

**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):

July 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 July 25, 2005 announcing the Company's results for the second quarter ended June 30, 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 8.01. Other Events

On July 26, 2005, SL Green Realty Corp. issued a press release announcing that it had entered into two separate joint ventures with Jeff Sutton. The first venture is to acquire the fee interests in two adjoining retail buildings at 1551 and 1555 Broadway (the "Broadway Properties"), and in a third retail and commercial building at 21 West 34th Street. The second joint venture includes the acquisition of a mixed-use property at 141 Fifth Avenue. The transactions total approximately \$162.5 million.

A copy of the press release announcing the transactions is attached hereto as Exhibit 99.3 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

- 99.1 Press Release regarding second quarter earnings
- 99.2 Supplemental package
- 99.3 Press Release regarding joint venture acquisitions

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).

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: July 26, 2005

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
 SECOND QUARTER FFO OF \$1.02 PER SHARE**

Second Quarter Highlights

- Increased second quarter FFO to \$1.02 per share (diluted) from \$0.99 during the first quarter of 2005. The \$1.02 represents an 8.5% increase over the same quarter in 2004, when excluding the One Park incentive fee recognized in 2004.
- Increased net income available to common stockholders to \$1.31 per share (diluted), a 15.9% increase over the same quarter in 2004.
- Recognized combined same-store GAAP NOI growth of 4.7% during the second quarter, and consolidated same-store NOI growth of 2.4%.
- Increased average office starting rents to \$43.49, representing a 1.7% increase over previously fully escalated rents and continuing the upward trend in rents.
- Closed on the previously announced acquisition of One Madison Avenue for \$918 million, or \$650 per square foot, through joint ventures with Gramercy Capital Corp. and Credit Suisse First Boston.
- Sold 1414 Avenue of the Americas for \$60.5 million, or \$500 per square foot, resulting in a gain of approximately \$35.9 million or \$0.79 per share.
- Acquired the majority ownership interest and control of 19 West 44th Street for approximately \$272 per square foot after giving effect to a \$7.3 million incentive fee, which was recorded as a reduction in basis.
- Completed \$120.0 million 10-year interest-only mortgage refinancing of 711 Third Avenue at a fixed rate of 4.99% per annum.
- Issued 30-year \$100.0 million Trust Preferred Securities, bearing interest at LIBOR plus 1.25, which were fixed at a rate of 5.61% per annum for the first 10-years.
- Increased an existing term loan from \$100.0 million to \$200.0 million while simultaneously reducing the rate to LIBOR plus 125 and extending the maturity through May 2010.
- Received \$1.65 million in dividends from our investment in Gramercy representing an annualized return of 9.3%.

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- Increased occupancy to 95.9% for the portfolio and 96.5% for the combined same-store portfolio.
- Signed 71 office leases totaling 386,134 square feet during the second quarter.

Summary

New York, NY, July 25, 2005 - SL Green Realty Corp. (NYSE: SLG) today reported funds from operations available to common stockholders, or FFO, of \$46.4 million, or \$1.02 per share for the second quarter ended June 30, 2005, a 1.9% decrease over the same quarter in 2004. Excluding the incentive fee received in 2004 in connection with the recapitalization of One Park Avenue (\$4.3 million or \$0.10 per share), FFO increased 8.5% for the second quarter. The Company also reported FFO of \$2.01 per share for the six months ended June 30, 2005, a 7.5% increase over the same period in 2004, which was \$1.87 per share.

Net income available to common stockholders was \$56.5 million for the second quarter and \$79.4 million for the six months ended June 30, 2005, an increase of \$11.1 million and \$18.0 million over the respective periods in 2004. 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), 28 West 44th Street (February 2005) and One Madison Avenue (April 2005), as well as the gain on sale from 1414 Avenue of the Americas.

All per share amounts are presented on a diluted basis.

| (In Millions except per share) | Three Months Ended June 30, | | | | Six Months Ended June 30, | | | |
|--------------------------------|-----------------------------|------|------|------|---------------------------|------|------|------|
| | 2005 | | 2004 | | 2005 | | 2004 | |
| Funds from operations | \$ | 46.4 | \$ | 44.1 | \$ | 90.9 | \$ | 79.1 |
| • per share (diluted) | \$ | 1.02 | \$ | 1.04 | \$ | 2.01 | \$ | 1.87 |
| Net income | \$ | 56.5 | \$ | 45.4 | \$ | 79.4 | \$ | 61.3 |

Operating and Leasing Activity

For the second quarter of 2005, revenues and EBITDA of \$106.1 million and \$64.2 million, respectively, increased \$23.4 million (or 28%) and \$10.2 million (or 19%), respectively, over the same period in 2004, largely due to the new acquisitions described above. Same-store GAAP NOI increased 2.4% to \$35.7 million during the second quarter for the wholly-owned properties and 8.5% to \$23.0 million for the joint venture properties.

Average starting office rents of \$43.49 per rentable square foot for the second quarter represented a 1.7% increase over the previously fully escalated rents.

During the second quarter the Company had a net increase in the size of its portfolio by approximately 1.0 million square feet, which increased total useable square feet under ownership from 17.4 million to 18.4 million square feet. In addition the Company owns 267,000 square feet of office space at One Madison Avenue, which it intends to convert into residential condominiums. Occupancy for the portfolio increased from 95.7% at

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March 31, 2005 to 95.9% at June 30, 2005. During the quarter, the Company signed 75 leases totaling 387,313 square feet with 71, and 386,134 square feet, representing office leases.

Significant leasing activities during the second quarter included:

- 71 office leases totaling approximately 386,134 square feet were signed, representing a significant increase in the average size lease when compared to 70 office leases totaling 342,000 square feet signed during the same period in 2004.
- New lease with Omnicom Group for approximately 33,000 square feet at 220 East 42nd Street.
- Renewal of Solomon-Page Group for approximately 36,000 square feet at 1140 Avenue of the Americas.
- Renewal of Morgan Stanley & Co., Incorporated for approximately 95,000 square feet at 1221 Avenue of the Americas.

Real Estate Investment Activity

During the second quarter of 2005, the Company announced acquisitions totaling approximately \$1.0 billion and dispositions totaling approximately \$60.5 million.

Investment activity announced during the second quarter included:

- Acquisition of the fee interest in One Madison Avenue from Metropolitan Life Insurance Company (MetLife) for \$918.0 million (excluding transaction costs). One Madison Avenue consists of two contiguous buildings - the South Building and the North Tower - totaling approximately 1.4 million square feet. The South Building, which consists of approximately 1.2 million square feet, was acquired, pursuant to a joint venture agreement with Gramercy Capital Corp., for \$803.0 million. SL Green owns a 55% interest in the joint venture. The building is 95.5% net leased to Credit Suisse First Boston, or CSFB, through 2020. The North Tower, which consists of 267,000 square feet and is zoned for residential and office use, was acquired for \$115.0 million. SL Green and CSFB currently intend to physically separate the South Building and the North Tower and convert the North Tower to residential condominium units. SL Green and CSFB will share in the profits of the residential component. The South Building acquisition was funded by a \$690.0 million 15-year mortgage with a fixed interest rate of 5.91 percent per annum. The North Tower acquisition was funded by a \$115.0 million two-year loan with an interest rate of 275 basis points over the 30-day LIBOR. Approximately \$98.0 million was drawn at closing.
- Acquisition of partnership interest in 19 West 44th Street from its partner, the City Investment Fund, or CIF, resulting in majority ownership and control of the property. The transaction valued the property at \$91.2 million. Pursuant to the terms of the initial joint venture agreement, SL Green would have been entitled to an incentive fee of approximately \$7.3 million upon a sale of the property. With the interests being acquired by SL Green, the incentive fee income will be deferred and reflected as a reduction to the Company's basis in the property to approximately \$79.2 million, or \$272 per square foot. In addition, SL Green originated a loan secured by CIF's remaining ownership stake. CIF also granted SL Green an option to purchase CIF's remaining equity interest.
- 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

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square feet. The Company recognized a gain on sale of approximately \$35.9 million. 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.

Financing and Capital Activity

- In June 2005, the Company completed a \$120.0 million 10-year interest-only mortgage refinancing of the property located at 711 Third Avenue. The mortgage bears interest at a fixed rate of 4.99% per annum. The refinancing proceeds were used to pay down the Company's unsecured revolving line of credit.
- In June 2005, the Company issued \$100.0 million of Trust Preferred Securities, which are reflected on the balance sheet at June 30, 2005 as Junior Subordinate Deferrable Interest Debentures. The proceeds were used to repay the Company's unsecured revolving credit facility. The \$100.0 million of junior subordinate deferred interest debentures have a 30-year term ending July 2035. They bear interest at a fixed rate of 5.61% for the first 10 years ending July 2015. Thereafter, the rate will float at three month LIBOR plus 1.25%. The securities are redeemable at par beginning in July 2010.

- In May 2005, the Company increased an existing term loan from \$100.0 million to \$200.0 million while simultaneously reducing the interest rate by 25 basis points to LIBOR plus 125. The maturity was also extended through May 2010.

Structured Finance Activity

The Company's structured finance investments totaled \$396.9 million on June 30, 2005, a net increase of \$21.8 million from March 31, 2005. The structured finance investments currently have a weighted average maturity of 6.6 years. The weighted average yield for the quarter ended June 30, 2005 was 10.27%, down slightly from 10.43% for the quarter ended March 31, 2005.

Investment In Gramercy Capital Corp.

Fees earned from various agreements between the Company and Gramercy Capital Corp. (NYSE: GKK) totaled approximately \$1.9 million for the quarter ended June 30, 2005. The Company's share of FFO generated from its investment of 4.7 million shares in Gramercy totaled approximately \$2.2 million for the quarter ended June 30, 2005.

Dividends

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

- \$0.54 per common share. Dividends were paid on July 15, 2005 to stockholders of record on the close of business on June 30, 2005.
- \$0.4766 and \$0.4922 per share on the Company's Series C and D Preferred Stock, respectively, for the period April 15, 2005 through and including July 14, 2005. Dividends were paid on July 15, 2005 to stockholders of record on the close of business on June 30, 2005. Distributions reflect regular quarterly distributions, which are the equivalent of an annualized distribution of \$1.90625 and \$1.96875, respectively.

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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, July 26, 2005 at 2:00 p.m. EDT to discuss second quarter financial results. The conference call may be accessed by dialing (800) 218-0713 Domestic or (303) 262-2194 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.

A replay of the call will be available through Tuesday, August 2, 2005 by dialing (800) 405-2236 Domestic or (303) 590-3000 International, using pass code 11033757.

Supplemental Information

The Supplemental Package outlining second 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 June 30, 2005, the Company owned 29 office properties totaling 18.4 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 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.

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| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|-----------|------------------------------|------------|
| | 2005 | 2004 | 2005 | 2004 |
| Revenue: | | | | |
| Rental revenue, net | \$ 74,097 | \$ 57,648 | \$ 144,652 | \$ 113,346 |
| Escalations & reimbursement revenues | 13,674 | 9,526 | 25,308 | 18,563 |
| Preferred equity investment income | 2,946 | 2,137 | 4,985 | 6,182 |
| Investment income | 8,979 | 6,422 | 18,086 | 16,204 |
| Other income | 6,396 | 6,978 | 13,915 | 9,443 |
| Total revenues | 106,092 | 82,711 | 206,946 | 163,738 |
| Equity in net income from unconsolidated joint ventures | 13,334 | 10,834 | 25,393 | 21,384 |
| Expenses: | | | | |
| Operating expenses | 23,982 | 20,114 | 48,581 | 41,218 |
| Ground rent | 4,912 | 3,866 | 9,427 | 7,732 |
| Real estate taxes | 15,773 | 11,161 | 30,229 | 22,323 |
| Marketing, general and administrative | 10,594 | 4,467 | 18,832 | 15,370 |
| Total expenses | 55,261 | 39,608 | 107,069 | 86,643 |
| Earnings Before Interest, Depreciation and Amortization (EBITDA) | 64,165 | 53,937 | 125,270 | 98,479 |
| Interest expense | 19,479 | 14,310 | 36,674 | 28,871 |
| Depreciation and amortization | 15,816 | 11,851 | 30,650 | 23,537 |
| Net income from Continuing Operations | 28,870 | 27,776 | 57,946 | 46,071 |
| Income from Discontinued Operations, net of minority interests | 95 | 1,594 | 474 | 3,106 |
| Gain on sale of Discontinued Operations, net of minority interests | 33,864 | — | 33,846 | — |
| Equity in net gain on sale of interest in unconsolidated joint ventures | — | 22,012 | — | 22,012 |
| Minority interests | (1,390) | (2,551) | (2,949) | (3,403) |
| Preferred stock dividends | (4,969) | (3,446) | (9,938) | (6,446) |
| Net income available to common shareholders | \$ 56,470 | \$ 45,385 | \$ 79,379 | \$ 61,340 |
| Net income per share (Basic) | \$ 1.35 | \$ 1.18 | \$ 1.91 | \$ 1.60 |
| Net income per share (Diluted) | \$ 1.31 | \$ 1.13 | \$ 1.85 | \$ 1.54 |
| Funds From Operations (FFO) | | | | |
| FFO per share (Basic) | \$ 1.05 | \$ 1.08 | \$ 2.06 | \$ 1.95 |
| FFO per share (Diluted) | \$ 1.02 | \$ 1.04 | \$ 2.01 | \$ 1.87 |
| FFO Calculation: | | | | |
| Net income from continuing operations | \$ 28,870 | \$ 27,776 | \$ 57,946 | \$ 46,071 |
| Add: | | | | |
| Depreciation and amortization | 15,816 | 11,851 | 30,650 | 23,537 |
| FFO from Discontinued Operations | 101 | 3,151 | 613 | 6,116 |
| Joint venture FFO adjustment | 7,651 | 5,780 | 13,733 | 11,780 |
| Less: | | | | |
| Dividend on perpetual preferred stock | (4,969) | (3,446) | (9,938) | (6,446) |
| Amortization of deferred financing costs and depreciation of non-real estate assets | (1,097) | (966) | (2,071) | (1,922) |
| FFO before minority interests – BASIC and DILUTED | \$ 46,372 | \$ 44,146 | \$ 90,933 | \$ 79,136 |
| Basic ownership interest | | | | |
| Weighted average REIT common shares for net income per share | 41,790 | 38,638 | 41,547 | 38,308 |
| Weighted average partnership units held by minority interests | 2,513 | 2,225 | 2,522 | 2,255 |
| Basic weighted average shares and units outstanding for FFO per share | 44,303 | 40,863 | 44,069 | 40,563 |
| Diluted ownership interest | | | | |
| Weighted average REIT common share and common share equivalents | 42,992 | 40,231 | 42,791 | 39,960 |
| Weighted average partnership units held by minority interests | 2,513 | 2,225 | 2,522 | 2,255 |
| Diluted weighted average shares and units outstanding | 45,505 | 42,456 | 45,313 | 42,215 |

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

| | June 30, 2005 (Unaudited) | December 31, 2004 |
|---|---------------------------------|----------------------|
| Assets | | |
| Commercial real estate properties, at cost: | | |
| Land and land interests | \$ 264,696 | \$ 206,824 |
| Buildings and improvements | 1,301,193 | 1,065,654 |
| Building leasehold and improvements | 471,723 | 471,418 |
| Property under capital lease | 12,208 | 12,208 |
| | 2,049,820 | 1,756,104 |
| Less accumulated depreciation | (192,249) | (176,238) |
| | 1,857,571 | 1,579,866 |
| Cash and cash equivalents | 1,978 | 35,795 |
| Restricted cash | 62,136 | 56,417 |
| Tenant and other receivables, net of allowance of \$10,353 and \$8,921 in 2005 and 2004, respectively | 18,011 | 15,248 |

| | | |
|--|---------------------|---------------------|
| Related party receivables | 3,978 | 5,027 |
| Deferred rents receivable, net of allowance of \$8,103 and \$6,541 in 2005 and 2004, respectively | 70,064 | 61,302 |
| Structured finance investments, net of discount of \$1,583 and \$1,895 in 2005 and 2004, respectively | 396,862 | 350,027 |
| Investments in unconsolidated joint ventures | 638,336 | 557,089 |
| Deferred costs, net | 60,700 | 47,869 |
| Other assets | 45,209 | 43,241 |
| Total assets | \$ 3,154,845 | \$ 2,751,881 |
| Liabilities and Stockholders' Equity | | |
| Mortgage notes payable | \$ 770,023 | \$ 614,476 |
| Revolving credit facilities | 98,730 | 110,900 |
| Term loans | 525,000 | 425,000 |
| Derivative instruments at fair value | 1,078 | 1,347 |
| Accrued interest payable | 6,909 | 4,494 |
| Accounts payable and accrued expenses | 66,759 | 72,298 |
| Deferred revenue/gain | 16,406 | 18,648 |
| Capitalized lease obligations | 16,166 | 16,442 |
| Deferred land lease payable | 16,043 | 15,723 |
| Dividend and distributions payable | 28,122 | 27,553 |
| Security deposits | 23,588 | 22,056 |
| Junior subordinate deferrable interest debentures held by trusts that issued trust preferred securities | 100,000 | — |
| Total liabilities | 1,668,824 | 1,328,937 |
| Commitments and contingencies | — | — |
| Minority interest in partially owned entities | 724 | 509 |
| Minority interest in operating partnership | 76,061 | 74,555 |
| Stockholders' Equity | | |
| 7.625% Series C perpetual preferred shares, \$0.01 per value, \$25.00 liquidation preference, 6,300 issued and outstanding at June 30, 2005 and December 31, 2004, respectively | 151,981 | 151,981 |
| 7.875% Series D perpetual preferred shares, \$0.01 per value, \$25.00 liquidation preference, 4,000 and none issued and outstanding at June 30, 2005 and December 31, 2004, respectively | 96,321 | 96,321 |
| Common stock, \$0.01 par value 100,000 shares authorized, 41,830 and 40,876 issued and outstanding at June 30, 2005 and December 31, 2004, respectively | 418 | 409 |
| Additional paid - in capital | 949,619 | 917,613 |
| Deferred compensation plan | (20,719) | (15,273) |
| Accumulated other comprehensive income | 6,118 | 5,647 |
| Retained earnings | 225,498 | 191,182 |
| Total stockholders' equity | 1,409,236 | 1,347,880 |
| Total liabilities and stockholders' equity | \$ 3,154,845 | \$ 2,751,881 |

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

| | June 30, | |
|--|----------|----------|
| | 2005 | 2004 |
| Operating Data: (1) | | |
| Net rentable area at end of period (in 000's) | 18,425 | 15,444 |
| Portfolio percentage leased at end of period | 95.9% | 96.4% |
| Same-Store percentage leased at end of period | 96.5% | 96.6% |
| Number of properties in operation | 29 | 27 |
| Office square feet leased during quarter (rentable) | 386,134 | 341,730 |
| Average mark-to-market percentage-office | 1.7% | (1.6)% |
| Average starting cash rent per rentable square foot-office | \$ 43.49 | \$ 32.43 |

(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 June 30, | | Six Months Ended June 30, | |
|--|--------------------------------|---------------|------------------------------|---------------|
| | 2005 | 2004 | 2005 | 2004 |
| Earnings before interest, depreciation and amortization (EBITDA): | \$ 64,165 | \$ 53,937 | \$ 125,270 | \$ 98,479 |
| Add: | | | | |
| Marketing, general & administrative expense | 10,594 | 4,467 | 18,832 | 15,370 |
| Operating income from discontinued operations | 117 | 3,413 | 801 | 6,619 |
| Less: | | | | |
| Non-building revenue | (18,321) | (15,536) | (36,988) | (31,828) |
| Equity in net income from joint ventures | (13,334) | (10,834) | (25,393) | (21,384) |
| GAAP net operating income (GAAP NOI) | 43,221 | 35,447 | 82,522 | 67,256 |

Less:

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Operating income from discontinued operations | (117) | (3,413) | (801) | (6,619) |
| GAAP NOI from other properties/ affiliates | (7,378) | 2,852 | (11,140) | 6,058 |
| Same-Store GAAP NOI | <u>\$ 35,726</u> | <u>\$ 34,886</u> | <u>\$ 70,581</u> | <u>\$ 66,695</u> |

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

SL Green Realty Corp.
 Second Quarter 2005
 Supplemental Data
 June 30, 2005



SL Green Realty Corp. is a fully integrated, self-administered and self-managed Real Estate Investment Trust, or 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 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 prospective 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 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 June 30, 2005 that will subsequently be released on Form 10-Q to be filed on or before August 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, or 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.

FINANCIAL HIGHLIGHTS

SECOND QUARTER 2005
UNAUDITED



FINANCIAL RESULTS

Funds From Operations, or FFO, available to common stockholders totaled \$46.4 million, or \$1.02 per share (diluted) for the second quarter ended June 30, 2005, a 1.9% decrease compared to the same quarter in 2004 when FFO totaled \$44.1 million, or \$1.04 per share (diluted). Excluding the incentive fee received in 2004 in connection with the recapitalization of One Park Avenue (\$4.3 million or \$0.10 per share), FFO increased 8.5% for the second quarter.

Net income available for common stockholders for the second quarter 2005 totaled \$56.5 million, or \$1.31 per share (diluted), compared to the same quarter in 2004 when net income totaled \$45.4 million, or \$1.13 per share (diluted).

Funds available for distribution, or FAD, for the second quarter 2005 decreased to \$0.69 per share (diluted) versus \$0.72 per share (diluted) in the prior year, a 4.4% decrease. Excluding the incentive fee received in 2004 in connection with the recapitalization of One Park Avenue, FAD increased 11.3%.

The Company's dividend payout ratio was 53.0% of FFO and 78.6% of FAD before first cycle leasing costs.

CONSOLIDATED RESULTS

Total quarterly revenues increased 28.3% in the second quarter to \$106.1 million compared to \$82.7 million in the prior year. The \$23.4 million growth in revenue resulted primarily from the following items:

- \$16.9 million increase from 2005 and 2004 acquisitions,
- \$3.8 million increase from same-store properties,
- \$0.5 million decrease in other revenue, which was primarily due to the recognition of an incentive distribution received in 2004 in connection with the recapitalization of One Park Avenue (\$4.3 million). This was partially offset by fees earned from Gramercy (\$1.3 million) and by the Service Corporation (\$0.6 million), and

- \$3.2 million increase in preferred equity and investment income.

The Company's earnings before interest, taxes, depreciation and amortization, or EBITDA, increased by \$10.3 million (19.1%) to \$64.2 million. The following items drove EBITDA improvements:

- \$2.5 million increase from the equity in net income from unconsolidated joint ventures primarily due to our investments in Gramercy (\$1.9 million) and 1515 Broadway (\$1.7 million). This was partially offset by the sale of an interest in One Park Avenue in 2004 (\$0.6 million).
- \$10.3 million increase from 2005 and 2004 acquisitions.
- \$0.9 million increase from same-store properties.

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- \$3.2 million increase in preferred equity and investment income. The weighted-average structured finance investment balance increased to \$413.6 million from \$235.2 million. The weighted-average yield increased from 10.2% to 10.3.
- \$6.1 million decrease from higher MG&A expense. This is primarily due to the increase in headcount at Gramercy.
- \$0.5 million decrease in non-real estate revenues net of expenses, primarily due to the One Park incentive distribution in 2004 (\$4.3 million). This was partially offset by fee income from Gramercy (\$1.3 million) and the Service Corporation (\$0.6 million).

FFO before minority interests improved \$2.2 million primarily as a result of:

- \$10.3 million increase in EBITDA,
- \$1.8 million increase in FFO from unconsolidated joint ventures,
- \$1.5 million decrease from perpetual preferred stock dividends,
- \$5.2 million decrease from higher interest expense, and
- \$3.2 million decrease from discontinued operations and non-real estate depreciation and amortization.

SAME-STORE RESULTS

Same-store second quarter 2005 GAAP NOI increased \$0.8 million (2.4%) to \$35.7 million compared to the prior year. Operating margins after ground rent decreased from 51.5% to 49.8%.

The \$0.8 million increase in GAAP NOI was primarily due to:

- \$1.1 million (1.9%) increase in rental revenue primarily due to improved leasing,
- \$2.6 million (27.6%) increase in escalation and reimbursement revenue primarily due to real estate tax escalations,
- \$0.2 million (66.6%) increase in other income,
- \$1.3 million (7.5%) increase in real estate taxes,
- \$1.7 million (15.2%) increase in operating expenses, and
- \$0.1 million (2.6%) decrease in ground rent expense.

Structured Finance Activity

As of June 30, 2005, our structured finance and preferred equity investments totaled \$396.9 million. The weighted average balance outstanding for the second quarter of 2005 was \$413.6 million. During the second quarter of 2005, the weighted average yield was 10.27%.

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QUARTERLY LEASING HIGHLIGHTS

Vacancy at March 31, 2005 was 741,239 useable square feet net of holdover tenants. During the quarter, 153,765 additional useable office, retail and storage square feet became available at an average escalated cash rent of \$35.79 per rentable square foot. The Company acquired One Madison Avenue, which included 53,032 of vacant usable square feet. The Company sold 1414 Avenue of the Americas, which included 3,595 vacant useable square feet. Space available to lease during the quarter totaled 944,441 useable square feet, or 5.1% of the total portfolio.

During the second quarter, 71 office leases, including early renewals, were signed totaling 386,134 rentable square feet. New cash rents averaged \$43.49 per rentable square foot. Replacement rents were 1.7% higher than rents on previously occupied space, which had fully escalated cash rents averaging \$42.75 per rentable square foot. The average lease term was 6.4 years and average tenant concessions were 2.3 months of free rent with a tenant improvement allowance of \$14.65 per rentable square foot.

The Company also signed 6 storage leases, including early renewals, for 1,179 rentable square feet. New cash rents averaged \$23.62 per rentable square foot. Replacement rents were 19.3% higher than rents on previously occupied space, which had fully escalated cash rents averaging \$19.80 per rentable square foot. The average lease term was 1.1 years and there were no tenant concessions and no tenant improvement allowance.

REAL ESTATE ACTIVITY

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

- Acquisition of the fee interest in One Madison Avenue from Metropolitan Life Insurance Company (MetLife) for \$918.0 million (excluding transaction costs). One Madison Avenue consists of two contiguous buildings - the South Building and the North Tower - totaling approximately 1.4 million square feet. The South Building, which consists of approximately 1.2 million square feet, was acquired, pursuant to a joint venture agreement with Gramercy Capital Corp., for \$803.0 million. SL Green owns a 55% interest in the joint venture. The building is 95.5% net leased to Credit Suisse First Boston, or CSFB, through 2020. The North Tower, which consists of 267,000 square feet and is zoned for residential and office use, was acquired for \$115.0 million. SL Green and CSFB currently intend to physically separate the South Building and the North Tower and convert the North Tower to residential condominium units. SL Green and CSFB will share in the profits of the residential component. The South Building acquisition was funded by a \$690.0 million 15-year mortgage with a fixed interest rate of 5.91 percent per annum. The North Tower acquisition was funded by a \$115.0 million two-year loan with an interest rate of 275 basis points over the 30-day LIBOR. Approximately \$98.0 million was drawn at closing.

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- Acquisition of partnership interest in 19 West 44th Street from its partner, the City Investment Fund, or CIF, resulting in majority ownership and control of the property. The transaction valued the property at \$91.2 million. Pursuant to the terms of the initial joint venture agreement, SL Green would have been entitled to an incentive fee of approximately \$7.3 million upon a sale of the property. With the interests being acquired by SL Green, the incentive fee income will be deferred and reflected as a reduction to the Company's basis in the property to approximately \$79.2 million, or \$272 per square foot. In addition, SL Green originated a loan secured by CIF's remaining ownership stake. CIF also granted SL Green an option to purchase CIF's remaining equity interest.
- 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 recognized a gain on sale of approximately \$35.9 million. 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.

Investment In Gramercy Capital Corp.

The Company's investment in Gramercy Capital Corp. was approximately \$71.0 million at June 30, 2005. The market value of the investment was approximately \$115.2 million on that date. Fees earned from various agreements between the Company and Gramercy Capital Corp. totaled approximately \$1.9 million for the quarter ended June 30, 2005. The Company's share of FFO generated from its investment of 4.7 million shares in Gramercy totaled approximately \$2.2 million for the quarter ended June 30, 2005.

Financing/ Capital Activity

Corporate Financings

- In June 2005, the Company completed a \$120.0 million 10-year interest-only mortgage refinancing of the property located at 711 Third Avenue. The mortgage bears interest at a fixed rate of 4.99% per annum. The refinancing proceeds were used to pay down the Company's unsecured revolving line of credit.
- In June 2005, the Company issued \$100.0 million of Trust Preferred Securities, which are reflected on the balance sheet at June 30, 2005 as Junior Subordinate Deferrable Interest Debentures. The proceeds were used to repay the Company's unsecured revolving credit facility. The \$100.0 million of junior subordinate deferred interest debentures have a 30-year term ending July 2035. They bear interest at a fixed rate of 5.61% for the first 10 years ending July 2015. Thereafter, the rate will float at three month LIBOR plus 1.25%. The securities are redeemable at par beginning in July 2010.

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- In May 2005, the Company increased an existing term loan from \$100.0 million to \$200.0 million while simultaneously reducing the interest rate by 25 basis points to LIBOR plus 125. The maturity was also extended through May 2010.

Dividends

On June 15, 2005, the Company declared a dividend distribution of \$0.54 per common share for the second quarter 2005. The dividend is payable July 15, 2005 to stockholders of record on the close of business on June 30, 2005. This distribution reflects the regular quarterly dividend, which is the equivalent of an annualized distribution of \$2.16 per common share.

On June 15, 2005, the Company also declared a dividend on its Series C preferred stock for the period April 15, 2005 through and including July 14, 2005, of \$0.4766 per share, payable July 15, 2005 to stockholders of record on the close of business on June 30, 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 June 15, 2005, the Company also declared a dividend on its Series D preferred stock for the period April 15, 2005 through and including July 14, 2005, of \$0.4922 per share, payable July 15, 2005 to stockholders of record on the close of business on June 30, 2005. The distribution reflects the regular quarterly dividend, which is the equivalent of an annualized distribution of \$1.96875 per Series D preferred stock.

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| | As of or for the three months ended | | | | |
|---|-------------------------------------|-----------|------------|-----------|-----------|
| | 6/30/2005 | 3/31/2005 | 12/31/2004 | 9/30/2004 | 6/30/2004 |
| Earnings Per Share | | | | | |
| Net income available to common shareholders - diluted | \$ 1.31 | \$ 0.54 | \$ 2.64 | \$ 0.49 | \$ 1.13 |
| Funds from operations available to common shareholders - diluted | \$ 1.02 | \$ 0.99 | \$ 0.95 | \$ 0.94 | \$ 1.04 |
| Funds available for distribution to common shareholders - diluted | \$ 0.69 | \$ 0.65 | \$ 0.63 | \$ 0.57 | \$ 0.72 |

Common Share Price & Dividends

| | | | | | |
|----------------------------|----------|----------|----------|----------|----------|
| At the end of the period | \$ 64.50 | \$ 56.22 | \$ 60.55 | \$ 51.81 | \$ 46.80 |
| High during period | \$ 66.05 | \$ 59.74 | \$ 60.55 | \$ 51.81 | \$ 48.20 |
| Low during period | \$ 55.38 | \$ 52.70 | \$ 52.30 | \$ 47.19 | \$ 40.24 |
| Common dividends per share | \$ 0.54 | \$ 0.54 | \$ 0.54 | \$ 0.50 | \$ 0.50 |
| FFO Payout Ratio | 52.99% | 54.73% | 56.69% | 53.26% | 48.08% |
| FAD Payout Ratio | 78.57% | 82.90% | 85.84% | 88.45% | 69.86% |

Common Shares & Units

| | | | | | |
|--|--------|--------|--------|--------|--------|
| Common shares outstanding | 41,830 | 41,622 | 40,876 | 40,547 | 38,692 |
| Units outstanding | 2,512 | 2,531 | 2,531 | 2,225 | 2,225 |
| Total shares and units outstanding | 44,342 | 44,153 | 43,407 | 42,772 | 40,917 |
| Weighted average common shares and units outstanding - basic | 44,303 | 43,833 | 43,132 | 41,611 | 40,863 |
| Weighted average common shares and units outstanding - diluted | 45,505 | 45,160 | 44,700 | 43,317 | 42,456 |

Market Capitalization

| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| Market value of common equity | \$ 2,860,059 | \$ 2,482,282 | \$ 2,628,294 | \$ 2,216,017 | \$ 1,914,902 |
| Liquidation value of preferred equity | 257,500 | 257,500 | 257,500 | 257,500 | 218,750 |
| Consolidated debt | 1,493,753 | 1,315,315 | 1,150,376 | 1,127,254 | 919,080 |
| Consolidated market capitalization | \$ 4,611,312 | \$ 4,055,097 | \$ 4,036,170 | \$ 3,600,771 | \$ 3,052,732 |
| SLG portion JV debt | 928,334 | 564,945 | 565,211 | 565,482 | 496,542 |
| Combined market capitalization | \$ 5,539,646 | \$ 4,620,042 | \$ 4,601,381 | \$ 4,166,253 | \$ 3,549,274 |
| Consolidated debt to market capitalization | 32.39% | 32.44% | 28.50% | 31.31% | 30.11% |
| Combined debt to market capitalization | 43.72% | 40.70% | 37.28% | 40.63% | 39.88% |
| Consolidated debt service coverage | 3.54 | 3.65 | 3.63 | 3.63 | 4.05 |
| Consolidated fixed charge coverage | 2.40 | 2.43 | 2.38 | 2.44 | 2.78 |
| Combined fixed charge coverage | 2.03 | 2.16 | 2.31 | 2.37 | 2.63 |

Portfolio Statistics

| | | | | | |
|---|------------|------------|------------|------------|------------|
| Directly owned buildings | 21 | 21 | 20 | 21 | 20 |
| Joint venture buildings | 8 | 8 | 8 | 8 | 7 |
| | 29 | 29 | 28 | 29 | 27 |
| Directly owned square footage | 9,345,000 | 9,164,000 | 8,805,000 | 8,950,000 | 8,170,000 |
| Joint venture square footage | 9,079,900 | 8,195,000 | 8,195,000 | 8,195,000 | 7,274,000 |
| | 18,424,900 | 17,359,000 | 17,000,000 | 17,145,000 | 15,444,000 |
| Quarter end occupancy-portfolio | 95.9% | 95.7% | 95.6% | 95.8% | 96.4% |
| Quarter end occupancy- same store - wholly owned | 96.2% | 96.0% | 95.8% | 95.5% | 96.7% |
| Quarter end occupancy- same store - combined (wholly owned + joint venture) | 96.5% | 96.3% | 96.3% | 95.5% | 96.6% |

Supplemental Package Information

Second Quarter 2005

| | As of or for the three months ended | | | | |
|--|-------------------------------------|--------------|--------------|--------------|--------------|
| | 6/30/2005 | 3/31/2005 | 12/31/2004 | 9/30/2004 | 6/30/2004 |
| Selected Balance Sheet Data | | | | | |
| Real estate assets before depreciation | \$ 2,049,820 | \$ 1,859,431 | \$ 1,756,104 | \$ 1,630,558 | \$ 1,370,329 |
| Investments in unconsolidated joint ventures | \$ 638,336 | \$ 579,194 | \$ 557,089 | \$ 549,654 | \$ 502,658 |
| Structured finance investments | \$ 396,862 | \$ 375,099 | \$ 350,027 | \$ 325,807 | \$ 264,296 |
| Total Assets | \$ 3,154,845 | \$ 2,932,962 | \$ 2,751,881 | \$ 2,591,425 | \$ 2,256,614 |
| Fixed rate & hedged debt | \$ 1,256,978 | \$ 1,025,315 | \$ 1,039,476 | \$ 1,008,354 | \$ 884,180 |
| Variable rate debt | 236,775 | 290,000 | 110,900 | 118,900 | 34,900 |

| | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| Total consolidated debt | \$ 1,493,753 | \$ 1,315,315 | \$ 1,150,376 | \$ 1,127,254 | \$ 919,080 |
| Total Liabilities | \$ 1,668,824 | \$ 1,483,395 | \$ 1,328,937 | \$ 1,292,834 | \$ 1,069,335 |
| Fixed rate & hedged debt-including SLG portion of JV debt | 1,756,389 | 1,245,569 | \$ 1,306,684 | \$ 1,275,771 | \$ 1,151,772 |
| Variable rate debt - including SLG portion of JV debt | 665,698 | 634,691 | 408,903 | 416,965 | 263,850 |
| Total combined debt | \$ 2,422,087 | \$ 1,880,260 | \$ 1,715,587 | \$ 1,692,736 | \$ 1,415,622 |

Selected Operating Data

| | | | | | |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Property operating revenues | \$ 87,771 | \$ 82,189 | \$ 80,229 | \$ 72,602 | \$ 67,174 |
| Property operating expenses | 44,667 | 43,572 | 39,236 | 38,178 | 35,140 |
| Property operating NOI | \$ 43,104 | \$ 38,617 | \$ 40,993 | \$ 34,425 | \$ 32,034 |
| NOI from discontinued operations | 117 | 684 | 1,993 | 4,066 | 3,413 |
| Total property operating NOI | \$ 43,221 | \$ 39,301 | \$ 42,986 | \$ 38,491 | \$ 35,447 |

| | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| SLG share of Property NOI from JVs | \$ 29,813 | \$ 23,527 | \$ 23,978 | \$ 22,413 | \$ 22,412 |
| SLG share of FFO from Gramercy Capital | \$ 2,164 | \$ 1,143 | \$ 526 | \$ 3 | \$ — |
| Structured finance income | \$ 11,925 | \$ 11,147 | \$ 8,421 | \$ 8,283 | \$ 8,562 |
| Other income | \$ 6,396 | \$ 7,519 | \$ 5,466 | \$ 4,984 | \$ 6,978 |

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Marketing general & administrative expenses | \$ 10,594 | \$ 8,238 | \$ 9,336 | \$ 5,574 | \$ 4,467 |
| Consolidated interest | \$ 19,479 | \$ 17,366 | \$ 17,065 | \$ 16,239 | \$ 14,578 |
| Combined interest | \$ 29,930 | \$ 23,422 | \$ 22,937 | \$ 21,656 | \$ 19,616 |
| Preferred Dividend | \$ 4,969 | \$ 4,969 | \$ 4,969 | \$ 4,843 | \$ 3,446 |

Office Leasing Statistics

| | | | | | |
|------------------------------------|----------|----------|----------|----------|----------|
| Total office leases signed | 71 | 55 | 73 | 91 | 70 |
| Total office square footage leased | 386,134 | 415,806 | 719,292 | 522,001 | 341,730 |
| Average rent psf | \$ 43.49 | \$ 40.60 | \$ 32.11 | \$ 31.48 | \$ 32.43 |
| Escalated rents psf | \$ 42.75 | \$ 38.69 | \$ 30.49 | \$ 31.38 | \$ 32.95 |
| Percentage of rent over escalated | 1.7% | 4.9% | 5.3% | 0.3% | -1.6% |
| Tenant concession packages psf | \$ 14.65 | \$ 31.64 | \$ 25.40 | \$ 25.06 | \$ 20.34 |
| Free rent months | 2.3 | 4.6 | 2.8 | 3.5 | 1.4 |

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COMPARATIVE BALANCE SHEETS



Unaudited
(\$000's omitted)

| | 6/30/2005 | 3/31/2005 | 12/31/2004 | 9/30/2004 | 6/30/2004 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Assets | | | | | |
| Commercial real estate properties, at cost: | | | | | |
| Land & land interests | \$ 264,696 | \$ 224,943 | \$ 206,824 | \$ 206,824 | \$ 174,625 |
| Buildings & improvements fee interest | 1,301,193 | 1,135,318 | 1,065,654 | 1,055,811 | 862,527 |
| Buildings & improvements leasehold | 471,723 | 472,558 | 471,418 | 225,207 | 320,969 |
| Buildings & improvements under capital lease | 12,208 | 12,208 | 12,208 | 12,208 | 12,208 |
| | \$ 2,049,820 | \$ 1,845,027 | \$ 1,756,104 | \$ 1,500,050 | \$ 1,370,329 |
| Less accumulated depreciation | (192,249) | (179,180) | (176,238) | (163,734) | (175,601) |
| | \$ 1,857,571 | \$ 1,665,847 | \$ 1,579,866 | \$ 1,336,316 | \$ 1,194,728 |
| Other Real Estate Investments: | | | | | |
| Investment in unconsolidated joint ventures | 638,336 | 579,194 | 557,089 | 549,654 | 502,658 |
| Structured finance investments | 396,862 | 375,099 | 350,027 | 325,807 | 264,296 |
| Assets held for sale | — | 16,486 | — | 125,322 | — |
| Cash and cash equivalents | 1,978 | 16,789 | 35,795 | 23,299 | 65,045 |
| Restricted cash | 62,136 | 53,410 | 56,417 | 45,938 | 41,868 |
| Tenant and other receivables, net of \$10,353 reserve at | | | | | |
| 6/30/05 | 18,011 | 16,174 | 15,248 | 18,109 | 14,347 |
| Related party receivables | 3,978 | 4,519 | 5,027 | 3,935 | 4,509 |
| Deferred rents receivable, net of reserve for tenant credit loss of \$8,103 at 6/30/05 | 70,064 | 64,074 | 61,302 | 58,735 | 66,811 |
| Deferred costs, net | 60,700 | 55,041 | 47,869 | 50,574 | 44,831 |
| Other assets | 45,209 | 86,329 | 43,241 | 53,736 | 57,521 |
| Total Assets | \$ 3,154,845 | \$ 2,932,962 | \$ 2,751,881 | \$ 2,591,425 | \$ 2,256,614 |

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COMPARATIVE BALANCE SHEETS



Unaudited
(\$000's omitted)

| | 6/30/2005 | 3/31/2005 | 12/31/2004 | 9/30/2004 | 6/30/2004 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Liabilities and Stockholders' Equity | | | | | |
| Mortgage notes payable | \$ 770,023 | \$ 600,315 | \$ 614,476 | \$ 513,354 | \$ 514,180 |
| Unsecured & Secured term loans | 525,000 | 425,000 | 425,000 | 425,000 | 300,000 |
| Revolving credit facilities | 98,730 | 290,000 | 110,900 | 188,900 | 104,900 |
| Derivative Instruments-fair value | 1,078 | — | 1,347 | 4,822 | 1,277 |
| Accrued interest payable | 6,909 | 5,768 | 4,494 | 5,015 | 4,135 |
| Accounts payable and accrued expenses | 66,759 | 60,869 | 72,298 | 62,692 | 57,801 |
| Deferred revenue | 16,406 | 19,558 | 18,648 | 13,156 | 8,599 |
| Capitalized lease obligations | 16,166 | 16,106 | 16,442 | 16,385 | 16,328 |
| Deferred land lease payable | 16,043 | 15,883 | 15,723 | 15,646 | 15,486 |
| Dividend and distributions payable | 28,122 | 28,026 | 27,553 | 25,569 | 23,447 |
| Liabilities related to assets held for sale | — | — | — | 1,822 | — |
| Security deposits | 23,588 | 21,870 | 22,056 | 20,473 | 23,182 |
| Junior subordinated deferrable interest debentures | 100,000 | — | — | — | — |
| Total Liabilities | \$ 1,668,824 | \$ 1,483,395 | \$ 1,328,937 | \$ 1,292,834 | \$ 1,069,335 |
| Minority interest (2,512 units outstanding) at 6/30/05 | 76,785 | 75,259 | 75,064 | 54,297 | 54,240 |
| Stockholders' Equity | | | | | |
| 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 | 96,321 | 58,873 |
| Common stock, \$.01 par value 100,000 shares authorized, 41,830 issued and outstanding at 6/30/05 | 418 | 416 | 409 | 405 | 387 |
| Additional paid – in capital | 949,619 | 940,170 | 917,613 | 907,638 | 830,821 |
| Deferred compensation plans | (20,719) | (21,360) | (15,273) | (16,329) | (17,051) |
| Accumulated other comprehensive income | 6,118 | 15,164 | 5,647 | 2,548 | 6,337 |
| Retained earnings | 225,498 | 191,616 | 191,182 | 101,730 | 101,691 |
| Total Stockholders' Equity | \$ 1,409,236 | \$ 1,374,308 | \$ 1,347,880 | \$ 1,244,294 | \$ 1,133,039 |
| Total Liabilities and Stockholders' Equity | \$ 3,154,845 | \$ 2,932,962 | \$ 2,751,881 | \$ 2,591,425 | \$ 2,256,614 |

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COMPARATIVE STATEMENTS OF OPERATIONS



Unaudited
(\$000's omitted)

| | Three Months Ended | | Three Months Ended | Six Months Ended | |
|---|--------------------|---------------|--------------------|------------------|----------------|
| | June 30, 2005 | June 30, 2004 | March 31, 2005 | June 30, 2005 | June 30, 2004 |
| Revenues | | | | | |
| Rental revenue, net | \$ 74,097 | \$ 57,648 | \$ 70,555 | \$ 144,652 | \$ 113,346 |
| Escalation and reimbursement revenues | 13,674 | 9,526 | 11,634 | 25,308 | 18,563 |
| Investment income | 11,925 | 8,559 | 11,147 | 23,071 | 22,386 |
| Other income | 6,396 | 6,978 | 7,519 | 13,915 | 9,443 |
| Total Revenues, net | 106,092 | 82,711 | 100,855 | 206,946 | 163,738 |
| Equity in net income from unconsolidated joint ventures | 13,334 | 10,834 | 12,059 | 25,393 | 21,384 |
| Operating expenses | | | | | |
| Operating expenses | 23,982 | 20,114 | 24,601 | 48,581 | 41,218 |
| Ground rent | 4,912 | 3,866 | 4,516 | 9,427 | 7,732 |
| Real estate taxes | 15,773 | 11,161 | 14,455 | 30,229 | 22,323 |
| Marketing, general and administrative | 10,594 | 4,467 | 8,238 | 18,832 | 15,370 |
| Total Operating Expenses | 55,261 | 39,608 | 51,810 | 107,069 | 86,643 |
| EBITDA | 64,165 | 53,937 | 61,104 | 125,270 | 98,479 |
| Interest | 19,479 | 14,310 | 17,194 | 36,674 | 28,871 |
| Depreciation and amortization | 15,816 | 11,851 | 14,834 | 30,650 | 23,537 |
| Income Before Minority Interest and Items | 28,870 | 27,776 | 29,076 | 57,946 | 46,071 |
| Income from discontinued operations | 95 | 1,594 | 379 | 474 | 3,106 |
| Gain on sale of discontinued operations | 33,864 | — | — | 33,846 | — |
| Equity in net gain on sale of joint venture property | — | 22,012 | — | — | 22,012 |
| Minority interest - OP | (1,390) | (2,551) | (1,576) | (2,949) | (3,403) |

| | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| Net Income | 61,439 | 48,831 | 27,879 | 89,317 | 67,786 |
| Dividends on perpetual preferred shares | 4,969 | 3,446 | 4,969 | 9,938 | 6,446 |
| Net Income Available For Common Shareholders | \$ 56,470 | \$ 45,385 | \$ 22,910 | \$ 79,379 | \$ 61,340 |
| Earnings per Share | | | | | |
| Net income per share (basic) | \$ 1.35 | \$ 1.18 | \$ 0.56 | \$ 1.91 | \$ 1.60 |
| Net income per share (diluted) | \$ 1.31 | \$ 1.13 | \$ 0.54 | \$ 1.85 | \$ 1.54 |

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COMPARATIVE COMPUTATION OF FFO AND FAD
Unaudited
(\$000's omitted - except per share data)



| | Three Months Ended | | Three Months Ended | Six Months Ended | |
|--|--------------------|------------------|--------------------|------------------|------------------|
| | June 30, 2005 | June 30, 2004 | March 31, 2005 | June 30, 2005 | June 30, 2004 |
| Funds from operations | | | | | |
| Net Income before Minority Interests and Items | \$ 28,870 | \$ 27,776 | \$ 29,076 | \$ 57,946 | \$ 46,071 |
| Add: Depreciation and amortization | 15,816 | 11,851 | 14,834 | 30,650 | 23,537 |
| FFO from discontinued operations | 101 | 3,151 | 512 | 613 | 6,116 |
| FFO adjustment for joint ventures | 7,651 | 5,780 | 6,082 | 13,733 | 11,780 |
| Less: Dividends on preferred shares | 4,969 | 3,446 | 4,969 | 9,938 | 6,446 |
| Non real estate depreciation and amortization | 1,097 | 966 | 974 | 2,071 | 1,922 |
| Funds From Operations | \$ 46,372 | \$ 44,146 | \$ 44,561 | \$ 90,933 | \$ 79,136 |
| Funds From Operations - Basic per Share | \$ 1.05 | \$ 1.08 | \$ 1.02 | \$ 2.06 | \$ 1.95 |
| Funds From Operations - Diluted per Share | \$ 1.02 | \$ 1.04 | \$ 0.99 | \$ 2.01 | \$ 1.87 |
| Funds Available for Distribution | | | | | |
| FFO | \$ 46,372 | \$ 44,146 | \$ 44,561 | 90,933 | 79,136 |
| Add: Non real estate depreciation and amortization | 1,097 | 966 | 974 | 2,071 | 1,922 |
| Non-cash deferred compensation | 1,064 | 591 | 983 | 2,047 | 5,491 |
| Less: FAD adjustment for Joint Ventures | 5,259 | 3,205 | 5,012 | 10,271 | 6,766 |
| FAD adjustment for discontinued operations | (11) | 29 | (11) | (22) | 146 |
| Straight-line rental income and other non cash adjustments | 5,085 | 2,098 | 4,948 | 10,033 | 3,275 |
| Second cycle tenant improvements | 5,240 | 6,680 | 4,148 | 9,388 | 13,632 |
| Second cycle leasing commissions | 1,368 | 2,395 | 2,904 | 4,272 | 7,635 |
| Revenue enhancing recurring CAPEX | 88 | 167 | 22 | 110 | 229 |
| Non- revenue enhancing recurring CAPEX | 230 | 744 | 76 | 306 | 1,061 |
| Funds Available for Distribution | \$ 31,274 | \$ 30,384 | \$ 29,418 | \$ 60,692 | \$ 53,806 |
| Diluted per Share | \$ 0.69 | \$ 0.72 | \$ 0.65 | \$ 1.34 | \$ 1.27 |
| First Cycle Leasing Costs | | | | | |
| Tenant improvements | 1,120 | 144 | 138 | 1,258 | 192 |
| Leasing commissions | 1,773 | — | 895 | 2,668 | — |
| Funds Available for Distribution after First Cycle Leasing Costs | \$ 28,381 | \$ 30,240 | \$ 28,385 | \$ 56,766 | \$ 53,614 |
| Funds Available for Distribution per Diluted Weighted Average Unit and Common Share | | | | | |
| | \$ 0.62 | \$ 0.71 | \$ 0.63 | \$ 1.25 | \$ 1.27 |
| Redevelopment Costs | \$ 2,408 | \$ 1,203 | \$ 429 | \$ 2,837 | \$ 2,079 |
| Payout Ratio of Funds From Operations | 52.99% | 48.09% | 54.73% | 53.82% | 53.35% |
| Payout Ratio of Funds Available for Distribution Before First Cycle Leasing Costs | 78.57% | 69.87% | 82.90% | 80.63% | 78.46% |

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CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
Unaudited



(\$000's omitted)

Series C Series D Common Stock Additional Retained Deferred Accumulated TOTAL

| | Preferred Stock | Preferred Stock | | Paid-In Capital | Earnings | Compensation Plan | Other Comprehensive Income | |
|--|-----------------|-----------------|--------|-----------------|------------|-------------------|----------------------------|--------------|
| Balance at December 31, 2004 | \$ 151,981 | \$ 96,321 | \$ 409 | \$ 917,613 | \$ 191,182 | \$ (15,273) | \$ 5,647 | \$ 1,347,880 |
| Net Income | | | | | 89,317 | | | 89,317 |
| Preferred Dividend | | | | | (9,938) | | | (9,938) |
| Exercise of employee stock options and redemption of units | | | 6 | 16,043 | | | | 16,049 |
| Stock based compensation fair value | | | | 554 | | | | 554 |
| Cash distributions declared (\$1.08 per common share) | | | | | (45,063) | | | (45,063) |
| Comprehensive Income - Unrealized gain of derivative instruments | | | | | | | 471 | 471 |
| Dividend reinvestment plan | | | 1 | 7,709 | | | | 7,710 |
| Deferred compensation plan | | | 2 | 7,700 | | (7,493) | | 209 |
| Amortization of deferred compensation | | | | | | 2,047 | | 2,047 |
| Balance at June 30, 2005 | \$ 151,981 | \$ 96,321 | \$ 418 | \$ 949,619 | \$ 225,498 | \$ (20,719) | \$ 6,118 | \$ 1,409,236 |

RECONCILIATION OF SHARES AND UNITS OUTSTANDING, AND DILUTION COMPUTATION

| | Common Stock | OP Units | Stock-Based Compensation | Sub-total | Preferred Stock | Diluted Shares |
|--|-------------------|------------------|--------------------------|-------------------|-----------------|-------------------|
| Share Count at December 31, 2004 | 40,875,989 | 2,530,817 | — | 43,406,806 | — | 43,406,806 |
| YTD share activity | 953,883 | (18,698) | — | 935,185 | — | 935,185 |
| Share Count at June 30, 2005 - Basic | 41,829,872 | 2,512,119 | — | 44,341,991 | — | 44,341,991 |
| Weighting Factor | (282,536) | 9,711 | 1,243,552 | 970,727 | | 970,727 |
| Weighted Average Share Count at June 30, 2005 - Diluted | 41,547,336 | 2,521,830 | 1,243,552 | 45,312,718 | — | 45,312,718 |

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TAXABLE INCOME

Unaudited
(\$000's omitted)



| | Six Months Ended | |
|--|------------------|------------------|
| | June 30 2005 | June 30 2004 |
| Net Income Available For Common Shareholders | \$ 79,379 | \$ 61,340 |
| Book/Tax Depreciation Adjustment | 1,603 | (1,567) |
| Book/Tax Gain Recognition Adjustment | (35,900) | (16,509) |
| Book/Tax JV Net equity adjustment | (5,120) | 1,941 |
| Other Operating Adjustments | 6,952 | (7,794) |
| C-corp Earnings | (1,214) | 696 |
| Taxable Income (Projected) | \$ 45,700 | \$ 38,107 |
| Dividend per share | \$ 1.08 | \$ 1.00 |
| Estimated payout of taxable income | 99% | 101% |
| Shares outstanding - basic | 41,830 | 38,638 |

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.

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JOINT VENTURE STATEMENTS

Balance Sheet for Unconsolidated Property Joint Ventures

Unaudited
(\$000's omitted)



| | June 30, 2005 | | June 30, 2004 | |
|-------------------------------|----------------|-----------------------|----------------|-----------------------|
| | Total Property | SLG Property Interest | Total Property | SLG Property Interest |
| Land & land interests | \$ 631,505 | \$ 289,881 | \$ 440,996 | \$ 193,274 |
| Buildings & improvements | 2,620,274 | 1,204,110 | 1,835,709 | 808,492 |
| | 3,251,779 | 1,493,991 | 2,276,705 | 1,001,766 |
| Less accumulated depreciation | (122,697) | (59,000) | (68,651) | (35,186) |
| Net Real Estate | 3,129,082 | 1,434,991 | 2,208,054 | 966,580 |

| | | | | |
|--|---------------------|---------------------|---------------------|---------------------|
| Cash and cash equivalents | 64,905 | 28,847 | 75,209 | 36,034 |
| Restricted cash | 26,250 | 11,511 | 26,622 | 13,339 |
| Tenant receivables, net of \$959 reserve at 6/30/05 | 4,876 | 2,659 | 8,563 | 3,604 |
| Deferred rents receivable, net of reserve for tenant credit loss of \$1,870 at 6/30/05 | 46,528 | 22,988 | 23,019 | 11,887 |
| Deferred costs, net | 47,561 | 23,410 | 15,168 | 7,883 |
| Other assets | 25,159 | 11,206 | 20,337 | 9,382 |
| Total Assets | \$ 3,344,361 | \$ 1,535,612 | \$ 2,376,972 | \$ 1,048,709 |
| Mortgage loans payable | \$ 1,981,250 | \$ 928,334 | \$ 1,132,850 | \$ 496,542 |
| Derivative Instruments-fair value | 25 | 14 | (38) | (21) |
| Accrued interest payable | 7,605 | 3,497 | 3,552 | 1,500 |
| Accounts payable and accrued expenses | 58,290 | 26,252 | 56,085 | 25,819 |
| Security deposits | 8,088 | 3,886 | 6,903 | 3,279 |
| Contributed Capital (1) | 1,289,103 | 573,629 | 1,177,620 | 521,590 |
| Total Liabilities and Equity | \$ 3,344,361 | \$ 1,535,612 | \$ 2,376,972 | \$ 1,048,709 |

As of June 30, 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 30% interest in 485 Lexington Avenue acquired in July 2004 and a 55% interest in the South Building of 1 Madison Avenue. 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.

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JOINT VENTURE STATEMENTS



Statements of Operations for Unconsolidated Property Joint Ventures

Unaudited
(\$000's omitted)

| | Three Months Ended June 30, 2005 | | Three Months Ended March 31, 2005 | | Three Months Ended June 30, 2004 | |
|--|----------------------------------|-------------------|-----------------------------------|-------------------|----------------------------------|--|
| | Total Property | Property Interest | Property Interest | Total Property | Property Interest | |
| Revenues | | | | | | |
| Rental Revenue, net | \$ 85,779 | \$ 39,467 | \$ 33,911 | \$ 68,739 | \$ 32,112 | |
| Escalation and reimbursement revenues | 13,921 | 6,622 | 6,526 | 12,744 | 6,119 | |
| Investment and other income | 381 | 253 | 161 | 435 | 228 | |
| Total Revenues, net | \$ 100,081 | \$ 46,342 | \$ 40,598 | \$ 81,918 | \$ 38,459 | |
| Expenses | | | | | | |
| Operating expenses | 19,916 | 9,184 | 9,746 | 19,465 | 9,221 | |
| Real estate taxes | 15,917 | 7,345 | 7,325 | 14,390 | 6,826 | |
| Total Operating Expenses | \$ 35,833 | \$ 16,529 | \$ 17,071 | \$ 33,855 | \$ 16,047 | |
| GAAP NOI | \$ 64,248 | \$ 29,813 | \$ 23,527 | \$ 48,063 | \$ 22,412 | |
| Cash NOI | \$ 56,694 | \$ 26,159 | \$ 20,543 | \$ 44,095 | \$ 20,558 | |
| Interest | 23,196 | 10,451 | 6,056 | 11,175 | 5,038 | |
| Depreciation and amortization | 17,418 | 7,891 | 6,554 | 13,683 | 6,540 | |
| Net Income | \$ 23,634 | \$ 11,471 | \$ 10,917 | \$ 23,205 | \$ 10,834 | |
| Plus: Real estate depreciation | 16,274 | 7,351 | 6,081 | 12,288 | 5,780 | |
| Funds From Operations | \$ 39,908 | \$ 18,822 | \$ 16,998 | \$ 35,493 | \$ 16,614 | |
| FAD Adjustments: | | | | | | |
| Plus: Non real estate depreciation and amortization | \$ 1,144 | \$ 540 | \$ 473 | \$ 1,395 | \$ 760 | |
| Less: Straight-line rental income and other non-cash adjustments | (7,553) | (3,653) | (2,983) | (4,456) | (2,083) | |
| Less: Second cycle tenant improvement, | (4,379) | (1,746) | (666) | (2,071) | (1,085) | |
| Less: Second cycle leasing commissions | (805) | (343) | (1,816) | (1,121) | (588) | |
| Less: Recurring CAPEX | (110) | (57) | (20) | (425) | (209) | |
| FAD Adjustment | \$ (11,703) | \$ (5,259) | \$ (5,012) | \$ (6,678) | \$ (3,205) | |

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| | Six Months Ended June 30, 2005 | | Six Months Ended June 30, 2004 | |
|--|--------------------------------|--------------------------|--------------------------------|--------------------------|
| | Total Property | SLG Property Interest | Total Property | SLG Property Interest |
| Revenues | | | | |
| Rental Revenue, net | \$ 161,411 | \$ 73,378 | \$ 135,247 | \$ 65,060 |
| Escalation and reimbursement revenues | 27,873 | 13,148 | 24,941 | 12,272 |
| Investment and other income | 674 | 414 | 601 | 311 |
| Total Revenues, net | \$ 189,958 | \$ 86,940 | \$ 160,789 | \$ 77,643 |
| Expenses | | | | |
| Operating expenses | 40,800 | 18,930 | 39,160 | 19,153 |
| Real estate taxes | 31,831 | 14,670 | 28,525 | 13,904 |
| Total Operating Expenses | \$ 72,631 | \$ 33,600 | \$ 67,685 | \$ 33,057 |
| GAAP NOI | \$ 117,327 | \$ 53,340 | \$ 93,104 | \$ 44,586 |
| Cash NOI | \$ 103,165 | \$ 46,702 | \$ 85,507 | \$ 40,929 |
| Interest | 38,296 | 16,507 | 20,992 | 10,152 |
| Depreciation and amortization | 32,289 | 14,445 | 26,683 | 13,049 |
| Net Income | \$ 46,742 | \$ 22,388 | \$ 45,429 | \$ 21,385 |
| Plus: Real estate depreciation | 30,133 | 13,432 | 24,374 | 11,780 |
| Funds From Operations | \$ 76,875 | \$ 35,820 | \$ 69,803 | \$ 33,165 |
| FAD Adjustments: | | | | |
| Plus: Non real estate depreciation and amortization | \$ 2,156 | \$ 1,013 | \$ 2,329 | \$ 1,270 |
| Less: Straight-line rental income and other non-cash adjustments | (14,061) | (6,636) | (8,501) | (4,077) |
| Less: Second cycle tenant improvement, | (5,771) | (2,412) | (3,498) | (1,844) |
| Less: Second cycle leasing commissions | (4,175) | (2,159) | (3,463) | (1,869) |
| Less: Recurring CAPEX | (146) | (77) | (493) | (246) |
| FAD Adjustment | \$ (21,997) | \$ (10,271) | \$ (13,626) | \$ (6,766) |

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Gramercy Joint Venture Statements

Unaudited
(\$000's omitted)

Balance Sheet

| | June 30, 2005 | March 31, 2005 |
|--|--|--------------------------------------|
| Assets | | |
| Cash | \$ 15,598 | \$ 4,421 |
| Loans and other lending investments, net | 749,000 | 606,747 |
| Investment in joint venture | 57,190 | — |
| Other assets | 12,879 | 10,547 |
| Total Assets | \$ 834,667 | \$ 621,715 |
| Liabilities and Stockholders' Equity | | |
| Credit facilities | \$ 500,000 | \$ 342,291 |
| Other liabilities | 15,084 | 10,027 |
| Junior subordinated deferrable interest debentures | 50,000 | — |
| Total Liabilities | 565,084 | 352,318 |
| Commitments and contingencies | — | — |
| Stockholders' Equity | | |
| Total stockholders' equity | 269,583 | 269,397 |
| Total Liabilities and Stockholders' Equity | \$ 834,667 | \$ 621,715 |
| Total Outstanding Shares | 18,833 | 18,833 |
| Total SLG Shares | 4,710 | 4,710 |
| | Three Months Ended June 30, 2005 | Six Months Ended June 30, 2005 |

| | | | | |
|--|----|---------|----|---------|
| Base management income | \$ | 1,326 | \$ | 2,531 |
| Other fee income | | — | | 750 |
| Marketing, general and administrative expenses | | (1,243) | | (2,651) |
| Net Income before minority interest | | 83 | | 630 |
| Less: minority interest | | (18) | | (153) |
| SLG share of GKK Manager net income | | 65 | | 477 |
| Servicing and administrative reimbursements | | 544 | | 1,007 |
| Net management income and reimbursements from Gramercy | \$ | 609 | \$ | 1,484 |

Income Statement

| | | Three Months Ended June 30, 2005 | Six Months Ended June 30, 2005 |
|---|----|---|---|
| Revenues | | | |
| Investment Income | \$ | 15,689 | \$ 25,939 |
| Other income | | 3,069 | 3,509 |
| Total revenues | | 18,758 | 29,448 |
| Expenses | | | |
| Interest | | 6,264 | 9,065 |
| Management fees | | 1,870 | 3,538 |
| Depreciation and amortization | | 106 | 128 |
| Marketing, general and administrative | | 1,632 | 3,266 |
| Provision for loan loss | | 525 | 525 |
| Total expenses | | 10,397 | 16,522 |
| Income from continuing operations before equity in net loss of unconsolidated joint venture and taxes | | 8,361 | 12,926 |
| Equity in net loss of unconsolidated joint venture | | (404) | (404) |
| Income from continuing operations before taxes | | 7,957 | 12,522 |
| Provision for taxes | | (500) | (500) |
| Net income available to common shareholders | | 7,457 | 12,022 |
| Plus: Real estate depreciation | | 1,199 | 1,199 |
| FFO | \$ | 8,656 | \$ 13,221 |
| SLG share of net income | \$ | 1,864 | \$ 3,006 |
| SLG share of FFO | \$ | 2,164 | \$ 3,307 |

SELECTED FINANCIAL DATA

Capitalization Analysis

Unaudited

(\$000's omitted)

| | 6/30/2005 | 3/31/2005 | 12/31/2004 | 9/30/2004 | 6/30/2004 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Market Capitalization | | | | | |
| Common Equity: | | | | | |
| Common Shares Outstanding | 41,830 | 41,622 | 40,876 | 40,547 | 38,692 |
| OP Units Outstanding | 2,512 | 2,531 | 2,531 | 2,225 | 2,225 |
| Total Common Equity (Shares and Units) | 44,342 | 44,153 | 43,407 | 42,772 | 40,917 |
| Share Price (End of Period) | \$ 64.50 | \$ 56.22 | \$ 60.55 | \$ 51.81 | \$ 46.80 |
| Equity Market Value | \$ 2,860,059 | \$ 2,482,282 | \$ 2,628,294 | \$ 2,216,017 | \$ 1,914,902 |
| Preferred Equity at Liquidation Value: | 257,500 | 257,500 | 257,500 | 257,500 | 218,750 |
| Real Estate Debt | | | | | |
| Property Level Mortgage Debt | 770,023 | 600,315 | 614,476 | 513,354 | 514,180 |
| Outstanding Balance on - Term Loans | 525,000 | 425,000 | 425,000 | 425,000 | 300,000 |
| Outstanding Balance on – Secured Credit Lines | 67,000 | 125,000 | 110,900 | 143,900 | 104,900 |
| Outstanding Balance on – Unsecured Credit Line | 31,730 | 165,000 | — | 45,000 | — |
| Junior Subordinated Deferrable Interest Debentures | 100,000 | — | — | — | — |
| Total Consolidated Debt | 1,493,753 | 1,315,315 | 1,150,376 | 1,127,254 | 919,080 |
| Company's Portion of Joint Venture Mortgages | 928,334 | 564,945 | 565,211 | 565,482 | 496,542 |
| Total Combined Debt | 2,422,087 | 1,880,260 | 1,715,587 | 1,692,736 | 1,415,622 |
| Total Market Cap (Debt & Equity) | \$ 5,539,646 | \$ 4,620,042 | \$ 4,601,381 | \$ 4,166,253 | \$ 3,549,274 |

Availability under Lines of Credit

| | | | | | |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Senior Unsecured Line of Credit | 264,270(A) | 131,000 | \$ 296,000 | \$ 251,000 | \$ 296,000 |
| Term Loans | — | — | — | — | — |
| Secured Line of Credit | 58,000 | — | 33,000 | — | 39,000 |
| Total Availability | \$ 322,270 | \$ 131,000 | \$ 329,000 | \$ 251,000 | \$ 335,000 |

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

Ratio Analysis**Consolidated Basis**

| | | | | | |
|--|--------|--------|--------|--------|--------|
| Debt to Market Cap Ratio | 32.39% | 32.44% | 28.50% | 31.31% | 30.11% |
| Debt to Gross Real Estate Book Ratio (1) | 70.02% | 64.94% | 59.61% | 66.09% | 59.95% |
| Secured Real Estate Debt to Secured Assets Gross Book (1) | 75.39% | 66.77% | 66.80% | 75.16% | 74.63% |
| Unsecured Debt to Unencumbered Assets-Gross Book Value (1) | 45.26% | 52.09% | 39.78% | 39.72% | 29.66% |
| Secured Line of Credit to Structured Finance Assets (1) | 16.88% | 33.32% | 31.68% | 44.17% | 39.69% |

Joint Ventures Allocated

| | | | | | |
|--|--------|--------|--------|--------|--------|
| Combined Debt to Market Cap Ratio | 43.72% | 40.70% | 37.28% | 40.63% | 39.88% |
| Debt to Gross Real Estate Book Ratio (1) | 66.69% | 60.33% | 56.92% | 60.43% | 55.54% |
| Secured Debt to Secured Assets Gross Book (1), (2) | 67.52% | 58.98% | 59.13% | 61.36% | 60.30% |

(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 | Six Months Ended | |
|---|--------------------|------------------|--------------------|-------------------|-------------------|
| | June 30, 2005 | June 30, 2004 | March 31, 2005 | June 30, 2005 | June 30, 2004 |
| Property NOI | | | | | |
| Property Operating NOI | \$ 43,104 | \$ 32,034 | \$ 38,617 | \$ 81,721 | \$ 60,637 |
| NOI from Discontinued Operations | 117 | 3,413 | 684 | 801 | 6,619 |
| Total Property Operating NOI - Consolidated | 43,221 | 35,447 | 39,301 | 82,522 | 67,256 |
| SLG share of Property NOI from JVs | 29,813 | 22,412 | 23,527 | 53,340 | 44,586 |
| GAAP NOI | \$ 73,034 | \$ 57,859 | \$ 62,828 | \$ 135,862 | \$ 111,842 |
| Less: Free Rent (Net of Amortization) | 4,033 | 1,025 | 3,713 | 7,746 | 1,911 |
| Net FAS 141 Adjustment | 639 | 334 | 693 | 1,332 | 626 |
| Straightline Revenue Adjustment | 5,426 | 3,708 | 4,716 | 10,142 | 7,136 |
| Plus: Allowance for S/L tenant credit loss | 1,245 | 710 | 1,298 | 2,543 | 1,649 |
| Ground Lease Straight-line Adjustment | 160 | 160 | 160 | 320 | 320 |
| Cash NOI | \$ 64,341 | \$ 53,662 | \$ 55,164 | \$ 119,505 | \$ 104,138 |

Components of Debt Service and Fixed Charges

| | | | | | |
|--|---------------|---------------|---------------|----------------|----------------|
| Interest on Fixed Rate Loans | 16,500 | 12,679 | 15,561 | 32,061 | 23,890 |
| Interest on Floating Loans | 3,155 | 2,061 | 2,076 | 5,231 | 5,839 |
| Fixed Amortization Principal Payments | 793 | 908 | 895 | 1,688 | 1,976 |
| Total Consolidated Debt Service | 20,448 | 15,648 | 18,532 | 38,980 | 31,705 |
| Payments under Ground Lease Arrangements | 4,752 | 3,706 | 4,356 | 9,108 | 7,412 |
| Dividend on perpetual preferred shares | 4,969 | 3,446 | 4,969 | 9,938 | 6,446 |
| Total Consolidated Fixed Charges | 30,169 | 22,800 | 27,857 | 58,026 | 45,563 |
| Adjusted EBITDA | 72,402 | 63,399 | 67,658 | 140,060 | 122,434 |
| Interest Coverage Ratio | 3.68 | 4.30 | 3.84 | 3.76 | 4.12 |
| Debt Service Coverage Ratio | 3.54 | 4.05 | 3.65 | 3.59 | 3.86 |
| Fixed Charge Coverage Ratio | 2.40 | 2.78 | 2.43 | 2.41 | 2.69 |

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

| | Three Months Ended | | | Three Months Ended | | | Six Months Ended | | |
|--|--------------------|---------------|-----------|--------------------|----------------|----------------|------------------|--|--|
| | June 30, 2005 | June 30, 2004 | % | March 31, 2005 | June 30, 2005 | June 30, 2004 | % | | |
| Revenues | | | | | | | | | |
| Rental Revenue, net | 59,000 | 57,945 | 2% | 58,408 | 117,409 | 114,210 | 3% | | |
| Escalation & Reimbursement Revenues | 11,933 | 9,382 | 27% | 10,514 | 22,447 | 18,580 | 21% | | |
| Investment Income | 85 | 62 | 37% | 108 | 193 | 120 | 61% | | |
| Other Income | 388 | 201 | 93% | 1,339 | 1,726 | 430 | 301% | | |
| Total Revenues | 71,406 | 67,590 | 6% | 70,369 | 141,775 | 133,340 | 6% | | |
| Expenses | | | | | | | | | |
| Operating Expense | 18,770 | 17,434 | 8% | 19,689 | 38,459 | 36,083 | 7% | | |
| Ground Rent | 3,758 | 3,866 | -3% | 3,363 | 7,121 | 7,732 | -8% | | |
| Real Estate Taxes | 12,885 | 11,161 | 15% | 12,132 | 25,016 | 22,323 | 12% | | |
| | 35,413 | 32,461 | 9% | 35,184 | 70,596 | 66,138 | 7% | | |
| EBITDA | 35,993 | 35,129 | 2% | 35,185 | 71,179 | 67,202 | 6% | | |
| Interest | 8,976 | 9,901 | -9% | 8,726 | 17,702 | 20,152 | -12% | | |
| Depreciation & Amortization | 10,592 | 10,357 | 2% | 10,374 | 20,966 | 20,690 | 1% | | |
| Income Before Minority Interest | 16,425 | 14,871 | 10% | 16,085 | 32,511 | 26,360 | 23% | | |
| Plus: Real Estate Depreciation & Amortization | 10,411 | 10,181 | 2% | 10,251 | 20,662 | 20,313 | 2% | | |
| FFO | 26,836 | 25,052 | 7% | 26,336 | 53,173 | 46,673 | 14% | | |
| Less: Non – Building Revenue | 267 | 243 | 10% | 331 | 598 | 507 | 18% | | |
| Plus: Interest Expense | 8,976 | 9,901 | -9% | 8,726 | 17,702 | 20,152 | -12% | | |
| Non Real Estate Depreciation | 181 | 176 | 3% | 123 | 304 | 377 | -19% | | |
| GAAP NOI | 35,726 | 34,886 | 2% | 34,854 | 70,581 | 66,695 | 6% | | |
| Cash Adjustments | | | | | | | | | |
| Less: Free Rent (Net of Amortization) | 1,020 | 506 | 102% | 1,026 | 2,045 | 943 | 117% | | |
| Straightline Revenue Adjustment | 1,712 | 2,184 | -22% | 1,956 | 3,667 | 3,968 | -8% | | |
| Rental Income - FAS 141 | (58) | (58) | 0% | (58) | (116) | (116) | 0% | | |
| Plus: Allowance for S/L tenant credit loss | 557 | 442 | 26% | 605 | 1,162 | 1,353 | -14% | | |
| Ground Lease Straight-line Adjustment | 160 | 160 | 0% | 160 | 320 | 320 | 0% | | |
| Cash NOI | 33,769 | 32,856 | 3% | 32,695 | 66,467 | 63,573 | 5% | | |
| Operating Margins | | | | | | | | | |
| GAAP NOI to Real Estate Revenue, net | 49.83% | 51.46% | | 49.34% | 49.59% | 49.70% | | | |
| Cash NOI to Real Estate Revenue, net | 47.10% | 48.47% | | 46.28% | 46.70% | 47.38% | | | |
| GAAP NOI before Ground Rent/Real Estate Revenue, net | 55.07% | 57.17% | | 54.10% | 54.59% | 55.47% | | | |
| Cash NOI before Ground Rent/Real Estate Revenue, net | 52.12% | 53.94% | | 50.82% | 51.47% | 52.90% | | | |

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

| | Three Months Ended | | | Six Months Ended | | |
|-------------------------------------|--------------------|---------------|-----------|------------------|---------------|-----------|
| | June 30, 2005 | June 30, 2004 | % | June 30, 2005 | June 30, 2004 | % |
| Revenues | | | | | | |
| Rental Revenue, net | 32,519 | 30,396 | 7% | 64,410 | 60,610 | 6% |
| Escalation & Reimbursement Revenues | 6,459 | 5,761 | 12% | 12,833 | 11,498 | 12% |
| Investment Income | 86 | 37 | 132% | 144 | 75 | 92% |
| Other Income | 36 | 160 | -78% | 87 | 198 | -56% |
| Total Revenues | 39,100 | 36,354 | 8% | 77,474 | 72,381 | 7% |
| Expenses | | | | | | |
| Operating Expense | 8,767 | 8,576 | 2% | 18,123 | 17,647 | 3% |
| Ground Rent | — | — | | — | — | |
| Real Estate Taxes | 7,239 | 6,523 | 11% | 14,444 | 13,043 | 11% |
| | 16,006 | 15,099 | 6% | 32,567 | 30,690 | 6% |
| EBITDA | 23,094 | 21,255 | 9% | 44,907 | 41,691 | 8% |
| Interest | 5,690 | 4,781 | 19% | 10,924 | 9,566 | 14% |
| Depreciation & Amortization | 5,799 | 6,245 | -7% | 11,781 | 12,138 | -3% |

| | | | | | | | |
|-------|---|---------------|---------------|-----------|---------------|---------------|-----------|
| | Income Before Minority Interest | 11,605 | 10,228 | 13% | 22,202 | 19,987 | 11% |
| Plus: | Real Estate Depreciation & Amortization | 5,452 | 5,494 | -1% | 11,060 | 10,917 | 1% |
| | FFO | 17,057 | 15,722 | 8% | 33,262 | 30,904 | 8% |
| Less: | Non – Building Revenue | 93 | 43 | 116% | 157 | 85 | 85% |
| Plus: | Interest Expense | 5,690 | 4,781 | 19% | 10,924 | 9,566 | 14% |
| | Non Real Estate Depreciation | 348 | 752 | -54% | 721 | 1,221 | -41% |
| | GAAP NOI | 23,002 | 21,212 | 8% | 44,750 | 41,606 | 8% |

Cash Adjustments

| | | | | | | | |
|-------|---------------------------------------|---------------|---------------|-----------|---------------|---------------|-----------|
| Less: | Free Rent (Net of Amortization) | 1,135 | 569 | 99% | 2,359 | 898 | 163% |
| | Straightline Revenue Adjustment | 1,539 | 1,425 | 8% | 3,292 | 2,875 | 15% |
| | FAS 141 | 230 | 230 | 0% | 460 | 460 | 0% |
| Plus: | Allowance for S/L tenant credit loss | 210 | 249 | -16% | 526 | 476 | 11% |
| | Ground Lease Straight-line Adjustment | — | — | 0% | — | — | — |
| | Cash NOI | 20,308 | 19,237 | 6% | 39,165 | 37,849 | 3% |

Operating Margins

| | | | | | |
|--|--|--------|--------|--------|--------|
| | GAAP NOI to Real Estate Revenue, net | 58.65% | 58.02% | 57.49% | 57.17% |
| | Cash NOI to Real Estate Revenue, net | 51.78% | 52.62% | 50.31% | 52.01% |
| | GAAP NOI before Ground Rent/Real Estate Revenue, net | 58.65% | 58.02% | 57.49% | 57.17% |
| | Cash NOI before Ground Rent/Real Estate Revenue, net | 51.78% | 52.62% | 50.31% | 52.01% |

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| | Principal O/S Outstanding 6/30/2005 | Coupon | 2005 Principal Repayment | Maturity Date | Due at Maturity | As-Of Right Extension | Earliest Prepayment |
|---|-------------------------------------|--------------|--------------------------|---------------|------------------|-----------------------|---------------------|
| Fixed rate debt | | | | | | | |
| Secured fixed Rate Debt | | | | | | | |
| 125 Broad Street | 75,156 | 8.29% | 368 | Oct-07 | 73,341 | — | Open |
| 673 First Avenue | 34,786 | 5.67% | 312 | Feb-13 | 28,984 | — | Feb-06 |
| 70 W. 36th Street | 11,513 | 7.87% | 100 | May-09 | 10,629 | — | Open |
| 711 Third Avenue | 120,000 | 4.99% | — | Jun-15 | 120,000 | — | Mar-15 |
| 220 E 42nd Street | 210,000 | 5.23% | — | Nov-13 | 182,394 | — | Dec-06 |
| 420 Lexington Avenue | 118,523 | 8.44% | 1,057 | Nov-10 | 104,691 | — | Open |
| 625 Madison Avenue | 102,000 | 6.27% | — | Nov-15 | 78,595 | — | Open |
| | 671,978 | 6.32% | 1,837 | | 598,634 | | |
| Secured fixed Rate Debt-Other | | | | | | | |
| Wells Fargo Secured Term Loan (Libor + 125 bps) (1) | 160,000 | 4.04% | — | Apr-10 | 160,000 | — | Open |
| | 160,000 | 4.04% | — | | 160,000 | | |
| Unsecured fixed rate debt | | | | | | | |
| Wells Fargo Unsecured Term Loan (Libor swap + 140bps) (2) | 325,000 | 4.79% | — | Aug-09 | 325,000 | — | Nov-05 |
| Junior Subordinated Deferrable Interest Debentures | 100,000 | 5.61% | — | Jul-15 | 100,000 | — | Open |
| | 425,000 | 4.98% | — | | 425,000 | | |
| Total Fixed Rate Debt/Wtd Avg | 1,256,978 | 5.58% | 1,837 | | 1,183,634 | | |
| Floating rate Debt | | | | | | | |
| Secured floating rate debt | | | | | | | |
| Secured Credit Facilities - unhedged (Libor + 135bps) | 67,000 | 4.37% | — | Dec-06 | 67,000 | — | Open |
| Wells Fargo Secured Term Loan (Libor + 125 bps) | 40,000 | 4.41% | — | Apr-10 | 40,000 | — | Open |
| 1 Madison Avenue (Libor + 275 bps) | 98,045 | 6.10% | — | Apr-07 | 98,045 | — | Open |
| | 205,045 | 5.20% | — | | 205,045 | | |
| Unsecured floating rate debt | | | | | | | |
| Senior Unsecured Line of Credit (Libor + 135 bps) | 31,730 | 4.49% | — | Mar-06 | 31,730 | Mar-07 | Open |
| | 31,730 | 4.49% | — | | 31,730 | | |
| Total Floating Rate Debt/Wtd Avg | 236,775 | 5.11% | — | | 236,775 | | |
| Total Debt/Wtd Avg | 1,493,753 | 5.53% | — | | 1,420,409 | | |
| Weighted Average Balance & Interest Rate | 1,444,800 | 5.48% | — | | — | | |

SUMMARY OF JOINT VENTURE DEBT

| Joint Venture Debt | Principal O/S | | | | | | | |
|--|-----------------|-----------|-------|-----|--------|---------|--------|------|
| | Gross Principal | SLG Share | | | | | | |
| 180 Madison JV | 44,373 | 22,142 | 4.57% | 176 | Jul-08 | 21,019 | — | Open |
| 1250 Broadway (Libor + 120bps) | 115,000 | 63,250 | 4.22% | — | Aug-06 | 63,250 | Aug-09 | Open |
| 1221 Avenue of Americas (Eurodollar + 95bps) | 175,000 | 78,750 | 4.08% | — | Dec-06 | 78,750 | Dec-08 | Open |
| 1515 Broadway (Libor + 90 bps) | 425,000 | 233,750 | 3.46% | — | Jul-06 | 233,750 | Jul-09 | Open |
| 1 Park Avenue | 238,500 | 39,830 | 5.80% | — | May-14 | 39,830 | — | Open |

| | | | | | | | | |
|--|------------------|------------------|--------------|--------------|--------|----------------|---|------|
| 100 Park Avenue JV | 116,369 | 58,068 | 8.00% | 279 | Sep-10 | 54,555 | — | Open |
| 485 Lexington Ave (Libor + 200bps) | 177,243 | 53,173 | 5.03% | — | Jul-07 | 53,173 | — | |
| 1 Madison Avenue | 689,765 | 379,371 | 5.91% | 980 | May-20 | 220,755 | — | |
| Total Joint Venture Debt/Wtd Avg | 1,981,250 | 928,334 | 5.07% | 1,435 | | 765,082 | | |
| Weighted Average Balance & Interest Rate with SLG JV debt | | 2,259,019 | 5.29% | | | | | |

- There is a LIBOR swap on this loan of 2.33% through May 2006 and 4.65% from May 2006 through December 2008.
- 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.

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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 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------------------------|------------------|
| Operating Leases | | | | | | |
| 673 First Avenue | 3,010 | 3,010 | 3,010 | 3,010 | 14,970 | 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 | 1,073 | 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) |
| Total | 18,382 | 18,539 | 18,695 | 18,695 | 16,043 | |

Capitalized Lease

| | | | | | | |
|------------------|-------|-------|-------|-------|--------|------|
| 673 First Avenue | 1,322 | 1,416 | 1,416 | 1,416 | 16,166 | 2037 |
|------------------|-------|-------|-------|-------|--------|------|

- Per the balance sheet at June 30, 2005.
- These ground leases are classified as operating leases and, therefore, do not appear on the balance sheet as an obligation.
- The Company has a unilateral option to extend the ground lease for an additional 50 years to 2066.
- Subject to renewal at the Company's option through 2029.
- Excludes portion payable to SL Green as owner of 50% leasehold.
- The Company has an option to purchase the ground lease for a fixed price on a specific date.
- Subject to renewal at the Company's option through 2054.

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STRUCTURED FINANCE



(\$000's omitted)

| | Assets Outstanding | Wtd Average Assets during quarter | Wtd Average Yield during quarter | Current Yield | Libor Rate |
|----------------------------|--------------------|-----------------------------------|----------------------------------|---------------|------------|
| 3/31/2004 | 276,538 | 269,618 | 12.16% | 12.03% | 1.09% |
| Originations/Accretion (1) | 117,362 | | | | |
| Preferred Equity | (59,400) | | | | |
| Redemptions /Amortization | (70,204) | | | | |
| 6/30/2004 | 264,296 | 235,153 | 10.19% | 10.10% | 1.37% |
| Originations/Accretion (1) | 5,000 | | | | |
| Preferred Equity | 75,000 | | | | |
| Redemptions /Amortization | (18,489) | | | | |
| 9/30/2004 | 325,807 | 302,092 | 10.17% | 10.32% | 1.84% |
| Originations/Accretion (1) | 32,096 | | | | |
| Preferred Equity | — | | | | |
| Redemptions /Amortization | (7,876) | | | | |
| 12/31/2004 | 350,027 | 332,936 | 10.00% | 10.25% | 2.40% |
| Originations/Accretion (1) | 222 | | | | |
| Preferred Equity | 25,000 | | | | |

| | | | | | |
|----------------------------|----------------|----------------|---------------|---------------|--------------|
| Redemptions /Amortization | (150) | | | | |
| 3/31/2005 | 375,099 | 363,189 | 10.43% | 10.69% | 2.87% |
| Originations/Accretion (1) | 58,250 | | | | |
| Preferred Equity | 6,125 | | | | |
| Redemptions /Amortization | (42,612) | | | | |
| 6/30/2005 | 396,862 | 413,571 | 10.27% | 10.26% | 3.34% |

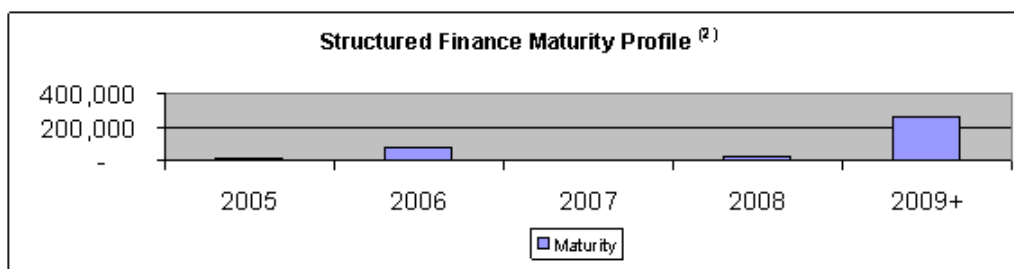
(1) Accretion includes original issue discounts and compounding investment income.

STRUCTURED FINANCE

(\$000's omitted)

| Type of Investment | Quarter End Balance(1) | Senior Financing | Exposure Psf | Wtd Average Yield during quarter | Current Yield |
|--------------------------------------|------------------------|------------------|--------------|----------------------------------|---------------|
| Junior Mortgage Participation | \$ 154,782 | \$ 1,115,864 | \$ 224 | 10.33% | 10.29% |
| Mezzanine Debt | \$ 135,955 | \$ 629,000 | \$ 193 | 10.19% | 10.05% |
| Preferred Equity | \$ 106,125 | \$ 2,876,650 | \$ 124 | 10.19% | 10.18% |
| Balance as of 6/30/05 | \$ 396,862 | \$ 4,621,514 | \$ 182 | 10.27% | 10.26% |

Current Maturity Profile



- (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 maturity is 6.6 years.

SELECTED PROPERTY DATA



| Properties | SubMarket | Ownership | Usable Sq. Feet | % of Total Sq. Feet | Occupancy (%) | | | | | Annualized Rent (\$'s) | Annualized Rent | | Total Tenants |
|------------------------------------|----------------------------|------------------------|------------------|---------------------|---------------|-------------|-------------|-------------|-------------|------------------------|-----------------|-----------|---------------|
| | | | | | Jun-05 | Mar-05 | Dec-04 | Sep-04 | Jun-04 | | 100% | SLG | |
| PROPERTIES 100% OWNED | | | | | | | | | | | | | |
| "Same Store" | | | | | | | | | | | | | |
| 1140 Avenue of the Americas | Rockefeller Center | Leasehold Interest | 191,000 | 1 | 97.1 | 96.3 | 94.7 | 94.7 | 96.4 | 8,710,272 | 3 | 2 | 25 |
| 110 East 42nd Street | Grand Central North | Fee Interest | 181,000 | 1 | 91.3 | 88.9 | 88.9 | 88.9 | 89.4 | 6,065,880 | 2 | 1 | 28 |
| 125 Broad Street | Downtown | Fee Interest | 525,000 | 3 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 17,865,240 | 5 | 3 | 4 |
| 1372 Broadway | Garment | Fee Interest | 508,000 | 3 | 99.2 | 99.4 | 99.2 | 99.6 | 99.6 | 16,988,904 | 5 | 3 | 27 |
| 220 East 42nd Street | Midtown | Fee Interest | 1,135,000 | 6 | 99.0 | 97.9 | 97.9 | 97.4 | 94.5 | 37,931,556 | 11 | 7 | 42 |
| 286 Madison Avenue | Grand Central South | Fee Interest | 112,000 | 1 | 96.9 | 93.6 | 92.1 | 86.8 | 92.7 | 3,943,404 | 1 | 1 | 39 |
| 290 Madison Avenue | Grand Central South | Fee Interest | 37,000 | 0 | 100.0 | 100.0 | 100.0 | 71.8 | 71.8 | 1,424,724 | 0 | 0 | 4 |
| 292 Madison Avenue | Grand Central South | Fee Interest | 187,000 | 1 | 99.7 | 99.7 | 99.7 | 99.7 | 99.7 | 7,687,692 | 2 | 1 | 20 |
| 317 Madison Avenue | Grand Central | Fee Interest | 450,000 | 2 | 85.2 | 86.9 | 87.3 | 90.0 | 89.0 | 15,188,856 | 4 | 3 | 77 |
| 420 Lexington Ave (Graybar) | Grand Central North | Operating Sublease | 1,188,000 | 6 | 96.5 | 96.4 | 96.8 | 96.8 | 98.4 | 51,059,952 | 15 | 10 | 247 |
| 440 Ninth Avenue | Garment | Fee Interest | 339,000 | 2 | 100.0 | 100.0 | 100.0 | 98.7 | 98.7 | 9,801,648 | 3 | 2 | 16 |
| 461 Fifth Avenue | Midtown | Leasehold Interest | 200,000 | 1 | 89.7 | 90.3 | 91.4 | 88.7 | 90.7 | 10,619,976 | 3 | 2 | 17 |
| 470 Park Avenue South | Park Avenue South/Flatiron | Fee Interest | 260,000 | 1 | 93.8 | 91.1 | 87.9 | 85.1 | 88.9 | 8,438,316 | 2 | 2 | 25 |
| 555 West 57th Street | Midtown West | Fee Interest | 941,000 | 5 | 100.0 | 100.0 | 100.0 | 100.0 | 99.8 | 25,888,848 | 8 | 5 | 19 |
| 673 First Avenue | Grand Central South | Leasehold Interest | 422,000 | 2 | 80.8 | 80.8 | 80.6 | 80.6 | 99.1 | 10,890,672 | 3 | 2 | 12 |
| 70 West 36th Street | Garment | Fee Interest | 151,000 | 1 | 96.7 | 98.2 | 96.1 | 97.1 | 98.8 | 4,157,688 | 1 | 1 | 30 |
| 711 Third Avenue | Grand Central North | Operating Sublease (1) | 524,000 | 3 | 98.7 | 98.1 | 98.1 | 98.1 | 98.6 | 21,532,092 | 6 | 4 | 18 |
| Subtotal / Weighted Average | | | 7,351,000 | 40 | 96.2 | 96.0 | 95.8 | 95.5 | 96.7 | \$ 258,195,720 | 75 | 49 | 650 |
| Adjustments | | | | | | | | | | | | | |
| 19 West 44th Street | Midtown | Fee Interest | 292,000 | 2 | 92.2 | 92.2 | 89.0 | 87.2 | 86.8 | 9,425,880 | 3 | 2 | 61 |
| 750 Third Avenue | Grand Central | Fee Interest | 780,000 | 4 | 100.0 | 100.0 | 100.0 | 100.0 | — | 33,892,383 | 10 | 6 | 1 |

| | | | | | | | | | | | | | |
|---|----------------------|--------------------|-------------------|------------|-------------|--------------|--------------|--------------|-------------|-----------------------|------------|------------|------------|
| 625 Madison Avenue | North Plaza District | Leasehold Interest | 563,000 | 3 | 77.0 | 76.4 | 69.0 | — | — | 30,357,756 | 9 | 6 | 39 |
| 28 West 44th Street | Midtown | Fee Interest | 359,000 | 2 | 84.9 | 86.8 | — | — | — | 10,177,116 | 3 | 2 | 64 |
| Subtotal / Weighted Average | | | 1,994,000 | 11 | 89.6 | 89.8 | 87.4 | 96.5 | 86.8 | \$ 83,853,135 | 25 | 16 | 165 |
| Total / Weighted Average Properties 100% Owned | | | 9,345,000 | 51 | 94.8 | 94.6 | 94.0 | 93.9 | 96.3 | \$ 342,048,855 | 100 | 66 | 815 |
| PROPERTIES < 100% OWNED (Unconsolidated) | | | | | | | | | | | | | |
| "Same Store" | | | | | | | | | | | | | |
| 180 Madison Avenue - 50% | Grand Central South | Fee Interest | 265,000 | 1 | 85.7 | 85.2 | 84.9 | 80.3 | 82.6 | 8,366,292 | 1 | 1 | 48 |
| 1 Park Avenue - 16.7% | Grand Central North | Fee Interest | 913,000 | 5 | 97.8 | 97.1 | 97.1 | 94.6 | 94.6 | 35,037,456 | 1 | 1 | 18 |
| 1250 Broadway - 55% | Penn Station | Fee Interest | 670,000 | 4 | 95.3 | 94.8 | 94.5 | 88.6 | 94.8 | 21,868,104 | 2 | 2 | 34 |
| 1515 Broadway - 55% | Times Square | Fee Interest | 1,750,000 | 9 | 99.6 | 99.6 | 99.7 | 98.3 | 96.0 | 81,395,052 | 9 | 9 | 12 |
| 100 Park Avenue - 50% | Grand Central South | Fee Interest | 834,000 | 5 | 91.5 | 91.5 | 93.1 | 93.2 | 98.4 | 31,597,440 | 3 | 3 | 39 |
| 1221 Avenue of the Americas - 45% | Rockefeller Center | Fee Interest | 2,550,000 | 14 | 97.7 | 97.7 | 97.7 | 97.9 | 98.8 | 127,348,908 | 11 | 11 | 22 |
| Subtotal / Weighted Average | | | 6,982,000 | 38 | 96.7 | 96.6 | 96.8 | 95.4 | 96.5 | \$ 305,613,252 | 27 | 27 | 173 |
| Adjustments | | | | | | | | | | | | | |
| 485 Lexington Avenue - 30% | Grand Central North | Fee Interest | 921,000 | 5 | 100.0 | 100.0 | 100.0 | 100.0 | — | 35,062,056 | 2 | 1 | 1 |
| 1 Madison Avenue - 55% | Park Avenue South | Fee Interest | 1,176,900 | 6 | 95.5 | — | — | — | — | 53,926,710 | 6 | 1 | 1 |
| Subtotal / Weighted Average | | | 2,097,900 | 11 | 97.5 | 100.0 | 100.0 | 100.0 | — | \$ 88,988,766 | 8 | 2 | 2 |
| Total / Weighted Average Properties Less Than 100% Owned | | | 9,079,900 | 49 | 96.9 | 97.0 | 97.1 | 96.0 | 96.5 | \$ 394,602,018 | 34 | 34 | 175 |
| Grand Total / Weighted Average | | | 18,424,900 | 100 | 95.9 | 95.7 | 95.6 | 95.8 | 96.4 | \$ 736,650,873 | 100 | 100 | 990 |
| Grand Total - SLG share of Annualized Rent | | | | | | | | | | \$ 522,162,028 | | | 100 |
| Same Store Occupancy % - Combined | | | 14,333,000 | 78 | 96.5 | 96.3 | 96.3 | 95.5 | 96.6 | | | | |

(1) Including Ownership of 50% in Building Fee.

LARGEST TENANTS BY SQUARE FEET LEASED



Wholly Owned Portfolio + Allocated JV Properties

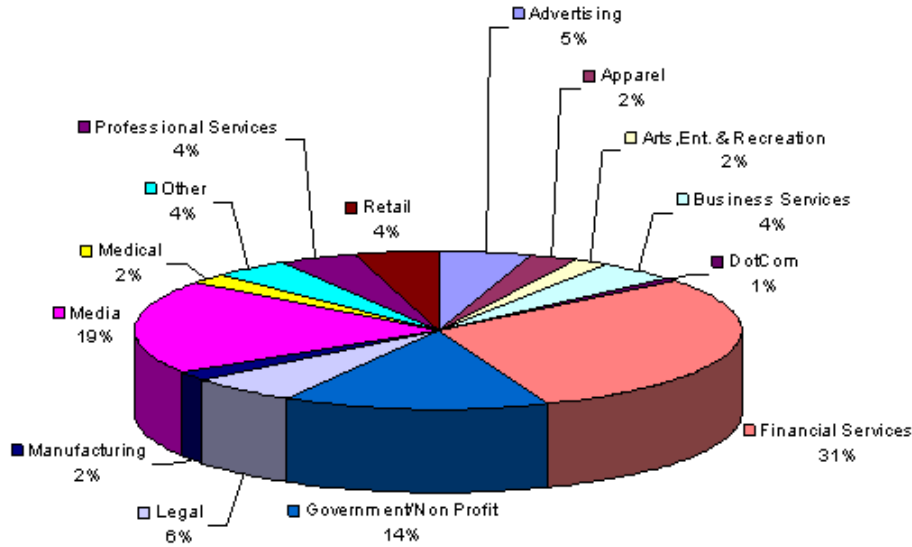
| Tenant Name | Property | Lease Expiration | Total Leased Square Feet | Annualized Rent (\$) | PSF Annualized | % of Annualized Rent | SLG Share of Annualized Rent(\$) | % of SLG Share of Annualized Rent |
|---|--|-------------------------------|--------------------------|-----------------------|-----------------|----------------------|----------------------------------|-----------------------------------|
| Teachers Insurance & Annuity Association (1) | 485 Lexington Avenue & 750 Third Avenue | 2005 | 1,700,407 | \$ 65,659,824 | \$ 38.61 | 8.9% | \$ 41,696,245 | 8.0% |
| Viacom International, Inc. | 1515 Broadway | 2008, 2010, 2012, 2013 & 2015 | 1,372,556 | \$ 67,047,696 | \$ 48.85 | 9.1% | \$ 36,876,233 | 7.1% |
| Credit Suisse First Boston (USA), Inc. | 1 Madison Avenue | 2020 | 1,123,879 | \$ 53,923,716 | \$ 47.98 | 7.3% | \$ 29,658,044 | 5.7% |
| Morgan Stanley & Co. Inc. | 1221 Ave. of the Americas | Various | 496,249 | \$ 31,927,800 | \$ 64.34 | 4.3% | \$ 14,367,510 | 2.8% |
| Societe Generale | 1221 Ave. of the Americas | Various | 486,662 | \$ 23,679,828 | \$ 48.66 | 3.2% | \$ 10,655,923 | 2.0% |
| Omnicom Group | 220 East 42nd Street | 2008, 2009, 2010 & 2017 | 480,282 | \$ 14,440,980 | \$ 30.07 | 2.0% | \$ 14,440,980 | 2.8% |
| The McGraw Hill Companies, Inc. | 1221 Ave. of the Americas | Various | 420,328 | \$ 18,443,640 | \$ 43.88 | 2.5% | \$ 8,299,638 | 1.6% |
| Salomon Smith Barney | 125 Broad Street | 2010 | 330,900 | \$ 12,252,636 | \$ 37.03 | 1.7% | \$ 12,252,636 | 2.3% |
| Visiting Nurse Service of New York | 1250 Broadway | 2018 | 284,052 | \$ 8,366,892 | \$ 29.46 | 1.1% | \$ 4,601,791 | 0.9% |
| The City University of New York - CUNY | 555 West 57th Street & 28 West 44th Street | 2010, 2011, 2015 & 2016 | 228,152 | \$ 7,057,956 | \$ 30.94 | 1.0% | \$ 7,057,956 | 1.4% |
| BMW of Manhattan | 555 West 57th Street | 2012 | 227,782 | \$ 3,894,000 | \$ 17.10 | 0.5% | \$ 3,894,000 | 0.7% |
| C.B.S. Broadcasting, Inc. | 555 West 57th Street | 2013 | 188,583 | \$ 5,961,600 | \$ 31.61 | 0.8% | \$ 5,961,600 | 1.1% |
| Polo Ralph Lauren Corporation | 625 Madison Avenue | 2019 | 186,000 | \$ 9,114,000 | \$ 49.00 | 1.2% | \$ 9,114,000 | 1.7% |
| New York Presbyterian Hospital | 555 West 57th Street & 673 First Avenue | 2006, 2009, & 2021 | 181,959 | \$ 5,273,940 | \$ 28.98 | 0.7% | \$ 5,273,940 | 1.0% |
| The Columbia House Company | 1221 Ave. of the Americas | Various | 175,312 | \$ 8,180,916 | \$ 46.66 | 1.1% | \$ 3,681,412 | 0.7% |
| 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 Hospital and NYU Hospital Centers | 1 Park Avenue & 625 Madison Ave. | 2006, 2013 & 2015 | 159,022 | \$ 6,017,604 | \$ 37.84 | 0.8% | \$ 1,462,956 | 0.3% |
| Segal Company | 1 Park Avenue | 2009 | 157,947 | \$ 6,729,276 | \$ 42.60 | 0.9% | \$ 1,121,770 | 0.2% |
| Sonnenschein, Nath & Rosenthal | 1221 Ave. of the Americas | Various | 147,997 | \$ 7,091,676 | \$ 47.92 | 1.0% | \$ 3,191,254 | 0.6% |
| Altria Corporate Services | 100 Park Avenue | 2007 | 136,118 | \$ 6,627,912 | \$ 48.69 | 0.9% | \$ 3,313,956 | 0.6% |
| Metro North Commuter Railroad Co. | 420 Lexington Avenue | 2008 & 2016 | 134,687 | \$ 4,088,508 | \$ 30.36 | 0.6% | \$ 4,088,508 | 0.8% |
| Tribune Newspaper | 220 East 42nd Street | 2010 | 134,208 | \$ 4,140,720 | \$ 30.85 | 0.6% | \$ 4,140,720 | 0.8% |
| St. Luke's Hospital Center | 555 West 57th Street | 2014 | 134,150 | \$ 3,873,540 | \$ 28.87 | 0.5% | \$ 3,873,540 | 0.7% |
| Ross Stores, Inc. | 1372 Broadway | 2010 | 126,001 | \$ 3,753,468 | \$ 29.79 | 0.5% | \$ 3,753,468 | 0.7% |
| Fahnestock & Co., Inc. | 125 Broad Street | 2013 | 105,008 | \$ 3,128,940 | \$ 29.80 | 0.4% | \$ 3,128,940 | 0.6% |
| Total | | | 9,286,631 | \$ 386,990,868 | \$ 41.67 | 52.5% | \$ 239,063,920 | 45.8% |
| Wholly Owned Portfolio + Allocated JV Properties | | | | \$ 736,650,873 | \$ 39.98 | | \$ 522,162,028 | |

(1) -Underlying the TIAA lease at 750 Third Avenue, Fairchild Publications leases 272,893 sf at \$35.16 per sq. ft. expiring in 2021.

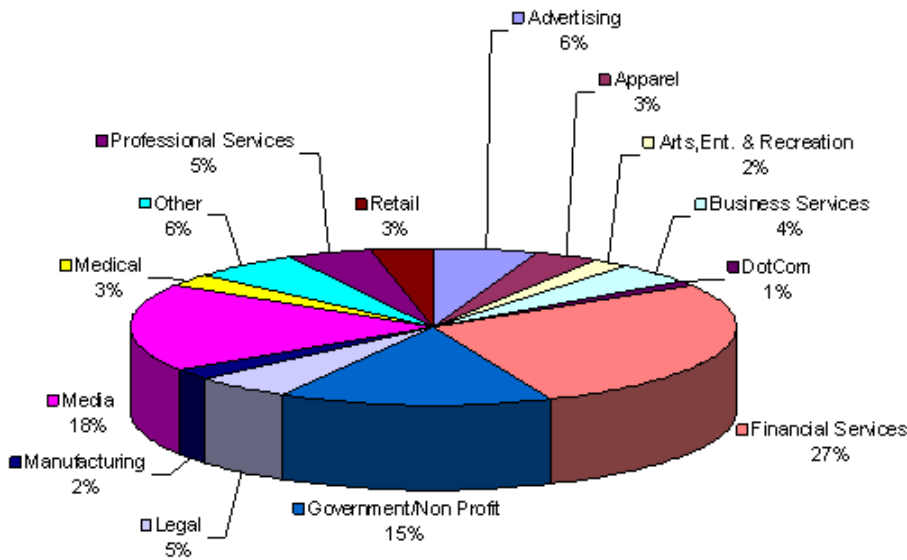
TENANT DIVERSIFICATION



Based on Base Rental Revenue



Based on Square Feet Leased



Leasing Activity

Available Space



| Activity | Building Address | # of Leases | Usable SF | Rentable SF | Rent/Rentable SF (\$'s)(1) |
|---|-------------------------------|-------------|----------------|----------------|----------------------------|
| Vacancy at 3/31/05 | | | 741,239 | | |
| Add: Acquired Vacancies | 1 Madison Avenue | | 53,032 | | |
| Less: Sold Vacancies | 1414 Avenue of the Americas | | (3,595) | | |
| Space which became available during the Quarter (A): | | | | | |
| Office | | | | | |
| | 317 Madison Avenue | 8 | 20,765 | 21,033 | 33.85 |
| | 220 East 42nd Street | 2 | 26,311 | 31,988 | 27.59 |
| | 180 Madison Avenue | 5 | 6,711 | 6,711 | 39.75 |
| | 286 Madison Avenue | 3 | 4,714 | 5,166 | 39.28 |
| | 70 West 36th Street | 3 | 5,687 | 5,951 | 31.21 |
| | 470 Park Ave South | 1 | 9,735 | 9,735 | 31.07 |
| | 19 West 44th Street | 1 | 2,304 | 2,304 | 36.00 |
| | 110 East 42nd Street | 1 | 1,763 | 1,548 | 34.81 |
| | 28 West 44th Street | 10 | 11,433 | 11,433 | 37.09 |
| | 1221 Sixth Avenue | 3 | 27,385 | 27,385 | 38.70 |
| | 625 Madison Avenue | 1 | 4,000 | 4,000 | 45.61 |
| | 420 Lexington Avenue | 12 | 30,544 | 36,361 | 41.68 |
| | Total/Weighted Average | 50 | 151,352 | 163,615 | 35.88 |
| Retail | | | | | |
| | 28 West 44th Street | 1 | 935 | 935 | 55.23 |
| | Total/Weighted Average | 1 | 935 | 935 | 55.23 |

Storage

| | | | | |
|--|-----------|----------------|----------------|--------------|
| 461 Fifth Avenue | 1 | 1,326 | 1,326 | 13.86 |
| 28 West 44th Street | 1 | 152 | 152 | 12.05 |
| Total/Weighted Average | 2 | 1,478 | 1,478 | 13.67 |
| Total Space became Available during the Quarter | | | | |
| Office | 50 | 151,352 | 163,615 | 35.88 |
| Retail | 1 | 935 | 935 | 55.23 |
| Storage | 2 | 1,478 | 1,478 | 13.67 |
| | 53 | 153,765 | 166,028 | 35.79 |
| Total Available Space | | 944,441 | | |

(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 heldover.

| Activity | Building Address | # of Leases | Term (Yrs) | Usable SF | Rentable SF | New Cash Rent / Rentable SF(1) | Prev. Escalated Rent/ Rentable SF(2) | TI / Rentable SF | Free Rent # of Months |
|--|-------------------------------|-------------|------------|----------------|----------------|--------------------------------|--------------------------------------|------------------|-----------------------|
| Available Space as of 6/30/05 | | | | 944,441 | | | | | |
| Office | | | | | | | | | |
| | 317 Madison Avenue | 3 | 22 | 12,951 | 15,738 | 37.60 | 26.43 | 47.82 | — |
| | 220 East 42nd Street | 3 | 31 | 38,398 | 40,743 | 37.00 | 26.63 | 33.49 | 7.2 |
| | 1 Park Avenue | 1 | 5 | 6,261 | 6,700 | 35.00 | — | 10.00 | — |
| | 180 Madison Avenue | 6 | 8.8 | 7,959 | 8,041 | 35.65 | 36.78 | 17.22 | 3.6 |
| | 1250 Broadway | 1 | 2.5 | 3,270 | 4,758 | 24.00 | — | — | 1.0 |
| | 286 Madison Avenue | 2 | 15 | 8,418 | 8,806 | 34.73 | 30.37 | 40.93 | 1.2 |
| | 70 West 36th Street | 2 | 2.9 | 3,287 | 3,451 | 23.40 | 23.28 | 1.64 | 0.5 |
| | 470 Park Ave South | 2 | 3.0 | 16,573 | 18,803 | 31.03 | 28.20 | 10.87 | 1.4 |
| | 1140 Sixth Avenue | 2 | 6.1 | 1,535 | 3,519 | 37.54 | — | 36.00 | 0.4 |
| | 110 East 42nd Street | 2 | 10 | 6,222 | 6,422 | 36.00 | 25.68 | 46.76 | 0.7 |
| | 19 West 44th Street | 1 | 0.5 | 2,304 | 2,304 | 36.00 | 36.00 | — | — |
| | 28 West 44th Street | 4 | 11 | 4,040 | 4,661 | 36.78 | 32.32 | 9.03 | 0.5 |
| | 1221 Sixth Avenue | 2 | 10 | 26,935 | 28,268 | 28.00 | — | — | 6.0 |
| | 711 Third Avenue | 1 | 5 | 2,886 | 2,903 | 38.50 | 28.92 | 7.17 | 2.0 |
| | 625 Madison Avenue | 1 | 8 | 7,050 | 7,050 | 53.00 | 48.14 | — | 6.0 |
| | 420 Lexington Avenue | 16 | 7.1 | 31,939 | 36,487 | 37.22 | 41.22 | 20.35 | 1.7 |
| | Total/Weighted Average | 49 | 7.8 | 180,028 | 198,654 | 34.79 | 32.20 | 20.77 | 3.3 |
| Storage | | | | | | | | | |
| | 317 Madison Avenue | 1 | 9 | 203 | 263 | 20.00 | — | — | — |
| | 220 East 42nd Street | 1 | 13 | 153 | 153 | 25.00 | — | — | — |
| | 28 West 44th Street | 2 | 3 | 593 | 593 | 22.45 | 12.04 | — | — |
| | Total/Weighted Average | 4 | 5.2 | 949 | 1,009 | 22.20 | 12.04 | — | — |
| Leased Space | | | | | | | | | |
| | Office (3) | 49 | 7.8 | 180,028 | 198,654 | 34.79 | 32.20 | 20.77 | 3.3 |
| | Storage | 4 | 5.2 | 949 | 1,009 | 22.20 | 12.04 | — | — |
| | Total | 53 | 7.8 | 180,977 | 199,663 | 34.73 | 32.18 | 20.66 | 3.3 |
| Total Available Space @ 6/30/05 | | | | 763,464 | | | | | |

| Activity | Building Address | # of Leases | Term (Yrs) | Usable SF | Rentable SF | New Cash Rent / Rentable SF(1) | Prev. Escalated Rent/ Rentable SF(2) | TI / Rentable SF | Free Rent # of Months |
|-----------------------|-------------------------------|-------------|------------|----------------|----------------|--------------------------------|--------------------------------------|------------------|-----------------------|
| Early Renewals | | | | | | | | | |
| Office | | | | | | | | | |
| | 180 Madison Avenue | 4 | 8.4 | 17,264 | 17,561 | 35.35 | 31.76 | 13.44 | 1.2 |
| | 286 Madison Avenue | 1 | 1.6 | 2,070 | 2,347 | 36.00 | 34.49 | 5.54 | — |
| | 70 West 36th Street | 1 | 3.0 | 9,400 | 10,233 | 20.71 | 20.13 | — | — |
| | 470 Park Ave South | 1 | 1.5 | 2,100 | 2,100 | 32.00 | 35.72 | — | — |
| | 1140 Sixth Avenue | 3 | 2.6 | 31,300 | 36,251 | 42.50 | 33.18 | 5.00 | 2.0 |
| | 110 East 42nd Street | 1 | 10.0 | 9,608 | 10,407 | 33.00 | 29.12 | 12.99 | 2.0 |
| | 19 West 44th Street | 1 | 3.0 | 1,009 | 1,009 | 40.00 | 36.00 | 6.17 | — |
| | 28 West 44th Street | 1 | 2.0 | 768 | 948 | 36.00 | 29.79 | — | — |
| | 1221 Sixth Avenue | 2 | 6.3 | 92,600 | 95,070 | 60.00 | 68.42 | 10.00 | 1.0 |
| | 420 Lexington Avenue | 7 | 3.7 | 10,500 | 11,554 | 43.51 | 48.13 | 0.91 | 0.2 |
| | Total/Weighted Average | 22 | 5.5 | 176,619 | 187,480 | 48.81 | 50.94 | 8.18 | 1.1 |
| Storage | | | | | | | | | |
| | 420 Lexington Avenue | 2 | 1.0 | 160 | 170 | 26.86 | 26.74 | — | — |
| | Total/Weighted Average | 2 | 1.0 | 160 | 170 | 26.86 | 26.74 | — | — |
| Renewals | | | | | | | | | |
| | <i>Expired/Renewed</i> | 10 | 2.9 | 25,303 | 27,139 | 32.49 | 30.89 | 4.52 | 0.2 |
| | <i>Early Renewals Office</i> | 22 | 5.5 | 176,619 | 187,480 | 48.81 | 50.94 | 8.18 | 1.1 |
| | <i>Early Renewals Storage</i> | 2 | 1.0 | 160 | 170 | 26.86 | 26.74 | — | — |
| | Total | 34 | 5.1 | 202,082 | 214,789 | 46.73 | 48.39 | 7.71 | 1.0 |

(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 \$36.65/rsf for 145,572 rentable SF.

Average starting office rent for office space (leased and early renewals, excluding new tenants replacing vacancies) is \$43.49/rsf for 333,052 rentable SF.

| 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 \$/psf (3) | Year 2005 Weighted Average Asking Rent \$/psf | 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 \$/psf (3) | Year 2005 Weighted Average Asking Rent \$/psf |
| In 1st Quarter 2005 (1) | 13 | 7,867 | 0.09% | \$ 277,584 | 35.28 | 40.15 | 6 | 7,293 | 0.08% | \$ 563,796 | 77.31 | 93.93 |
| In 2nd Quarter 2005 | 20 | 66,542 | 0.73% | 1,972,164 | 29.64 | 36.30 | 5 | 94,793 | 1.09% | 5,706,768 | 60.20 | 60.76 |
| In 3rd Quarter 2005 | 28 | 167,348 | 1.83% | 5,575,080 | 33.31 | 38.75 | 1 | 6,732 | 0.08% | 234,168 | 34.78 | 46.17 |
| In 4th Quarter 2005 (4) | 26 | 897,964 | 9.81% | 38,135,127 | 42.47 | 48.39 | 6 | 940,361 | 10.83% | 35,691,912 | 37.96 | 54.90 |
| Total 2005 | 87 | 1,139,721 | 12.45% | \$ 45,959,955 | 40.33 | 46.21 | 18 | 1,049,179 | 12.09% | \$ 42,196,644 | 40.22 | 55.59 |
| In 1st Quarter 2006 | 26 | 128,968 | 1.41% | \$ 4,185,468 | 32.45 | 35.72 | 6 | 53,431 | 0.62% | \$ 1,763,424 | 33.00 | 46.66 |
| In 2nd Quarter 2006 | 27 | 120,021 | 1.31% | 5,213,448 | 43.44 | 48.68 | 2 | 4,373 | 0.05% | 179,640 | 41.08 | 38.00 |
| In 3rd Quarter 2006 | 31 | 165,770 | 1.81% | 5,822,160 | 35.12 | 35.31 | 9 | 109,730 | 1.26% | 4,836,384 | 44.08 | 44.87 |
| In 4th Quarter 2006 | 17 | 68,513 | 0.75% | 2,491,836 | 36.37 | 38.07 | 2 | 10,555 | 0.12% | 441,432 | 41.82 | 47.24 |
| Total 2006 | 101 | 483,272 | 5.28% | \$ 17,712,912 | 36.65 | 39.13 | 19 | 178,089 | 2.05% | \$ 7,220,880 | 40.55 | 45.38 |
| 2007 | 117 | 398,009 | 4.35% | \$ 15,610,788 | 39.22 | 49.46 | 22 | 428,899 | 4.94% | \$ 24,180,132 | 56.38 | 54.52 |
| 2008 | 112 | 634,741 | 6.94% | 23,543,544 | 37.09 | 40.68 | 23 | 536,070 | 6.18% | 22,430,676 | 41.84 | 53.04 |
| 2009 | 90 | 604,872 | 6.61% | 24,075,060 | 39.80 | 41.73 | 28 | 596,540 | 6.87% | 27,645,900 | 46.34 | 47.92 |
| 2010 | 106 | 1,558,066 | 17.03% | 58,103,222 | 37.29 | 39.85 | 19 | 1,304,576 | 15.03% | 61,752,840 | 47.34 | 52.27 |
| 2011 | 47 | 510,066 | 5.57% | 24,435,108 | 47.91 | 45.28 | 5 | 149,665 | 1.72% | 5,742,936 | 38.37 | 51.57 |
| 2012 | 40 | 696,505 | 7.61% | 19,607,448 | 28.15 | 37.91 | 8 | 194,767 | 2.24% | 7,318,296 | 37.57 | 42.70 |
| 2013 | 37 | 747,779 | 8.17% | 27,196,512 | 36.37 | 40.04 | 8 | 1,017,182 | 11.72% | 50,035,008 | 49.19 | 59.58 |
| 2014 | 26 | 368,970 | 4.03% | 12,844,152 | 34.81 | 38.18 | 13 | 193,727 | 2.23% | 14,352,888 | 74.09 | 78.88 |
| Thereafter | 88 | 2,009,143 | 21.96% | \$ 72,960,154 | 36.31 | 46.70 | 32 | 3,032,318 | 34.93% | \$ 131,725,818 | 43.44 | 58.28 |
| | 851 | 9,151,084 | 100.00% | \$ 342,048,855 | 37.38 | 42.81 | 195 | 8,681,012 | 100.00% | \$ 394,602,018 | 45.46 | 55.71 |

- (1) Includes month to month holdover tenants that expired prior to 1/1/05.
- (2) Tenants may have multiple leases.
- (3) Represents in place annualized rent allocated by year of maturity.
- (4) Underlying the TIAA lease at 750 Third Avenue are leases totaling 578,211 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 | 6/30/2005 | |
| 1998 Acquisitions | | | | | | | |
| Mar-98 | 420 Lexington | Operating Sublease | Grand Central | 1,188,000 | 83 | 97 | \$ 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 | 99 | \$ 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 |
| | | | | 2,932,000 | | | \$ 338,600,000 |
| 1999 Acquisitions | | | | | | | |
| 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 | <u>The Madison Properties:</u> | Fee Interest | Grand Central | | | | \$ 50,000,000 |
| | 286 Madison Avenue | | | 112,000 | 99 | 97 | |
| | 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 |
| | | | | 2,285,800 | | | \$ 305,600,000 |
| 2000 Acquisitions | | | | | | | |
| 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 | 86 | \$ 41,250,000 |
| Contribution to JV | | | | | | | |
| May-00 | 321 West 44th | Fee Interest | Times Square | 203,000 | 98 | N/A | \$ 28,400,000 |
| | | | | 1,302,000 | | | \$ 261,650,000 |
| 2001 Acquisitions | | | | | | | |
| 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 | 98 | \$ 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 | 85 | \$ 105,600,000 |
| Acquisition of JV Interest | | | | | | | |
| Sep-01 | 1250 Broadway - 49.9% JV (2) | Fee Interest | Penn Station | 670,000 | 98 | 95 | \$ 126,500,000 |
| | | | | 2,541,000 | | | \$ 562,200,000 |
| 2002 Acquisitions | | | | | | | |
| May-02 | 1515 Broadway - 55% JV | Fee Interest | Times Square | 1,750,000 | 98 | 100 | \$ 483,500,000 |
| | | | | | | | \$ 483,500,000 |
| 2003 Acquisitions | | | | | | | |
| Feb-03 | 220 East 42nd Street | Fee Interest | Grand Central | 1,135,000 | 92 | 99 | \$ 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 |
| | | | | 4,410,000 | | | \$ 1,417,900,000 |
| 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 | 77 | \$ 231,500,000 |
| | | | | 2,555,000 | | | \$ 778,500,000 |
| 2005 Acquisitions | | | | | | | |
| Feb-05 | 28 West 44th Street | Fee Interest | Midtown | 359,000 | 87 | 85 | \$ 105,000,000 |
| Apr-05 | 1 Madison Ave - 55% JV | Fee Interest | Park Avenue South | 1,177,000 | 96 | 96 | \$ 803,000,000 |
| Apr-05 | 1 Madison Ave | Fee Interest | Park Avenue South | 267,000 | N/A | N/A | \$ 115,000,000 |
| Jun-05 | 19 West 44th Street - remaining 65% | Fee Interest | Midtown | — | — | 92 | \$ 91,200,000 |
| | | | | 1,803,000 | | | \$ 1,114,200,000 |

- (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) |
|-------------------|-------------------------------|-------------------|---------------------|------------------|-----------------------|----------------------|
| 2000 Sales | | | | | | |
| 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 |
| | | | | 1,190,000 | \$ 184,600,000 | \$ 156 |
| 2001 Sales | | | | | | |
| 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 |
| | | | | 2,082,323 | \$ 478,850,000 | \$ 242 |
| 2002 Sales | | | | | | |
| Jun-02 | 469 Seventh Avenue | Fee Interest | Penn Station | 253,000 | \$ 53,100,000 | \$ 210 |
| | | | | 253,000 | \$ 53,100,000 | \$ 210 |
| 2003 Sales | | | | | | |
| 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 |
| | | | | 791,000 | \$ 159,500,000 | \$ 202 |
| 2004 Sales | | | | | | |
| 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 |
| | | | | 1,621,000 | \$ 548,500,000 | |
| 2005 Sales | | | | | | |
| Apr-05 | 1414 Avenue of the Americas | Fee Interest | Plaza District | 111,000 | \$ 60,500,000 | \$ 545 |

(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.

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 an interest (e.g. unconsolidated joint ventures).



CORPORATE GOVERNANCE

Stephen L. Green
Chairman of the Board
Marc Holliday
CEO and President
Gregory F. Hughes
Chief Financial Officer

Andrew Mathias
Chief Investment Officer
Gerard Nocera
Chief Operating Officer
Andrew S. Levine
General Counsel and Secretary

ANALYST COVERAGE

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SL Green Realty Corp. is followed by the analysts listed above. Please note that any opinions, estimates or forecasts regarding SL Green Realty Corp.’s performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of SL Green Realty Corp. or its management. SL Green Realty Corp. does not by its reference above or distribution imply its endorsement of or concurrence with such information, conclusions or recommendations.

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**SL GREEN REALTY CORP. ANNOUNCES JOINT VENTURES
TO ACQUIRE AND REDEVELOP
MIXED-USED PROPERTIES**

Beachhead Properties in Leading Retail Locations

New York, NY – July 26, 2005 – SL Green Realty Corp. (NYSE: SLG) announced today that the Company has entered into two separate joint ventures with Jeff Sutton. The first venture is to acquire the fee interests in two adjoining retail buildings at 1551 and 1555 Broadway (the “Broadway Properties”), and in a third retail and commercial building at 21 West 34th Street. The second joint venture includes acquisition of a mixed-use property at 141 Fifth Avenue. The transactions total approximately \$162.5 million.

Andrew Mathias, Chief Investment Officer of SL Green, commented, “These transactions represent a significant initiative to partner with Jeff Sutton on under-performing retail opportunities. Jeff is a borrower in our structured finance program and brings with him an impressive track record of repositioning underperforming retail spaces throughout Manhattan. Jeff’s niche expertise in retail, together with SL Green’s capabilities in redevelopment and operations, establishes a highly experienced and integrated management team.”

Mr. Sutton has a proven ability of maximizing value in Manhattan retail-oriented investments, including the successful repositioning of 609 Fifth Avenue with American Girl, 40 West 34th Street with American Eagle, and 720 Fifth Avenue with Abercrombie and Fitch.

1551 and 1555 Broadway are located in the center of New York City’s Times Square on the corner of Broadway and 46th Street, the “bow tie” of Broadway and Seventh Avenue. The location is regarded as one of the world’s highest profile retail corners. Built in the 1890’s, and most recently occupied by a Howard Johnson’s restaurant, the properties offer 71 feet of premium retail frontage along Broadway, with highly visible sight lines. The project was financed through a new acquisition facility provided by Eurohypo.

The buildings are within close proximity to 1515 Broadway, an office/retail property also owned by SL Green. 1515 Broadway is the world headquarters to Viacom International and includes other media, finance and entertainment tenants such as the MTV Store, Bank of America and AEG Live Entertainment, which is scheduled to open the Nokia

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Theatre this fall. The retail space, which underwent a successful redevelopment and repositioning program last year, is now 100 percent leased at rents among the highest in Times Square.

“1551 and 1555 Broadway represent off-market acquisitions that were targeted by us due to the desirable location of these properties in the heart of Times Square and for the significant retail development opportunity,” Mr. Mathias said. “As with 625 Madison Avenue, 317 Madison Avenue, and 1515 Broadway, this property increases our portfolio allocation to high-end retail space in premier locations throughout Midtown.”

Also included in the first venture is 21 West 34th Street, a five-story retail and commercial building that features 50 feet of prime retail frontage on 34th Street. It is located between 5th and 6th Avenues, close to Herald Square and Penn Station.

In a second venture which is scheduled to close during the third quarter, SL Green and Jeff Sutton will acquire 141 Fifth Avenue, a retail/office building located at the corner of Fifth Avenue and 21st Street for \$60 million. Built in 1902, the property features a historic terra cotta façade and has abundant light and air given its corner location. 141 Fifth Avenue is a 12-story building consisting of nearly 100,000 square feet which is currently 90% occupied. The property is located two blocks south of the world-renowned Flatiron Building, in one of the fastest-growing retail and residential corridors in Manhattan.

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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 commercial office properties. The Company’s portfolio consists of 29 office properties aggregating approximately 18.4 million square feet. SL Green Realty Corp. is the only publicly held REIT that specializes exclusively in this niche geographic market.

To be added to the Company’s distribution list, or to obtain the latest news releases and other Company information, please visit our website at www.slgreen.com or contact Investor Relations at 212-216-1601.

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.