjustments:</b>						
Plus: Non real estate depreciation and amortization	\$ 1,012	\$ 473	\$ 497	\$ 934	\$ 510	
Less: Straight-line rental income and other non-cash adjustments	(6,507)	(2,983)	(2,943)	(4,045)	(1,994)	
Less: Second cycle tenant improvement,	(1,392)	(666)	(280)	(1,427)	(759)	
Less: Second cycle leasing commissions	(3,370)	(1,816)	(2,191)	(2,342)	(1,281)	
Less: Recurring CAPEX	(36)	(20)	(766)	(68)	(37)	
<b>FAD Adjustment</b>	<b>\$ (10.50)</b>	<b>\$ (5,012)</b>	<b>\$ (5,683)</b>	<b>\$ (6,948)</b>	<b>\$ (3,581)</b>	

## Gramercy Joint Venture Statements

Unaudited  
(\$000's omitted)



## Balance Sheet

	March 31, 2005	December 31, 2004
<b>Assets</b>		
Cash	\$ 4,421	\$ 39,094
Loans and other lending investments, net	606,747	406,615
Other assets	10,547	68,338
<b>Total Assets</b>	<b>\$ 621,715</b>	<b>\$ 514,047</b>
<b>Liabilities and Stockholders' Equity</b>		
Credit facilities	\$ 342,291	\$ 238,885
Other liabilities	10,027	6,203
<b>Total Liabilities</b>	<b>352,318</b>	<b>245,088</b>
Commitments and contingencies	—	—
<b>Stockholders' Equity</b>		
Total stockholders' equity	269,397	268,959
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 621,715</b>	<b>\$ 514,047</b>
<b>Total Outstanding Shares</b>	<b>18,833</b>	<b>15,313</b>
<b>Total SLG Shares</b>	<b>4,710</b>	<b>3,435</b>

	Three Months Ended	
	March 31, 2005	December 31, 2004
<b>GKK Manager</b>		
Base management income	\$ 1,213	\$ 794
Other fee income	750	-
Marketing, general and administrative expenses	(1,417)	(1,140)
Net Income before minority interest	546	(346)
Less: minority interest	(135)	52
SLG share of GKK Manager net income	411	(294)
Servicing and administrative reimbursements	464	398
Net management income and reimbursements from Gramercy	\$ 875	\$ 104

### Income Statement

	Three Months Ended	
	March 31, 2005	December 31, 2004
<b>Revenues</b>		
Investment Income	\$ 10,250	\$ 5,614
Other income	440	65
Total revenues	10,690	5,679
<b>Expenses</b>		
Interest	2,801	1,400
Management fees	1,668	1,179
Depreciation and amortization	22	33
Marketing, general and administrative	1,633	1,026
Total expenses	6,124	3,638
<b>Net income available to common shareholders</b>	<b>\$ 4,566</b>	<b>\$ 2,041</b>
<b>SLG share of net income</b>	<b>\$ 1,143</b>	<b>\$ 526</b>
<b>SLG share of FFO</b>	<b>\$ 1,143</b>	<b>\$ 526</b>

### SELECTED FINANCIAL DATA

#### Capitalization Analysis

Unaudited

(\$000's omitted)



	3/31/2005	12/31/2004	9/30/2004	6/30/2004	3/31/2004
<b>Market Capitalization</b>					
Common Equity:					
Common Shares Outstanding	41,622	40,876	40,547	38,692	38,551
OP Units Outstanding	2,531	2,531	2,225	2,225	2,225
<b>Total Common Equity (Shares and Units)</b>	<b>44,153</b>	<b>43,407</b>	<b>42,772</b>	<b>40,917</b>	<b>40,776</b>
Share Price (End of Period)	\$56.22	\$60.55	\$51.81	\$46.80	\$47.70
Equity Market Value	\$2,482,282	\$2,628,294	\$2,216,017	\$1,914,902	\$1,945,017
Preferred Equity at Liquidation Value:	257,500	257,500	257,500	218,750	157,500
<b>Real Estate Debt</b>					
Property Level Mortgage Debt	600,315	614,476	513,354	514,180	515,018
Outstanding Balance on - Term Loans	425,000	425,000	425,000	300,000	367,410
Outstanding Balance on - Secured Credit Lines	125,000	110,900	143,900	104,900	100,000
Outstanding Balance on - Unsecured Credit Line	165,000	—	45,000	—	78,000
Total Consolidated Debt	1,315,315	1,150,376	1,127,254	919,080	1,060,428
Company's portion of Joint Venture Mortgages	564,945	565,211	565,482	496,542	489,940
<b>Total Combined Debt</b>	<b>1,880,260</b>	<b>1,715,587</b>	<b>1,692,736</b>	<b>1,415,622</b>	<b>1,550,368</b>
<b>Total Market Cap (Debt &amp; Equity)</b>	<b>\$ 4,620,042</b>	<b>\$ 4,601,381</b>	<b>\$ 4,166,253</b>	<b>\$ 3,549,274</b>	<b>\$ 3,652,885</b>
<b>Availability under Lines of Credit</b>					
Senior Unsecured Line of Credit	131,000	\$ 296,000	\$ 251,000	\$ 296,000	\$ 218,000
Term Loans	—	—	—	—	—
Secured Line of Credit	—	33,000	—	39,000	25,000
<b>Total Availability</b>	<b>\$ 131,000</b>	<b>\$ 329,000</b>	<b>\$ 251,000</b>	<b>\$ 335,000</b>	<b>\$ 243,000</b>

(A) As reduced by \$4,000 letter of credit

#### Ratio Analysis

Consolidated Basis					
Debt to Market Cap Ratio	32.44%	28.50%	31.31%	30.11%	33.53%
Debt to Gross Real Estate Book Ratio (1)	64.94%	59.61%	66.09%	59.95%	71.48%
Secured Real Estate Debt to Secured Assets Gross Book (1)	66.77%	66.80%	75.16%	74.63%	76.00%
Unsecured Debt to Unencumbered Assets-Gross Book Value (1)	52.09%	39.78%	39.72%	29.66%	56.77%
Secured Line of Credit to Structured Finance Assets (1)	33.32%	31.68%	44.17%	39.69%	36.16%
Joint Ventures Allocated					
Combined Debt to Market Cap Ratio	40.70%	37.28%	40.63%	39.88%	42.44%
Debt to Gross Real Estate Book Ratio (1)	60.33%	56.92%	60.43%	55.54%	61.84%

(1) Excludes property level capital obligations.

(2) Secured debt ratio includes only property level secured debt.

**SELECTED FINANCIAL DATA****Property NOI and Coverage Ratios****Unaudited****(\$000's omitted)**

	Three Months Ended		Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004	December 31, 2004	September 30, 2004
<b>Property NOI</b>				
Property Operating NOI	\$ 38,617	\$ 28,603	\$ 40,993	\$ 34,425
NOI from Discontinued Operations	684	3,206	1,993	4,066
Total Property Operating NOI - Consolidated	39,301	31,809	42,986	38,491
SLG share of Property NOI from JVs	23,527	22,174	23,978	22,413
<b>GAAP NOI</b>	<b>\$ 62,828</b>	<b>\$ 53,983</b>	<b>\$ 66,964</b>	<b>\$ 60,904</b>
Less: Free Rent (Net of Amortization)	3,713	886	1,484	1,557
Net FAS 141 Adjustment	693	101	644	337
Straightline Revenue Adjustment	4,716	3,428	4,202	3,646
Plus: Allowance for S/L tenant credit loss	1,298	939	793	697
Ground Lease Straight-line Adjustment	160	160	160	160
<b>Cash NOI</b>	<b>\$ 55,164</b>	<b>\$ 50,667</b>	<b>\$ 61,587</b>	<b>\$ 56,221</b>
<b>Components of Debt Service and Fixed Charges</b>				
Interest on Fixed Rate Loans	15,561	11,211	15,127	13,501
Interest on Floating Loans	2,076	3,778	2,108	2,903
Fixed Amortization Principal Payments	895	1,068	977	826
<b>Total Consolidated Debt Service</b>	<b>18,532</b>	<b>16,057</b>	<b>18,212</b>	<b>17,230</b>
Payments under Ground Lease Arrangements	4,356	3,706	4,528	3,599
Dividend on perpetual preferred shares	4,969	3,000	4,969	4,843
<b>Total Consolidated Fixed Charges</b>	<b>27,857</b>	<b>22,763</b>	<b>27,709</b>	<b>25,672</b>
<b>Adjusted EBITDA</b>	<b>67,658</b>	<b>59,226</b>	<b>66,059</b>	<b>62,537</b>
<b>Interest Coverage Ratio</b>	<b>3.84</b>	<b>3.95</b>	<b>3.83</b>	<b>3.81</b>
<b>Debt Service Coverage Ratio</b>	<b>3.65</b>	<b>3.69</b>	<b>3.63</b>	<b>3.63</b>
<b>Fixed Charge Coverage Ratio</b>	<b>2.43</b>	<b>2.60</b>	<b>2.38</b>	<b>2.44</b>

**SELECTED FINANCIAL DATA****2005 Same Store - Consolidated****Unaudited****(\$000's omitted)**

	Three Months Ended			Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004	%	December 31, 2004	September 30, 2004
<b>Revenues</b>					
Rental Revenue, net	58,408	56,263	4%	57,915	57,390
Escalation & Reimbursement Revenues	10,514	9,198	14%	12,211	12,609
Investment Income	108	58	81	64	
Other Income	1,339	231	480%	1,895	1,796
<b>Total Revenues</b>	<b>70,369</b>	<b>65,750</b>	<b>7%</b>	<b>72,102</b>	<b>71,859</b>
<b>Expenses</b>					
Operating Expense	19,689	18,648	6%	17,341	19,712
Ground Rent	3,363	3,866	-13%	3,758	3,758
Real Estate Taxes	12,132	11,163	9%	12,094	11,956
	35,184	33,677	4%	33,193	35,426
<b>EBITDA</b>	<b>35,185</b>	<b>32,073</b>	<b>10%</b>	<b>38,909</b>	<b>36,433</b>
Interest	8,726	10,252	-15%	9,263	9,704
Depreciation & Amortization	10,374	10,333	0%	10,792	10,586
Income Before Minority Interest	16,085	11,488	40%	18,854	16,143
Plus: Real Estate Depreciation & Amortization	10,251	10,133	1%	10,663	10,456
<b>FFO</b>	<b>26,336</b>	<b>21,621</b>	<b>22%</b>	<b>29,517</b>	<b>26,599</b>
Less: Non - Building Revenue	331	264	25%	1,113	704
Plus: Interest Expense	8,726	10,252	-15%	9,263	9,704
Non Real Estate Depreciation	123	200	-39%	129	130
<b>GAAP NOI</b>	<b>34,854</b>	<b>31,809</b>	<b>10%</b>	<b>37,796</b>	<b>35,729</b>
<b>Cash Adjustments</b>					
Less: Free Rent (Net of Amortization)	1,026	437	135%	374	396
Straightline Revenue Adjustment	1,956	1,784	10%	2,083	2,064
Rental Income - FAS 141	(58)	(58)	(58)	(58)	
Plus: Allowance for S/L tenant credit loss	605	912	-34%	451	441
Ground Lease Straight-line Adjustment	160	160	0%	77	160
<b>Cash NOI</b>	<b>32,695</b>	<b>30,718</b>	<b>6%</b>	<b>35,925</b>	<b>33,928</b>
<b>Operating Margins</b>					
GAAP NOI to Real Estate Revenue, net	49.34%	47.91%		52.91%	49.90%
Cash NOI to Real Estate Revenue, net	46.28%	46.26%		50.29%	47.39%

GAAP NOI before Ground Rent/Real Estate Revenue, net	54.10%	53.73%	58.17%	55.15%
Cash NOI before Ground Rent/Real Estate Revenue, net	50.82%	51.84%	55.44%	52.41%

**SELECTED FINANCIAL DATA**  
**2005 Same Store - Joint Venture**  
**Unaudited**  
**(\$000's omitted)**



	Three Months Ended			Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004	%	December 31, 2004	September 30, 2004
<b>Revenues</b>					
Rental Revenue, net	31,888	30,213	6%	31,474	30,942
Escalation & Reimbursement Revenues	6,375	5,737	11%	6,644	6,273
Investment Income	108	37	25	65	
Other Income	—	39	-100%	93	49
<b>Total Revenues</b>	<b>38,371</b>	<b>36,026</b>	<b>7%</b>	<b>38,042</b>	<b>37,084</b>
<b>Expenses</b>					
Operating Expense	9,355	9,072	3%	8,801	9,219
Ground Rent	—	—	—	—	—
Real Estate Taxes	7,206	6,519	11%	7,093	6,952
	16,561	15,591	6%	15,894	16,171
<b>EBITDA</b>	<b>21,810</b>	<b>20,435</b>	<b>7%</b>	<b>22,148</b>	<b>20,913</b>
Interest	5,652	4,784	18%	5,207	4,831
Depreciation & Amortization	5,982	5,894	1%	6,098	6,050
Income Before Minority Interest	10,176	9,758	4%	11,037	10,278
Plus: Real Estate Depreciation & Amortization	5,608	5,424	3%	5,722	5,636
<b>FFO</b>	<b>15,784</b>	<b>15,182</b>	<b>4%</b>	<b>16,759</b>	<b>15,914</b>
Less: Non – Building Revenue	65	42	55%	70	70
Plus: Interest Expense	5,652	4,784	18%	5,207	4,831
Non Real Estate Depreciation	374	469	-20%	374	414
<b>GAAP NOI</b>	<b>21,745</b>	<b>20,393</b>	<b>7%</b>	<b>22,270</b>	<b>21,089</b>
<b>Cash Adjustments</b>					
Less: Free Rent (Net of Amortization)	1,225	329	272%	1,412	1,151
Straightline Revenue Adjustment	1,753	1,388	26%	1,495	1,515
FAS 141	230	292	-21%	230	230
Plus: Allowance for S/L tenant credit loss	318	228	39%	194	245
Ground Lease Straight-line Adjustment	—	—	0%	—	—
<b>Cash NOI</b>	<b>18,855</b>	<b>18,612</b>	<b>1%</b>	<b>19,327</b>	<b>18,438</b>
<b>Operating Margins</b>					
GAAP NOI to Real Estate Revenue, net	56.30%	56.32%		58.35%	56.60%
Cash NOI to Real Estate Revenue, net	48.82%	51.40%		50.64%	49.49%
GAAP NOI before Ground Rent/Real Estate Revenue, net	56.30%	56.32%		58.35%	56.60%
Cash NOI before Ground Rent/Real Estate Revenue, net	48.82%	51.40%		50.64%	49.49%

**DEBT SUMMARY SCHEDULE**

**Unaudited**  
**(\$000's omitted)**



	Principal O/S Outstanding 3/31/2005	Coupon	2005 Principal Repayment	Maturity Date	Due at Maturity	As-Of Right Extension	Earliest Prepayment
<b>Fixed rate debt</b>							
<b>Secured fixed Rate Debt</b>							
125 Broad Street	75,325	8.29%	739	Oct-07	73,341	—	Open
673 First Avenue	34,936	5.67%	526	Feb-13	28,984	—	Feb-06
70 W. 36th Street	11,561	7.87%	198	May-09	10,627	—	Open
711 Third Avenue	47,472	8.13%	355	Sep-05	47,247	—	Open
220 E 42nd Street	210,000	5.23%	—	Nov-13	182,394	—	Dec-06
420 Lexington Avenue	119,021	8.44%	2,113	Nov-10	104,406	—	Open
625 Madison Avenue	102,000	6.27%	—	Nov-15	78,595	—	Open
	<b>600,315</b>	<b>6.73%</b>	<b>3,931</b>		<b>525,594</b>		
<b>Secured fixed Rate Debt-Other</b>							
Wells Fargo Unsecured Term Loan (Libor + 150 bps (1))	100,000	3.83%	—	Dec-08	100,000	-	Open
	<b>100,000</b>	<b>3.83%</b>	<b>—</b>		<b>100,000</b>		
<b>Unsecured fixed rate debt</b>							
Wells Fargo Unsecured Term Loan (Libor swap + 125bps (2))	325,000	4.86%	—	Aug-09	325,000	-	Nov-05
	<b>325,000</b>	<b>4.86%</b>	<b>—</b>		<b>325,000</b>		
<b>Total Fixed Rate Debt/Wtd Avg</b>	<b>1,025,315</b>	<b>5.86%</b>	<b>3,931</b>		<b>950,594</b>		
<b>Floating rate Debt</b>							
<b>Secured floating rate debt</b>							
Secured Credit Facilities - unhedged (Libor + 120bps)	125,000	3.79%	—	Dec-06	125,000	-	Open
<b>Total Floating Rate Secured Debt/Wtd Avg</b>	<b>125,000</b>	<b>3.79%</b>	<b>—</b>		<b>125,000</b>		
<b>Unsecured floating rate debt</b>							
Senior Unsecured Line of Credit (Libor + 120 bps)	165,000	3.70%	—	Mar-06	165,000	Mar-07	Open
<b>Total Floating Rate Unsecured Debt/Wtd Avg</b>	<b>165,000</b>	<b>3.70%</b>	<b>—</b>		<b>165,000</b>		
<b>Total Floating Rate Debt Outstanding</b>	<b>290,000</b>	<b>3.74%</b>	<b>—</b>		<b>290,000</b>		
<b>Total Debt/Wtd Avg</b>	<b>1,315,315</b>	<b>5.39%</b>	<b>—</b>		<b>1,240,594</b>		
<b>Weighted Average Balance &amp; Interest Rate</b>	<b>1,235,537</b>	<b>5.53%</b>	<b>—</b>				

**SUMMARY OF JOINT VENTURE DEBT**

	Principal O/S								
	Gross Principal	SLG Share							
<b>Joint Venture Debt</b>									
180 Madison JV	44,543	22,227	4.57%	350	Jul-08	21,019	—	—	Open
1250 Broadway (Libor + 120bps)	115,000	63,250	3.76%	—	Aug-06	63,250	Aug-09	—	Open
1221 Avenue of Americas (Eurodollar + 95bps)	175,000	78,750	3.54%	—	Dec-06	78,750	Dec-08	—	Open
1515 Broadway (Libor + 90 bps) (3)	425,000	233,750	3.16%	—	Jul-06	233,750	Jul-09	—	Open
19 W 44th Street (Libor + 270bps)	46,472	16,265	5.19%	163	Sep-05	16,163	—	—	Open
1 Park Avenue	238,500	39,830	5.80%	—	May-14	39,830	—	—	Open
100 Park Avenue JV	116,628	58,197	8.00%	564	Sep-10	54,555	—	—	Open
485 Lexington Ave (Libor + 200bps)	175,585	52,676	4.65%	—	Jul-07	52,676	—	—	Open
<b>Total Joint Venture Debt/Wtd Avg</b>	<b>1,336,728</b>	<b>564,945</b>	<b>4.22%</b>	<b>1,077</b>		<b>559,994</b>			
<b>Weighted Average Balance &amp; Interest Rate with SLG JV debt</b>		<b>1,808,923</b>	<b>5.12%</b>						

- (1) There is a LIBOR swap on this loan of 2.33% through May 2006 and 4.65% from May 2006 through December 2008.
- (2) WF term loan consists of three tranches which mature in June 2008 and a fourth tranche which matures in August 2009. The blended rates on the step -up swaps for this loan are as follows: 3.57% on \$100mm, 3.51% on \$35mm, 3.95% on \$65mm, and 4.21% on \$125mm.
- (3) In January 2004 a swap at a Libor of 1.855% was placed on \$100mm of SL Green's share of debt from June 2004 through June 2005.

## SUMMARY OF GROUND LEASE ARRANGEMENTS



### Consolidated Statement (REIT) (\$000's omitted)

Property	2005 Scheduled Cash Payment	2006 Scheduled Cash Payment	2007 Scheduled Cash Payment	2008 Scheduled Cash Payment	Deferred Land Lease Obligations (1)	Year of Maturity
<b>Operating Leases</b>						
673 First Avenue	3,010	3,010	3,010	3,010	14,765	2037
1140 Avenue of Americas (2)	348	348	348	348	—	2016(3)
420 Lexington Avenue (2)	7,074	7,074	7,074	7,074	—	2008(4)
711 Third Avenue (2) (5)	1,550	1,550	1,550	1,550	1,118	2032
461 Fifth Avenue (2)	1,787	1,944	2,100	2,100	—	2027(6)
625 Madison Avenue (2)	4,613	4,613	4,613	4,613	—	2022(7)
<b>Total</b>	<b>18,382</b>	<b>18,539</b>	<b>18,695</b>	<b>18,695</b>	<b>15,883</b>	
<b>Capitalized Lease</b>						
673 First Avenue	1,322	1,416	1,416	1,416	16,106	2037

- (1) Per the balance sheet at March 31, 2005.
- (2) These ground leases are classified as operating leases and, therefore, do not appear on the balance sheet as an obligation.
- (3) The Company has a unilateral option to extend the ground lease for an additional 50 years to 2066.
- (4) Subject to renewal at the Company's option through 2029.
- (5) Excludes portion payable to SL Green as owner of 50% leasehold.
- (6) The Company has an option to purchase the ground lease for a fixed price on a specific date.
- (7) Subject to renewal at the Company's option through 2054.

## STRUCTURED FINANCE



(\$000's omitted)

	Assets Outstanding	Wtd Average Assets during quarter	Wtd Average Yield during quarter	Current Yield	Libor Rate
<b>12/31/2003</b>	<b>218,989</b>	<b>169,393</b>	<b>11.53%</b>	<b>11.91%</b>	<b>1.12%</b>
Originations/Accretion (1)	80,020				
Preferred Equity	(7,044)				
Redemptions	(15,426)				
<b>3/31/2004</b>	<b>276,538</b>	<b>269,618</b>	<b>12.16%</b>	<b>12.03%</b>	<b>1.09%</b>
Originations/Accretion (1)	117,362				
Preferred Equity	(59,400)				
Redemptions	(70,204)				
<b>6/30/2004</b>	<b>264,296</b>	<b>235,153</b>	<b>10.19%</b>	<b>10.10%</b>	<b>1.37%</b>
Originations/Accretion (1)	5,000				
Preferred Equity	75,000				
Redemptions	(18,489)				
<b>9/30/2004</b>	<b>325,807</b>	<b>302,092</b>	<b>10.17%</b>	<b>10.32%</b>	<b>1.84%</b>
Originations/Accretion (1)	32,096				
Preferred Equity	—				
Redemptions	(7,876)				
<b>12/31/2004</b>	<b>350,027</b>	<b>332,936</b>	<b>10.00%</b>	<b>10.25%</b>	<b>2.40%</b>
Originations/Accretion (1)	222				
Preferred Equity	25,000				
Redemptions	(150)				
<b>3/31/2005</b>	<b>375,099</b>	<b>363,189</b>	<b>10.43%</b>	<b>10.69%</b>	<b>2.87%</b>

- (1) Accretion includes original issue discounts and compounding investment income.

**STRUCTURED FINANCE**

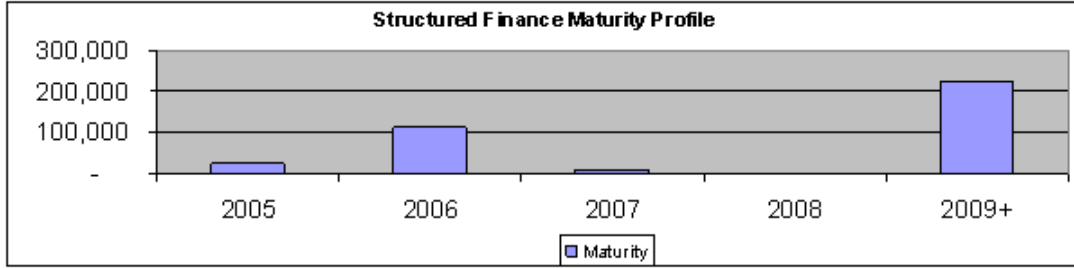


(\$000's omitted)

Type of Investment	Quarter End Balance1	Senior Financing	Exposure Psf	Wtd Average Yield during quarter	Current Yield
Junior Mortgage Participation	\$ 165,763	\$ 1,162,364	\$ 221	10.12%	10.63%
Mezzanine Debt	\$ 109,336	\$ 514,000	\$ 156	10.95%	10.64%
Preferred Equity	\$ 100,000	\$ 2,851,650	\$ 121	10.45%	10.88%
<b>Balance as of 3/31/05</b>	<b>\$ 375,099</b>	<b>\$ 4,528,014</b>	<b>\$ 171</b>	<b>10.43 %</b>	<b>10.69 %</b>

- (1) Most investments are indexed to Libor and are prepayable at dates prior to maturity subject to certain prepayment penalties or fees.
- (2) The weighted average maturity is 5.5 years.

**Current Maturity Profile**



**SELECTED PROPERTY DATA**



□ 60;

Properties	SubMarket	Ownership	Usable% of Total		Occupancy (%)					Annualized Rent (\$)	Annualized Rent		Total Tenants
			Sq. Feet	Sq. Feet	Mar-05	Dec-04	Sep-04	Jun-04	Mar-04		100%	SLG	
<b>PROPERTIES 100% OWNED</b>													
<b>"Same Store"</b>													
1440 Avenue of the Americas	Rockefeller Center	Leasehold Interest	191,000	1	96.3	94.7	94.7	96.4	95.8	8,491,176	3	2	23
110 East 42nd Street	Grand Central	Fee Interest	181,000	1	88.9	88.9	88.9	89.4	89.4	5,950,464	2	1	27
125 Broad Street	Downtown	Fee Interest	525,000	3	100.0	100.0	100.0	100.0	100.0	17,870,760	5	4	4
1372 Broadway	Penn Station	Fee Interest	508,000	3	99.4	99.2	99.6	99.6	99.5	16,924,584	5	3	27
1414 Avenue of the Americas	Plaza District	Fee Interest	111,000	1	96.8	96.8	96.8	97.8	94.3	5,033,292	2	1	22
220 East 42nd Street	Grand Central	Fee Interest	1,135,000	7	97.9	97.9	97.4	94.5	94.5	36,860,100	11	8	43
286 Madison Avenue	Grand Central	Fee Interest	112,000	1	95.6	92.1	89.3	96.8	92.7	3,800,088	1	1	39
290 Madison Avenue	Grand Central	Fee Interest	37,000	0	100.0	100.0	71.8	71.8	100.0	1,413,768	0	0	4
292 Madison Avenue	Grand Central	Fee Interest	187,000	1	99.7	99.7	99.7	99.7	95.4	7,640,736	2	2	20
317 Madison Avenue	Grand Central	Fee Interest	450,000	3	89.9	87.3	89.0	89.0	89.4	14,840,952	4	3	82
420 Lexington Ave (Graybar)	Grand Central	Operating Sublease	1,188,000	7	96.4	96.8	96.8	98.4	98.2	51,070,620	15	10	248
440 Ninth Avenue	Penn Station	Fee Interest	339,000	2	100.0	100.0	98.7	98.7	100.0	9,762,096	3	2	15
461 Fifth Avenue	Midtown	Leasehold Interest	200,000	1	90.5	91.4	88.7	90.7	97.1	10,637,288	3	2	18
470 Park Avenue South	Park Avenue South	Fee Interest	260,000	1	91.1	87.9	85.1	88.9	88.4	8,377,080	3	2	24
555 West 57th Street	Midtown West	Fee Interest	941,000	5	100.0	100.0	100.0	99.8	99.8	25,746,720	8	5	19
673 First Avenue	United Nations	Leasehold Interest	422,000	2	80.8	80.6	80.6	99.1	99.8	10,904,808	3	2	12
70 West 36th Street	Penn Station	Fee Interest	151,000	1	98.2	96.1	97.1	98.8	98.8	4,272,588	1	1	31
711 Third Avenue	Grand Central	Operating Sublease (1)	524,000	3	98.1	98.1	98.1	98.6	99.2	21,363,504	6	4	17
<b>Subtotal / Weighted Average</b>			<b>7,462,000</b>	<b>43</b>	<b>96.0</b>	<b>95.8</b>	<b>95.5</b>	<b>96.7</b>	<b>96.9</b>	<b>260,969,724</b>	<b>78</b>	<b>54</b>	<b>675</b>
<b>Adjustments</b>													
750 Third Avenue	Grand Central	Fee Interest	780,000	4	100.0	100.0	100.0	—	—	33,893,383	10	7	1
625 Madison Avenue	Plaza District	Leasehold Interest	563,000	3	76.4	89.0	—	—	—	30,157,776	9	6	39
28 West 44th Street	Midtown	Fee Interest	359,000	2	86.8	—	—	—	—	10,025,388	3	2	70
<b>Subtotal / Weighted Average</b>			<b>1,702,000</b>	<b>10</b>	<b>89.4</b>	<b>87.0</b>	<b>100.0</b>	<b>—</b>	<b>—</b>	<b>74,075,547</b>	<b>22</b>	<b>15</b>	<b>110</b>
<b>Total / Weighted Average Properties 100% Owned</b>			<b>9,164,000</b>	<b>53</b>	<b>94.7</b>	<b>94.5</b>	<b>94.2</b>	<b>96.7</b>	<b>96.9</b>	<b>335,045,271</b>	<b>100</b>	<b>69</b>	<b>785</b>
<b>PROPERTIES &lt; 100% OWNED (Unconsolidated)</b>													
<b>"Same Store"</b>													
180 Madison Avenue - 50%	Grand Central	Fee Interest	265,000	2	85.2	84.9	80.3	82.6	82.7	8,103,408	1	1	50
1 Park Avenue - 16.7%	Grand Central	Fee Interest	913,000	5	97.1	97.1	94.6	94.6	94.6	34,571,148	1	1	18
1250 Broadway - 55%	Penn Station	Fee Interest	670,000	4	94.8	94.5	88.6	94.8	93.1	21,587,076	2	2	32
1515 Broadway - 55%	Times Square	Fee Interest	1,750,000	10	99.6	99.7	98.3	96.0	94.8	78,443,928	9	12	12
100 Park Avenue - 50%	Grand Central	Fee Interest	834,000	5	91.5	93.1	93.2	98.4	98.3	31,920,900	3	3	39
1221 Avenue of the Americas - 45%	Rockefeller Center	Fee Interest	2,550,000	15	97.7	97.7	97.9	98.8	98.8	126,632,104	12	12	22
<b>Subtotal / Weighted Average</b>			<b>6,882,000</b>	<b>40</b>	<b>96.6</b>	<b>96.8</b>	<b>95.4</b>	<b>96.5</b>	<b>96.0</b>	<b>381,248,564</b>	<b>28</b>	<b>28</b>	<b>173</b>
<b>Adjustments</b>													
19 West 44th Street - 35%	Midtown	Fee Interest	292,000	2	92.2	89.0	87.2	86.8	87.4	9,050,196	—	1	61
485 Lexington Avenue - 30%	Grand Central	Fee Interest	921,000	5	100.0	100.0	100.0	—	—	35,062,056	—	2	1
<b>Subtotal / Weighted Average</b>			<b>1,213,000</b>	<b>7</b>	<b>98.1</b>	<b>97.4</b>	<b>96.9</b>	<b>86.8</b>	<b>87.4</b>	<b>44,121,252</b>	<b>—</b>	<b>3</b>	<b>62</b>
<b>Total / Weighted Average Properties Less Than 100% Owned</b>			<b>8,195,000</b>	<b>47</b>	<b>96.8</b>	<b>96.8</b>	<b>95.7</b>	<b>96.1</b>	<b>95.7</b>	<b>345,369,816</b>	<b>31</b>	<b>31</b>	<b>235</b>
<b>Grand Total / Weighted Average</b>			<b>17,359,000</b>	<b>100</b>	<b>95.7 (2)</b>	<b>95.6</b>	<b>95.8</b>	<b>96.4</b>	<b>96.3</b>	<b>\$680,415,087</b>	<b>100</b>	<b>100</b>	<b>1,020</b>
<b>Grand Total - SLG share of Annualized Rent</b>										<b>\$486,517,141</b>			
<b>Same Store Occupancy % - Combined</b>			<b>14,444,000</b>	<b>83</b>	<b>96.3</b>	<b>96.3</b>	<b>95.5</b>	<b>96.6</b>	<b>96.3</b>				

- (1) Including Ownership of 50% in Building Fee.
- (2) Mar-05 weighted average occupancy without 625 Madison Avenue is 96.4%

**LARGEST TENANTS BY SQUARE FEET LEASED**



**Wholly Owned Portfolio + Allocated JV Properties**

Tenant Name	Property	Leased Expiration	Total Leased Square Feet	Annualized Rent (\$)	PSF Annualized	% of SLG Share of Annualized Rent	SLG Share of Annualized Rent(\$)	% of Annualized Rent
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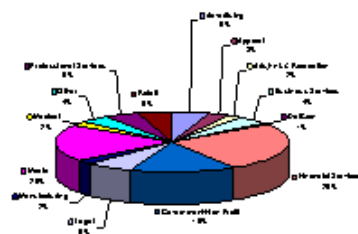
Company	Address	Years	Revenue	Cost	Net	Margin	Revenue	Margin
Teachers Insurance & Annuity Assoc.	485 Lexington Ave & 750 Third Ave (1)	2005	1,700,407	\$65,659,824	\$38.61	9.6%	\$41,696,248	8.6%
Viacom International, Inc.	1515 Broadway	2008, 2010, 2013, 2015	1,372,556	64,408,896	\$46.93	9.5%	35,424,893	7.3%
Morgan Stanley & Co. Inc.	1221 Ave. of the Americas	Various	496,249	31,927,800	\$64.34	4.7%	14,367,510	3.0%
Societe Generale	1221 Ave. of the Americas	Various	486,662	23,679,828	\$48.66	3.5%	10,655,923	2.2%
The McGraw Hill Companies, Inc.	1221 Ave. of the Americas	Various	420,328	18,443,640	\$43.88	2.7%	8,299,638	1.7%
Omnicom Group	220 East 42nd Street	2008, 2009, 2010, 2017	419,111	13,228,788	\$31.56	1.9%	13,228,788	2.7%
Salomon Smith Barney	125 Broad Street	2010	330,900	12,252,636	\$37.03	1.8%	12,252,636	2.5%
Visiting Nurse Service of New York	1250 Broadway	2005, 2006, 2011, 2018	284,052	8,462,040	\$29.79	1.2%	4,654,122	1.0%
City University of New York - CUNY	555 West 57th Street & 28 West 44th Street	2010, 2011, 2015 & 2016	228,152	6,949,332	\$30.46	1.0%	6,949,332	1.4%
BMW of Manhattan	555 West 57th Street	2012	227,782	3,894,000	\$17.10	0.6%	3,894,000	0.8%
C.B.S. Broadcasting, Inc.	555 West 57th Street	2013	188,583	5,978,628	\$31.70	0.9%	5,978,628	1.2%
Polo Ralph Lauren Corporation	625 Madison Avenue	2019	186,000	9,114,000	\$49.00	1.3%	9,114,000	1.9%
New York Presbyterian Hospital	555 West 57th Street & 673 First Ave	2006, 2009 & 2021	181,959	5,273,940	\$28.98	0.8%	5,273,940	1.1%
The Columbia House Company	1221 Ave. of the Americas	Various	175,312	8,180,916	\$46.66	1.2%	3,681,412	0.8%
J & W Seligman & Co., Incorporated	100 Park Avenue	2009	168,390	6,313,800	\$37.50	0.9%	3,156,900	0.6%
The Mt. Sinai and NYU Hospital Centers	1 Park Avenue & 625 Madison Avenue	2006, 2013, 2015	159,022	6,017,604	\$37.84	0.9%	1,464,596	0.3%
Segal Company	1 Park Avenue	2009	157,947	6,729,276	\$42.60	1.0%	1,123,789	0.2%
Sonnenschein, Nath & Rosenthal	1221 Ave. of the Americas	Various	147,997	7,091,676	\$47.92	1.0%	3,191,254	0.7%
Altria Corporate Services	100 Park Avenue	2007	136,118	6,627,912	\$48.69	1.0%	3,313,956	0.7%
Metro North Commuter Railroad Co.	420 Lexington Avenue	2008 & 2016	134,687	4,220,412	\$31.33	0.6%	4,220,412	0.9%
Tribune Newspaper	220 East 42nd Street	2010	134,208	4,039,584	\$30.10	0.6%	4,039,584	0.8%
St. Luke's Hospital Center	555 West 57th Street	2014	134,150	3,798,216	\$28.31	0.6%	3,798,216	0.8%
Ross Stores, Inc.	1372 Broadway	2010	126,001	3,684,108	\$29.24	0.5%	3,684,108	0.8%
Fahnestock & Co., Inc.	125 Broad Street	2013	105,008	3,128,940	\$29.80	0.5%	3,128,940	0.6%
JP Morgan Chase Bank	1221 Ave. of the Americas	Various	103,991	6,810,924	\$65.50	1.0%	3,064,916	0.6%
<b>TOTAL</b>			<b>8,205,572</b>	<b>\$335,916,720</b>	<b>\$40.94</b>	<b>49.4%</b>	<b>\$209,657,741</b>	<b>43.1%</b>
<b>Wholly Owned Portfolio + Allocated JV Properties</b>			<b>17,359,000</b>	<b>\$680,415,087</b>	<b>\$39.20</b>		<b>\$486,517,141</b>	

(1) Underlying the TIAA lease at 750 Third Avenue, Fairchild Publications leases 244,236 sf at \$34.35 per sq.ft. expiring in 2021.

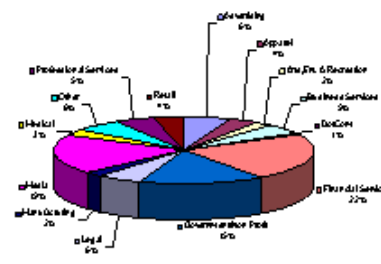
## TENANT DIVERSIFICATION



Based on Base Rental Revenue



Based on Square Feet Leased



## Leasing Activity

## Available Space



Activity Type	Building Address	# of Leases	Usable SF	Rentable SF	Rent/Rentable SF (\$'s)
Vacancy at 12/31/04			744,245		
Add: Acquired Vacancies	28 West 44th Street		43,672		
Space which became available during the Quarter (A):					
<i>Office</i>					
	317 Madison Avenue	9	19,932	20,750	33.02
	220 East 42nd Street	1	6,781	6,781	55.96
	461 Fifth Avenue	1	6,650	6,650	65.95
	1 Park Avenue	2	47,922	50,000	33.00
	180 Madison Avenue	1	10,391	10,391	30.02
	100 Park Avenue	2	12,953	12,953	34.50
	286 Madison Avenue	1	3,360	3,360	29.28
	555 West 57th Street	1	3,400	3,400	26.23
	70 West 36th Street	1	2,570	2,570	33.11
	1372 Broadway	1	581	793	50.07

19 West 44th Street	5	5,476	5,476	38.97
28 West 44th Street	4	4,657	4,657	38.35
625 Madison Avenue	4	77,668	77,668	41.49
420 Lexington Avenue	15	34,431	37,689	44.36
<b>Total/weighted Average</b>	<b>48</b>	<b>236,772</b>	<b>243,138</b>	<b>39.12</b>
<b>Retail</b>				
1515 Broadway	1	70,000	70,000	19.18
1250 Broadway	1	3,717	3,717	44.37
461 Fifth Avenue	1	12,442	12,442	86.31
673 First Avenue	1	30,000	30,000	14.99
19 West 44th Street	2	8,765	10,209	45.71
28 West 44th Street	1	808	808	31.71
<b>Total/weighted Average</b>	<b>7</b>	<b>125,732</b>	<b>127,176</b>	<b>27.70</b>
<b>Storage</b>				
1515 Broadway	1	865	865	31.64
461 Fifth Avenue	1	3,000	3,000	26.49
<b>Total/weighted Average</b>	<b>2</b>	<b>3,865</b>	<b>3,865</b>	<b>27.64</b>
<b>Total space became available during the quarter</b>				
Office	48	236,772	243,138	39.12
Retail	7	125,732	127,176	27.70
Storage	2	3,865	3,865	27.64
	<b>57</b>	<b>366,369</b>	<b>374,179</b>	<b>35.12</b>
<b>Total Available Space</b>		<b>1,154,286</b>		

(1) Escalated Rent is calculated as Total Annual Income less Electric Charges

(A) - Includes expiring space, relocating tenants and move-outs where tenants vacated. Excludes lease expirations where tenants holdover.

## Leasing Activity

## Leased Space



Activity Type	Building Address	# of Leases	Term (Yrs)	Usable SF	Rentable SF	New Cash Rent / (1)	60;	TI /	Free Rent
							Prev. Escalated Rent/ Rentable SF (2)		
Available Space as of 3/31/05				1,154,286					
<b>Office</b>									
	317 Madison Avenue	4	7.2	18,590	19,090	33.97	23.11	38.86	3.9
	220 East 42nd Street	1	10.3	6,781	7,140	41.00	53.15	36.27	4.0
	461 Fifth Avenue	2	9.5	19,928	20,559	58.67	59.98	45.73	6.0
	1 Park Avenue	3	8.1	47,922	47,922	34.28	34.43	31.13	4.4
	180 Madison Avenue	2	9.6	11,306	12,413	32.63	27.91	10.15	4.7
	1250 Broadway	1	5.3	2,140	2,602	33.00	—	44.55	3.0
	286 Madison Avenue	2	5.1	5,058	5,353	29.38	—	26.06	2.2
	555 West 57th Street	1	3.7	3,400	3,789	33.00	23.54	—	—
	70 West 36th Street	3	7.3	5,832	6,020	26.03	30.83	20.52	0.5
	470 Park Ave South	1	10.0	8,400	9,068	31.00	26.66	51.73	4.0
	1140 Sixth Avenue	2	3.6	3,102	4,401	33.97	23.35	—	—
	19 West 44th Street	6	7.6	16,606	16,606	33.79	36.98	32.49	5.1
	28 West 44th Street	1	1.9	972	972	35.50	—	—	—
	625 Madison Avenue	3	14.3	119,427	119,091	51.22	43.35	48.15	8.7
	420 Lexington Avenue	10	9.8	29,892	37,816	36.71	35.13	51.83	3.9
	<b>Total/Weighted Average</b>	<b>42</b>	<b>10.6</b>	<b>299,356</b>	<b>312,842</b>	<b>42.17</b>	<b>38.15</b>	<b>40.76</b>	<b>5.8</b>
<b>Retail</b>									
	1515 Broadway	1	10.6	70,000	70,000	29.64	19.18	—	—
	28 West 44th Street	1	10.0	808	808	40.00	31.71	—	—
	1250 Broadway	1	15.0	3,717	3,317	100.00	49.72	—	4.0
	673 First Avenue	1	10.0	30,000	33,632	17.84	13.37	—	2.0
	1372 Broadway	1	10.0	1,501	1,501	71.95	51.17	—	3.0
	19 West 44th Street	1	17.0	6,965	6,965	59.22	49.45	—	5.0
	<b>Total/Weighted Average</b>	<b>6</b>	<b>10.9</b>	<b>112,991</b>	<b>116,223</b>	<b>30.62</b>	<b>20.69</b>	<b>—</b>	<b>1.0</b>
<b>Storage</b>									
	673 First Avenue	1	2.6	700	1,000	3.00	—	—	—
	<b>Total/Weighted Average</b>	<b>1</b>	<b>2.6</b>	<b>700</b>	<b>1,000</b>	<b>3.00</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Leased Space</b>									
	Office (3)	42	10.6	299,356	312,842	42.17	38.15	40.76	5.8
	Retail	6	10.9	112,991	116,223	30.62	20.69	—	1.0
	Storage	1	2.6	700	1,000	3.00	—	—	—
	<b>Total</b>	<b>49</b>	<b>10.7</b>	<b>413,047</b>	<b>430,065</b>	<b>38.96</b>	<b>31.64</b>	<b>29.65</b>	<b>4.5</b>

(1) Annual Base Rent

(2) Escalated Rent is calculated as Total Annual Income less Electric Charges

(3) Average starting office rent excluding new tenants replacing vacancies is \$39.21/rsf for 195,864 rentable SF.

Average starting office rent for office space (leased and early renewals, excluding new tenants replacing vacancies) is \$40.60/rsf for \$298,828 rentable SF.

## Leasing Activity

## Leased Space



Activity Type	Building Address	# of Leases	Term (Yrs)	Usable SF	Rentable SF	New Cash Rent / (1)	Prev. Escalated	TI / Rentable SF (3)	Free Rent # of Months
							Rent/ Rentable SF (2)		
<b>Office</b>									
	317 Madison Avenue	2	5.9	4,152	4,591	37.28	38.16	7.61	—
	220 East 42nd Street	1	10.0	3,262	3,479	35.00	27.66	0.80	1.0
	1 Park Avenue	1	6.0	17,000	18,686	35.00	36.99	16.75	3.0
	286 Madison Avenue	1	5.3	5,058	5,353	27.00	27.81	10.00	1.0
	470 Park Ave South	1	1.0	7,800	9,068	20.50	19.47	—	—
	110 East 42nd Street	1	3.4	1,000	1,200	36.00	35.80	—	1.0



19 West 44th Street	1	1.0	350	377	16.39	17.70	—	—
625 Madison Avenue	1	10.0	41,550	42,856	55.00	49.15	—	—
420 Lexington Avenue	4	1.6	12,513	17,354	44.29	37.18	—	—
<b>Total/Weighted Average</b>	<b>13</b>	<b>6.5</b>	<b>92,685</b>	<b>102,964</b>	<b>43.24</b>	<b>39.72</b>	<b>3.93</b>	<b>0.6</b>
<b>Retail</b>								
19 West 44th Street	1	5.0	1,070	1,070	50.47	46.00	—	—
<b>Total/Weighted Average</b>	<b>1</b>	<b>5.0</b>	<b>1,070</b>	<b>1,070</b>	<b>50.47</b>	<b>46.00</b>	<b>—</b>	<b>—</b>
<b>Storage</b>								
1 Park Avenue	1	6.0	1,113	1,591	10.00	7.00	—	—
<b>Total/Weighted Average</b>	<b>1</b>	<b>6.0</b>	<b>1,113</b>	<b>1,591</b>	<b>10.00</b>	<b>7.00</b>	<b>—</b>	<b>—</b>
<b>Renewals</b>								
Expired/Renewed	9	12.0	50,669	52,299	43.12	39.36	34.17	6.2
Early Renewals Office	13	6.5	92,685	102,964	43.24	39.72	3.93	0.6
Early Renewals Retail	1	5.0	1,070	1,070	50.47	46.00	—	—
Early Renewals Storage	1	6.0	1,113	1,591	10.00	7.00	—	—
<b>Total</b>	<b>24</b>	<b>8.3</b>	<b>145,537</b>	<b>157,924</b>	<b>42.92</b>	<b>39.31</b>	<b>13.87</b>	<b>2.5</b>

- Annual Base Rent
- Escalated Rent is calculated as Total Annual Income less Electric Charges
- Average starting office rent excluding new tenants replacing vacancies is \$39.21/rsf for 195,864 rentable SF.  
Average starting office rent for office space (leased and early renewals, excluding new tenants replacing vacancies is \$40.60/rsf for \$298,828 rentable SF.)

## ANNUAL LEASE EXPIRATIONS



□ 60;

Year of Lease Expiration	Consolidated Properties					Joint Venture Properties						
	Number of Expiring Leases (2)	Rentable Square Footage of Expiring Leases	Percentage of Total Leased Sq. Ft.	Annualized Rent of Expiring Leases	Annualized Rent Per Leased Square Foot of Expiring Leases S/sq (3)	Year 2005 Weighted Average Asking Rent S/sq	Number of Expiring Leases (2)	Rentable Square Footage of Expiring Leases	Percentage of Total Leased Sq. Ft.	Annualized Rent of Expiring Leases	Annualized Rent Per Leased Square Foot of Expiring Leases S/sq (3)	Year 2005 Weighted Average Asking Rent S/sq
In 1st Quarter 2005 (1)	34	65,752	0.73%	\$2,670,348	\$40.61	38.59	8	27,231	0.35%	\$1,011,024	37.13	46.30
In 2nd Quarter 2005	38	90,655	1.01%	3,173,868	35.01	39.58	8	116,207	1.49%	6,512,196	56.04	56.37
In 3rd Quarter 2005	28	139,563	1.55%	4,375,776	31.35	36.97	5	17,597	0.23%	381,048	21.65	43.81
In 4th Quarter 2005 (4)	24	907,523	10.08%	38,355,615	42.36	48.07	13	945,030	12.08%	36,096,576	38.20	54.90
<b>Total 2005</b>	<b>124</b>	<b>1,203,493</b>	<b>13.37%</b>	<b>\$48,575,607</b>	<b>40.36</b>	<b>45.63</b>	<b>34</b>	<b>1,106,065</b>	<b>14.14%</b>	<b>\$44,000,844</b>	<b>39.78</b>	<b>57.95</b>
In 1st Quarter 2006	20	110,656	1.23%	\$3,660,276	33.08	35.33	13	66,589	0.85%	\$2,225,700	33.42	44.56
In 2nd Quarter 2006	25	115,587	1.28%	4,985,832	43.13	50.17	6	27,002	0.35%	963,096	35.67	37.45
In 3rd Quarter 2006	30	236,475	2.63%	7,807,752	33.02	37.11	12	114,158	1.46%	5,031,276	44.07	44.57
In 4th Quarter 2006	15	62,118	0.69%	2,258,340	36.36	38.14	4	16,245	0.21%	654,336	40.28	43.30
<b>Total 2006</b>	<b>90</b>	<b>524,836</b>	<b>5.83%</b>	<b>\$18,712,200</b>	<b>35.65</b>	<b>39.73</b>	<b>35</b>	<b>223,994</b>	<b>2.86%</b>	<b>\$8,874,408</b>	<b>39.62</b>	<b>43.61</b>
2007	108	387,499	4.31%	\$15,014,292	38.75	49.45	28	439,144	5.62%	\$24,464,172	55.71	54.09
2008	107	603,358	6.70%	22,491,168	37.28	40.36	28	550,549	7.05%	22,945,932	41.65	52.13
2009	87	600,211	6.67%	23,749,104	39.57	43.32	32	605,237	7.74%	27,932,112	46.15	47.75
2010	86	1,551,271	17.24%	57,735,420	37.22	39.07	19	1,356,181	17.34%	59,457,072	43.84	52.52
2011	47	477,755	5.31%	22,945,140	48.03	45.32	9	152,850	1.95%	5,904,444	38.63	51.12
2012	38	680,485	7.56%	18,549,300	27.26	35.99	11	202,519	2.59%	7,632,456	37.69	42.73
2013	37	747,779	8.31%	27,203,364	36.38	38.56	6	1,017,181	13.01%	50,017,512	49.17	58.95
2014	26	374,025	4.16%	12,785,472	34.18	38.50	16	207,492	2.65%	14,919,372	71.90	70.00
<b>Thereafter</b>	<b>80</b>	<b>1,848,273</b>	<b>20.54%</b>	<b>67,284,284</b>	<b>36.40</b>	<b>46.63</b>	<b>36</b>	<b>1,958,621</b>	<b>25.05%</b>	<b>79,221,492</b>	<b>49.45</b>	<b>59.91</b>
	<b>830</b>	<b>8,998,985</b>	<b>100.00%</b>	<b>\$335,045,271</b>	<b>37.23</b>	<b>42.23</b>	<b>254</b>	<b>7,820,233</b>	<b>100.00%</b>	<b>\$345,369,816</b>	<b>44.16</b>	<b>52.88</b>

- Includes month to month holdover tenants that expired prior to 3/31/05.
- Tenants may have multiple leases.
- Represents current in place annualized rent allocated by year of maturity.
- Underlying the TIAA lease at 750 Third Avenue are leases totaling 439,503 sq ft, which are leased at various terms expiring between 2008 and 2021.

## SUMMARY OF REAL ESTATE ACQUISITION ACTIVITY POST 1997



	Property	Type of Ownership	Submarket	Net Rentable sf	% Leased		Acquisition Price (\$'s) (1)
					at acquisition	3/31/2005	
<b>1998 Acquisitions</b>							
Mar-98	420 Lexington	Operating Sublease	Grand Central	1,188,000	83	96	\$78,000,000
Mar-98	1466 Broadway	Fee Interest	Times Square	289,000	87	N/A	\$64,000,000
Mar-98	321 West 44th	Fee Interest	Times Square	203,000	96	N/A	\$17,000,000
May-98	711 3rd Avenue	Operating Sublease	Grand Central	524,000	79	98	\$65,600,000
Jun-98	440 9th Avenue	Fee Interest	Penn Station	339,000	76	100	\$32,000,000
Aug-98	1412 Broadway	Fee Interest	Times Square South	389,000	90	N/A	\$82,000,000
				<b>2,932,000</b>			<b>\$338,600,000</b>
<b>1999 Acquisitions</b>							
Jan-99	420 Lexington Leasehold	Sub-leasehold	Grand Central	—	-	-	\$27,300,000
Jan-99	555 West 57th - 65% JV	Fee Interest	Midtown West	941,000	100	100	\$66,700,000
May-99	90 Broad Street - 35% JV	Fee Interest	Financial	339,000	82	N/A	\$34,500,000
May-99	The Madison Properties:	Fee Interest	Grand Central				\$50,000,000
	286 Madison Avenue			112,000	99	94	
	290 Madison Avenue			36,800	86	100	
	292 Madison Avenue			187,000	97	100	
Aug-99	1250 Broadway - 50% JV	Fee Interest	Penn Station	670,000	97	95	\$93,000,000
Nov-99	555 West 57th - remaining 35%	Fee Interest	Midtown West	—		100	\$34,100,000
				<b>2,285,800</b>			<b>\$305,600,000</b>
<b>2000 Acquisitions</b>							
Feb-00	100 Park Avenue	Fee Interest	Grand Central	834,000	97	92	\$192,000,000
Dec-00	180 Madison Avenue	Fee Interest	Grand Central	265,000	90	85	\$41,250,000
<b>Contribution to JV</b>							
May-00	321 West 44th	Fee Interest	Times Square	203,000	98	N/A	\$28,400,000
				<b>1,302,000</b>			<b>\$261,650,000</b>
<b>2001 Acquisitions</b>							
Jan-01	1370 Broadway	Fee Interest	Times Square South	255,000	97	N/A	\$50,500,000
Jan-01	1 Park Avenue	Various Interests	Grand Central	913,000	97	97	\$233,900,000
Jan-01	469 7th Avenue - 35% JV	Fee Interest	Penn Station	253,000	98	N/A	\$45,700,000
Jun-01	317 Madison	Fee Interest	Grand Central	450,000	95	87	\$105,600,000
<b>Acquisition of JV Interest</b>							
Sep-01	1250 Broadway - 49.9% JV (2)	Fee Interest	Penn Station	670,000	98	95	\$126,500,000
				<b>2,541,000</b>			<b>\$562,200,000</b>
<b>2002 Acquisitions</b>							
May-02	1515 Broadway - 55% JV	Fee Interest	Times Square	1,750,000	98	100	\$483,500,000
							<b>\$483,500,000</b>

2003 Acquisitions							
Feb-03	220 East 42nd Street	Fee Interest	Grand Central	1,135,000	92	98	\$265,000,000
Mar-03	125 Broad Street	Fee Interest	Downtown	525,000	100	100	\$92,000,000
Oct-03	461 Fifth Avenue	Leasehold Interest	Midtown	200,000	94	90	\$60,900,000
Dec-03	1221 Ave of Americas -45% JV	Fee Interest	Rockefeller Center	2,550,000	99	98	\$1,000,000,000
				<b>4,410,000</b>			<b>\$1,417,900,000</b>
2004 Acquisitions							
Mar-04	19 West 44th Street -35% JV	Fee Interest	Midtown	292,000	86	92	\$67,000,000
Jul-04	750 Third Avenue	Fee Interest	Grand Central	779,000	100	100	\$255,000,000
Jul-04	485 Lexington Avenue - 30% JV	Fee Interest	Grand Central	921,000	100	100	\$225,000,000
Oct-04	625 Madison Avenue	Leasehold Interest	Plaza District	563,000	68	76	\$231,500,000
				<b>2,555,000</b>			<b>\$778,500,000</b>
2005 Acquisitions							
Feb-05	28 West 44th Street	Fee Interest	Midtown	359,000	87	87	\$105,000,000

(1) Acquisition price represents purchase price for consolidated acquisitions and purchase price or imputed value for joint venture properties.

(2) Current ownership interest is 55%. (From 9/1/01-10/31/01 the company owned 99.8% of this property.)

## SUMMARY OF REAL ESTATE SALES ACTIVITY POST 1999



	Property	Type of Ownership	Submarket	Net Rentable sf	Sales Price (\$')	Sales Price (\$'/SF)
<b>2000 Sales</b>						
Feb-00	29 West 35th Street	Fee Interest	Penn Station	78,000	\$11,700,000	\$150
Mar-00	36 West 44th Street	Fee Interest	Grand Central	178,000	\$31,500,000	\$177
May-00	321 West 44th Street - 35% JV	Fee Interest	Times Square	203,000	\$28,400,000	\$140
Nov-00	90 Broad Street	Fee Interest	Financial	339,000	\$60,000,000	\$177
Dec-00	17 Battery South	Fee Interest	Financial	392,000	\$53,000,000	\$135
				<b>1,190,000</b>	<b>\$184,600,000</b>	<b>\$156</b>
<b>2001 Sales</b>						
Jan-01	633 Third Ave	Fee Interest	Grand Central North	40,623	\$13,250,000	\$326
May-01	1 Park Ave - 45% JV	Fee Interest	Grand Central South	913,000	\$233,900,000	\$256
Jun-01	1412 Broadway	Fee Interest	Times Square South	389,000	\$90,700,000	\$233
Jul-01	110 E. 42nd Street	Fee Interest	Grand Central	69,700	\$14,500,000	\$208
Sep-01	1250 Broadway (1)	Fee Interest	Penn Station	670,000	\$126,500,000	\$189
				<b>2,082,323</b>	<b>\$478,850,000</b>	<b>\$242</b>
<b>2002 Sales</b>						
Jun-02	469 Seventh Avenue	Fee Interest	Penn Station	253,000	\$53,100,000	\$210
				<b>253,000</b>	<b>\$53,100,000</b>	<b>\$210</b>
<b>2003 Sales</b>						
Mar-03	50 West 23rd Street	Fee Interest	Chelsea	333,000	\$66,000,000	\$198
Jul-03	1370 Broadway	Fee Interest	Times Square South	255,000	\$58,500,000	\$229
Dec-03	321 W 44th Street	Fee Interest	Times Square	203,000	\$35,000,000	\$172
				<b>791,000</b>	<b>\$159,500,000</b>	<b>\$202</b>
<b>2004 Sales</b>						
May-04	1 Park Avenue (2)	Fee Interest	Grand Central South	913,000	\$318,500,000	\$349
Oct-04	17 Battery Place North	Fee Interest	Financial	419,000	\$70,000,000	\$167
Nov-04	1466 Broadway	Fee Interest	Times Square	289,000	\$160,000,000	\$554
				<b>1,621,000</b>	<b>\$548,500,000</b>	

(1) Company sold a 45% JV interest in the property at an implied \$126.5mm sales price.

(2) Company sold a 75% JV interest in the property at an implied \$318.5mm sales price.

## SUPPLEMENTAL DEFINITIONS

**Annualized rent** is calculated as monthly base rent and escalations per the lease, as of a certain date, multiplied by 12.

**Debt service coverage** is adjusted EBITDA divided by total interest and principal payments.

**Equity income / (loss) from affiliates** are generally accounted for on a cost basis and realized gains and losses are included in current earnings. For investments in private companies, the Company periodically reviews its investments and management determines if the value of such investments have been permanently impaired. Permanent impairment losses for investments in public and private companies are included in current earnings.

**Fixed charge** is adjusted EBITDA divided by the total payments for ground leases and preferred stock.

**Fixed charge coverage** is adjusted EBITDA divided by total interest expense (including capitalized interest and debt premium amortization, but excluding finance cost amortization) plus preferred dividends and distributions.

**Funds available for distribution (FAD)** is defined as FFO plus non-real estate depreciation, 2% allowance for straight line credit loss, adjustment for straight line ground rent, non-cash deferred compensation, a pro-rata adjustment for FAD for SLG's unconsolidated JV, less straight line rental income, free rent net of amortization, second cycle tenant improvement and leasing cost, and recurring building improvements.

**Funds from operations (FFO)** is defined under the White Paper approved by the Board of Governors of NAREIT in April 2002 as net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from debt restructuring and sales of properties, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures.

**Interest coverage** is adjusted EBITDA divided by total interest expense.

**Junior Mortgage Participations** are subordinate interests in first mortgages.

**Mezzanine Debt Loans** are loans secured by ownership interests.

**Operating earnings per share** reflects income before minority interests and gains (losses) from dispositions of real estate and impairment reserves on assets held for sale, and operating properties less minority interests' share of income and preferred stock dividends if anti-dilutive.

**Percentage leased** represents the percentage of leased square feet, including month-to-month leases, to total rentable square feet owned, as of the date reported. Space is considered leased when the tenant has either taken physical or economic occupancy.

**Preferred Equity Investments** are equity investments entitled to preferential returns that are senior to common equity.

**Recurring capital expenditures** represents non-incremental building improvements and leasing costs required to maintain current revenues. Recurring capital expenditures do not include immediate building improvements that were taken into consideration when underwriting the purchase of a building or which are incurred to bring a building up to "operating standard."

**Redevelopment costs** are non-recurring capital expenditures incurred in order to improve buildings to SLG's "operating standards." These building costs are taken into consideration during the underwriting for a given property's acquisition.

**Same-store NOI growth** is the change in the NOI (excluding straight-line rents) of the same-store properties from the prior year reporting period to the current year reporting period.

**Same-store properties** include all properties that were owned during both the current and prior year reporting periods and excludes development properties prior to being stabilized for both the current and prior reporting period.

**Second generation TIs and LCs** are tenant improvements, lease commissions, and other leasing costs incurred during leasing of second generation space. Costs incurred prior to leasing available square feet are not included until such space is leased. Second generation space excludes square footage vacant at acquisition.

**SLG's share of total debt to market capitalization** is calculated as SLG's share of total debt divided by the sum of total debt plus market equity and preferred stock equity income redeemable shares. SLG's share of total debt includes total consolidated debt plus SLG's pro rata share of the debt of unconsolidated joint ventures less JV partners' share of debt. Market equity assumes conversion of all OP units into common stock.

**Total square feet owned** represents 100% of the square footage of properties either owned directly by SLG or in which SLG has a controlling interest (e.g. consolidated joint ventures).

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## CORPORATE GOVERNANCE

### Stephen L. Green

Chairman of the Board

### Marc Holliday

CEO and President

### Gerard Nocera

Chief Operating Officer

### Gregory F. Hughes

Chief Financial Officer

### Andrew Mathias

Chief Investment Officer

### Andrew S. Levine

Executive Vice President,  
General Counsel and Secretary

## ANALYST COVERABLE

### Firm

AG Edwards, Inc.  
Banc of America Securities, LLC  
Citigroup Smith Barney, Inc.  
Corinthian Partners, LLC  
Deutsche Bank Securities, Inc.  
Goldman Sachs and Company  
KeyBanc Capital Markets  
Legg Mason Wood Walker, Inc.  
Lehman Brothers Holdings, Inc.  
JP Morgan Securities, Inc.  
Prudential Equity Group, LLC  
Raymond James Financial, Inc.  
Wachovia Securities, LLC

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