

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K/A  
No. 1

CURRENT REPORT

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

Date of Report (Date of earliest event reported): January 25, 1999

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)

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant hereby amends the following items, financial statements, exhibits or other portions of its Current Report on Form 8-K/A No.1, dated January 25, 1999 (filed with the Securities and Exchange Commission on February 8, 1999), as set forth in the pages attached hereto.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) and (b) FINANCIAL STATEMENTS OF PROPERTY ACQUIRED AND PRO FORMA FINANCIAL INFORMATION

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

Pro Forma Balance Sheet (Unaudited) as of December 31, 1998.....	F-4
Pro Forma Income Statement (Unaudited) for the year ended December 31, 1998.....	F-5
Notes to Pro Forma Financial Information.....	F-6
555 WEST 57th STREET Report of Independent Auditors.....	F-7
Statement of Revenues and Certain Expenses of 555 West 57th Street for the year ended December 31, 1998 .....	F-8
Notes to Statement of Revenues and Certain Expenses of 555 West 57th Street.....	F-9

(c) EXHIBITS

None

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.

By: /s/ ANN ISELEY

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Ann Iseley  
Chief Financial Officer

Date: April 9, 1999

SL GREEN REALTY CORP.

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)

The unaudited pro forma consolidated balance sheet of SL Green Realty Corp. (the "Company") as of December 31, 1998 has been prepared as if the Company's acquisition of a 65% controlling interest in a joint venture owning 555 West 57th Street had been consummated on December 31, 1998. The unaudited pro forma consolidated income statement for the year ended December 31, 1998 is presented as if the Company's acquisition of a 65% interest in 555 West 57th Street occurred at January 1, 1998 and the effect was carried forward through the year.

The pro forma consolidated financial statements do not purport to represent what the Company's financial position or results of operations would have been assuming the completion of the Company's acquisition of a 65% controlling interest in a joint venture owning 555 West 57th Street had occurred at the beginning of the year indicated, nor do they purport to project the Company's financial position or results of operations at any future date or for any future period. These pro forma consolidated financial statements should be read in conjunction with the Company's 1998 annual report on Form 10-K.

## SL GREEN REALTY CORP.

## PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 1998

(UNAUDITED)

(DOLLARS IN THOUSANDS)

	SL GREEN REALTY CORP. HISTORICAL (A)	PURCHASE OF 555 WEST 57TH STREET (B)	COMPANY PRO FORMA AS ADJUSTED
	-----	-----	-----
<b>ASSETS :</b>			
Commercial real estate properties at cost:			
Land and land interests.....	\$ 112,123	\$ 16,308	\$ 128,431
Buildings and improvements....	492,568	65,271	557,839
Building leasehold.....	80,162		80,162
Property under capital lease..	12,208		12,208
	-----	-----	-----
	697,061	81,579	778,640
Less accumulated depreciation.....	(37,355)		(37,355)
	-----	-----	-----
	659,706	81,579	741,285
Cash and cash equivalents.....	6,236		6,236
Restricted cash.....	18,635	4,390	23,025
Receivables.....	3,951		3,951
Related party receivables.....	245		245
Deferred rents receivable, net of reserve for tenant credit loss of \$2,369.....	20,891		20,891
Investment in and advances to Service Corporations.....	10,694		10,694
Deferred costs, net.....	15,282		15,282
Mortgage loans receivable.....	26,401		26,401
Other assets.....	15,755		15,755
	-----	-----	-----
Total assets.....	\$ 777,796	\$ 85,969	\$ 863,765
	-----	-----	-----
<b>LIABILITIES AND STOCKHOLDERS' EQUITY:</b>			
Mortgage notes payable.....	\$ 50,862	\$ 45,000	\$ 95,862
Secured bridge facilities.....	87,500		87,500
Revolving credit facility.....	23,800	38,100	61,900
Accrued interest payable.....	494		494
Capitalized lease obligations.....	14,741		14,741
Deferred land lease payable...	9,947		9,947
Accounts payable and accrued expenses.....	5,588		5,588
Accounts payable to related parties.....	63		63
Dividend and distributions payable.....	11,585		11,585
Security deposits.....	16,949		16,949
	-----	-----	-----
Total liabilities.....	221,529	83,100	304,629
	-----	-----	-----
Minority interest in operating partnership.....	41,491		41,491
Minority interest in joint venture.....		2,869	2,869
Preferred stock.....	109,950		109,950
Common stock.....	240		240
Additional paid-in capital....	416,939		416,939
Deferred compensation plan....	(3,266)		(3,266)
Officers' loans.....	(528)		(528)
Distributions in excess of earnings.....	(8,559)		(8,559)
	-----	-----	-----
Total stockholders'			

equity.....	404,826		404,826
	-----	-----	-----
Total liabilities and stockholders' equity....	\$ 777,796	\$ 85,969	\$ 863,765
	-----	-----	-----
	-----	-----	-----

## SL GREEN REALTY CORP.

## PRO FORMA CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 1998

(UNAUDITED)

(DOLLARS IN THOUSANDS)

	SL GREEN REALTY CORP. HISTORICAL (A)	555 WEST 57TH STREET (B)	PRO FORMA ADJUSTMENTS	COMPANY PRO FORMA
	-----	-----	-----	-----
<b>REVENUES:</b>				
Rental revenue.....	\$ 117,304	\$ 14,188	313(C)	\$ 131,805
Escalations and reimbursement revenues.....	15,923	1,954		17,877
Investment income.....	3,267			3,267
Other income.....	478	565	1,280(D)	2,323
	-----	-----	-----	-----
Total revenues.....	136,972	16,707	1,593	155,272
	-----	-----	-----	-----
Equity in net income from Service Corporations.....	387			387
	-----	-----	-----	-----
<b>EXPENSES:</b>				
Operating expenses.....	36,545	6,000		42,545
Ground rent.....	11,082			11,082
Interest.....	13,086	3,361	2,477(E)	18,924
Depreciation and amortization..	15,404		1,632(F)	17,036
Real estate taxes.....	21,224	2,901		24,125
Loss on hedge transaction.....	176			176
Loss on terminated project.....	1,065			1,065
Marketing, general and administrative.....	5,760			5,760
	-----	-----	-----	-----
Total expenses.....	104,342	12,262	4,109	120,713
	-----	-----	-----	-----
Income (loss) before minority interest, extraordinary item and preferred dividends.....	33,017	4,445	(2,516)	34,946
Minority interest in joint venture (G).....		(1,556)	(271)	(1,827)
Minority interest in operating partnership.....	(3,043)	(266)	256	(3,053)
	-----	-----	-----	-----
Income (loss) before extraordinary item.....	29,974	2,623	(2,531)	30,066
Preferred stock dividends and accretion.....	(5,970)			(5,970)
	-----	-----	-----	-----
Income available to common shareholders before extraordinary item.....	\$ 24,004	\$ 2,623	\$ (2,531)	\$ 24,096
	-----	-----	-----	-----
Income per common share basic and diluted (h).....	\$ 1.22			\$ 1.22
	-----	-----	-----	-----

SL GREEN REALTY CORP

NOTES TO PRO FORMA CONSOLIDATED BALANCE SHEET

DECEMBER 31, 1998  
(UNAUDITED)  
(DOLLARS IN THOUSANDS)

(A) To reflect the consolidated balance sheet of SL Green Realty Corp. as reported on form 10-K for the year ended December 31, 1998.

(B) To reflect the January 25, 1999 purchase price allocation for the Company's acquisition of a 65% controlling interest in the property located at 555 West 57th Street as of December 31, 1998 for \$38.1 million in cash and the minority interest holders' 35% interest in the property. The joint venture is obligated for an existing \$45 million mortgage. There was no formal valuation performed on this property. The cash portion of purchase was financed through the Company's line of credit.

ADJUSTMENTS TO THE PRO FORMA COMBINED INCOME STATEMENT FOR THE YEAR ENDED  
DECEMBER 31, 1998

(A) To reflect the consolidated statement of operations of SL Green Realty Corp. for the year December 31, 1998 as reported on the Company's Form 10-K for the year ended December 31, 1998.

(B) To reflect the historical operations of 555 West 57th Street for the year ended December 31, 1998.

(C) Rental income at 555 West 57th Street was adjusted to reflect straight line amounts as of January 1, 1998.

(D) To reflect a 36 month licensing agreement signed in connection with the acquisition that relates to approximately 57,000 square feet with annual rent totalling approximately \$1.3 million.

(E) To reflect the interest expense for borrowings under the Company's revolving credit facility at an assumed interest rate of 6.5%.

(F) To reflect straightline depreciation for the property located at 555 West 57th Street based on an estimated useful life of 40 years.

(G) To reflect the minority shareholders 35% interest in the operating results of 555 West 57th Street.

(H) Basic income per common share is calculated based on 19,675 weighted average common shares outstanding and diluted income per common share is calculated based 19,739 weighted average common shares and common share equivalents outstanding.



Report of Independent Auditors

To the Board of Directors of  
SL Green Realty Corp.

We have audited the statement of revenues and certain expenses of the property at 555 West 57th Street, as described in Note 1, for the year ended December 31, 1998. The financial statement is the responsibility of management of the Property. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of revenues and certain expenses was prepared for the purposes of complying with the rules and regulations of the Securities and Exchange Commission for inclusion in Form 8-K/A of SL Green Realty Corp., and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and certain expenses of the Property, as described in Note 1 for the year ended December 31, 1998 in conformity with generally accepted accounting principles.

/s/ Ernst & Young LLP

New York, New York  
March 19, 1999

555 West 57th Street  
Statement of Revenues and Certain Expenses  
(Dollars in thousands)  
Note 1

YEAR ENDED DECEMBER 31, 1998

Revenues	
Rental revenue	\$14,188
Escalations and reimbursement revenue	1,954
Other income	565
	-----
Total revenues	16,707
	-----
Certain expenses	
Interest expense	3,361
Property taxes	2,901
Utilities	2,358
Payroll and expenses	1,673
Cleaning and service contracts including \$237 to affiliates	466
Management fees to affiliates	444
Repairs and maintenance	437
Professional fees	195
Insurance	160
Other operating expenses	267
	-----
Total certain expenses	12,262
	-----
Revenues in excess of certain expenses	\$4,445
	-----
	-----

SEE ACCOMPANYING NOTES.

555 West 57th Street  
Notes to Statement of Revenues and Certain Expenses  
(Dollars in thousands)  
For the year ended December 31, 1998

1. BASIS OF PRESENTATION

Presented herein is the statement of revenues and certain expenses related to the operations of the property, located at 555 West 57th Street, in the midtown west sub-market, in the borough of Manhattan in New York City, (the "Property"). On January 25, 1999 SL Green Operating Partnership LP (the "Company") acquired a 65% controlling interest in a joint venture ("Joint Venture") which is the owner of the Property, for \$38.1 million in cash. Additionally, the Joint Venture is obligated for an existing \$45 million mortgage.

The accompanying financial statement has been prepared in accordance with the applicable rules and regulations of the Securities and Exchange Commission for the acquisition of real estate properties. Accordingly, the financial statement excludes certain revenues and expenses that may not be comparable to those expected to be incurred by the Company, in the proposed future operations of the Property. Items excluded consist of certain interest income, corporate taxes, amortization and depreciation.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. REVENUE RECOGNITION

The Property is leased to tenants under operating leases. Minimum rental income is generally recognized on a straight-line basis over the term of the lease. The excess of amounts recognized over amounts due pursuant to the underlying leases amounted to approximately \$1,644 for the year ended December 31, 1998.

4. CONCENTRATION OF REVENUE

Approximately 67% of the Property's rental revenue for the year ended December 31, 1998 was derived from five tenants.

5. MANAGEMENT AGREEMENTS

During 1998 the Property was managed by Kaufman Newmark Realty Corporation. The management fees were based on 3% of gross revenues collected for the year ended December 31, 1998.

The fee incurred for managing the Property for the year ended December 31, 1998 was approximately \$444.

6. MORTGAGE DEBT AND INTEREST

The mortgage loan matures on November 1, 2000 and bears interest at a rate equal to 175 basis points over the London Interbank Offered Rate ("LIBOR"). At December 31, 1998 the outstanding mortgage loan balance was approximately \$45 million and the interest rate on the mortgage loan was 7.3% per annum. Since the mortgage loan will be assumed, the associated interest expense has been included in the statement of revenues and certain expenses.

7. RELATED PARTY TRANSACTIONS

The Property paid approximately \$237 to affiliated companies for cleaning expenses and \$444 of management fees. Certain principals owning less than 4% of the Property are also part owners of the cleaning and management companies.

8. BENEFIT PLANS

The building employees of the Property are covered by multi-employer defined contribution pension plans and health and welfare plans. Contributions to these plans amounted to \$256 during the year ended December 31, 1998. Separate actuarial information regarding such plans is not made available to the contributing employers by the union administrators or trustees, since the plans do not maintain separate records for each reporting unit.

555 West 57th Street  
Notes to Statement of Revenues and Certain Expenses (continued)  
(Dollars in thousands)

9. LEASE AGREEMENTS

The Property is being leased to tenants under operating leases with term expiration dates ranging from 1999 to 2017. The minimum rental amounts due under the leases are generally subject to scheduled fixed increases. The leases generally also require that the tenants reimburse the Property for increases in certain operating costs and real estate taxes above their base year costs. Approximate future minimum rents to be received over the next five years and thereafter for non-cancelable operating leases as of December 31, 1998 (exclusive of renewal option periods) are as follows:

1999	\$13,994
2000	15,897
2001	15,892
2002	15,347
2003	15,009
Thereafter	94,581
	-----
	\$170,720
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