



SL Green Realty Corp. Announces Agreement To Acquire 461 Fifth Avenue For \$62.3 Million

New York, NY, July 21, 2003 - SL Green Realty Corp. (NYSE:SLG) announced today that it has entered into an agreement to acquire the long-term leasehold interest in 461 Fifth Avenue for \$62.3 million, or \$312 per square foot. The property is being acquired from an affiliate of Mitsui Fudosan America, Inc.

The approximately 200,000 square foot Class A building is located on Fifth Avenue between 40th and 41st Streets, in close proximity to Grand Central Station. The going-in unlevered cash NOI yield on investment is 7.74% based on fully escalated in-place rents averaging in the high \$50's per square foot. 461 Fifth Avenue is 95.2% leased, and its major tenants include Ameriquest Mortgage Company, Shenkman Capital Management, Pier 1 Imports (U.S.), and Marathon Asset Management. The transaction is expected to close at the end of the third quarter of 2003.

The property is subject to a ground lease expiring in June, 2084, which provides SL Green the ability to acquire the fee interest in the future. The discounted present value of the ground lease payments, inclusive of fee acquisition costs through the anticipated option closing date of September, 2021, is \$110 per square foot.

The leasehold acquisition will be funded, in part, with proceeds from the previously announced sale of 1370 Broadway. As a 1031 tax-free exchange, the transaction will enable the Company to defer gains from that sale and from the sale of 17 Battery Place South, which was initially re-invested in 1370 Broadway. The balance of the acquisition will be funded using the Company's unsecured line of credit.

Marc Holliday, President of SL Green, stated, "We are pleased to have the opportunity to work closely with the management of Mitsui Fudosan America and the fee owner in a transaction that was not broadly offered to the market. Our reputation as a reliable deal closer coupled with our proven ability to negotiate private, highly structured transactions enabled us to acquire this well-located Class A property on attractive economic terms. SL Green will receive an additional benefit by deferring approximately \$18.5 million of taxable gain through this acquisition. The addition of this trophy quality asset to SL Green is testimony to our dedication to recycle and re-deploy our capital in order to upgrade and further enhance our portfolio."

Sonnenblick-Goldman Company acted as the sole and exclusive broker in arranging for the acquisition of 461 Fifth Avenue.

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust ("REIT") that acquires, owns, repositions and manages a portfolio of Manhattan office properties. The Company is the only publicly held REIT which specializes exclusively in this niche.

To receive SL Green's latest news release and other corporate documents via FAX at no cost, please contact the Investor Relations office at 212-216-1601. All releases and supplemental data can also be downloaded directly from the SL Green website at: www.slgreen.com.

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, many of 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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