

# PRESS RELEASE

**Contact:**

Joseph Macnow  
(201) 587-1000



**AUGUST 6, 1999**

**Vornado increased its interest in the Hotel Pennsylvania to 100%.**

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today announced that it has increased its interest in the Hotel Pennsylvania to 100% by acquiring Planet Hollywood International, Inc.'s 20% interest in the hotel. Under the agreement, the Company will purchase the 20% interest for approximately \$18 million and will assume \$24 million of existing debt. In connection with the transaction, Vornado also terminated the licensing agreement with Planet Hollywood for an Official All-Star Hotel. The Hotel Pennsylvania is located in New York City on Seventh Avenue opposite Madison Square Garden.

Vornado Realty Trust is a fully-integrated equity real investment trust.

VORNADO REALTY TRUST

OPERATING RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 1999

(amounts in thousands, except per share amounts)	<u>For the Three Months Ended</u>	
	<u>June 30, 1999</u>	<u>June 30, 1998</u>
Revenues .....	<u>\$ 166,188</u>	<u>\$ 128,523</u>
Net income .....	\$ 52,026	\$ 36,316
Preferred stock dividends .....	<u>(8,381)</u>	<u>(5,422)</u>
Net income applicable to common shares .....	<u>\$ 43,645</u>	<u>\$ 30,894</u>
Funds from operations .....	<u>\$ 74,987</u>	<u>\$ 54,752</u>
Per Common Share:		
Net income:		
Basic .....	<u>\$ .51</u>	<u>\$ .38</u>
Diluted .....	<u>\$ .50</u>	<u>\$ .37</u>
Average number of common shares and share equivalents outstanding .....	<u>87,823,020</u>	<u>84,244,441</u>
Funds from operations .....	<u>\$ .78</u>	<u>\$ .65</u>
Average number of common shares and share equivalents outstanding used for determining funds from operations per share .....	<u>95,841,348</u>	<u>84,244,441</u>
	<u>For the Six Months Ended</u>	
(amounts in thousands, except per share amounts)	<u>June 30, 1999</u>	<u>June 30, 1998</u>
Revenues .....	<u>\$ 329,752</u>	<u>\$ 218,734</u>
Net income .....	\$ 100,954	\$ 67,803
Preferred stock dividends .....	<u>(14,093)</u>	<u>(10,845)</u>
Net income applicable to common shares .....	<u>\$ 86,861</u>	<u>\$ 56,958</u>
Funds from operations .....	<u>\$ 140,414</u>	<u>\$ 99,181</u>
Per Common Share:		
Net income:		
Basic .....	<u>\$ 1.02</u>	<u>\$ .74</u>
Diluted .....	<u>\$ 1.00</u>	<u>\$ .72</u>
Average number of common shares and share equivalents outstanding .....	<u>87,244,954</u>	<u>79,483,381</u>
Funds from operations .....	<u>\$ 1.53</u>	<u>\$ 1.25</u>
Average number of common shares and share equivalents		

average number of common shares and share equivalents

outstanding used for determining funds from operations per share ..... 91,254,118      79,483,381