

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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):
May 1, 2017

VORNADO REALTY TRUST
(Exact Name of Registrant as Specified in Charter)

Maryland

(State or Other
Jurisdiction of
Incorporation)

No. 001-11954

(Commission
File Number)

No. 22-1657560

(IRS Employer
Identification No.)

VORNADO REALTY L.P.
(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other
Jurisdiction of
Incorporation)

No. 001-34482

(Commission
File Number)

No. 13-3925979

(IRS Employer
Identification No.)

888 Seventh Avenue
New York, New York

(Address of Principal Executive offices)

10019

(Zip Code)

Registrant's telephone number, including area code: (212) 894-7000

Former name or former address, if changed since last report: N/A

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 (see General Instructions A.2.):

- 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.

On May 1, 2017, Vornado Realty Trust (the “Company”), the general partner of Vornado Realty L.P., issued a press release announcing its financial results for the first quarter of 2017. That press release referred to certain supplemental financial information that is available on the Company’s website. That press release and the supplemental financial information are attached to this Current Report on Form 8-K as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Exhibits 99.1 and 99.2 hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company or Vornado Realty L.P. under the Securities Act of 1933 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are being furnished as part of this Current Report on Form 8-K:

99.1 Vornado Realty Trust press release dated May 1, 2017.

99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended March 31, 2017.

Exhibit Index

- 99.1 Vornado Realty Trust press release dated May 1, 2017.
- 99.2 Vornado Realty Trust supplemental operating and financial data for the quarter ended March 31, 2017.

CONTACT: JOSEPH MACNOW
(201) 587-1000

VORNADO
REALTY TRUST

888 Seventh Avenue
New York, NY 10019

FOR IMMEDIATE RELEASE – May 1, 2017

Vornado Announces First Quarter 2017 Financial Results

NEW YORK.....VORNADO REALTY TRUST (New York Stock Exchange: VNO) filed its Form 10-Q for the quarter ended March 31, 2017 today and reported:

Quarter Ended March 31, 2017 Financial Results

- NET INCOME attributable to common shareholders for the quarter ended March 31, 2017 was \$47.8 million, or \$0.25 per diluted share, compared to a net loss attributable to common shareholders of \$114.2 million, or \$0.61 per diluted share, for the quarter ended March 31, 2016. Adjusting net income (loss) attributable to common shareholders for the items listed in the table on the following page, net income attributable to common shareholders for the quarter ended March 31, 2017 was \$56.7 million, or \$0.30 per diluted share, and for the quarter ended March 31, 2016 was \$40.6 million, or \$0.21 per diluted share.
- FUNDS FROM OPERATIONS attributable to common shareholders plus assumed conversions (“FFO”) for the quarter ended March 31, 2017 was \$205.7 million, or \$1.08 per diluted share, compared to \$203.1 million, or \$1.07 per diluted share, for the quarter ended March 31, 2016. Adjusting FFO for the items listed in the table on the following page, FFO for the quarter ended March 31, 2017 was \$215.6 million, or \$1.13 per diluted share, and for the quarter ended March 31, 2016 was \$198.6 million, or \$1.05 per diluted share.

Supplemental Financial Information

Further details regarding results of operations, properties and tenants can be accessed at the Company’s website www.vno.com. Vornado Realty Trust is a fully – integrated equity real estate investment trust.

Certain statements contained herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. For a discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see “Risk Factors” in Part I, Item 1A, of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2016. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

(tables to follow)

The following table reconciles our net income (loss) to net income, as adjusted and FFO to FFO, as adjusted:

(Amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2017	2016
Net income (loss) attributable to common shareholders	\$ 47,752	\$ (114,163)
Per diluted share	\$ 0.25	\$ (0.61)
Certain items that impact net income (loss) attributable to common shareholders:		
Acquisition and transaction related costs	\$ (8,005)	\$ (4,607)
(Loss) income from real estate fund investments, net	(3,235)	5,311
Net income (loss) from discontinued operations and sold properties	2,428	(1,429)
Net gains on sale of residential condominiums	501	714
Skyline properties impairment loss	-	(160,700)
Our share of partially owned entities:		
Real estate impairment losses	(3,051)	(4,353)
Net gain on sale of real estate	1,853	-
	(9,509)	(165,064)
Noncontrolling interests' share of above adjustments	593	10,340
Total of certain items that impact net income (loss) attributable to common shareholders, net	\$ (8,916)	\$ (154,724)
Net income attributable to common shareholders, as adjusted	\$ 56,668	\$ 40,561
Per diluted share	\$ 0.30	\$ 0.21
FFO (1)	\$ 205,729	\$ 203,137
Per diluted share	\$ 1.08	\$ 1.07
Certain items that impact FFO:		
Acquisition and transaction related costs	\$ (8,005)	\$ (4,607)
(Loss) income from real estate fund investments, net	(3,235)	5,311
Net gains on sale of residential condominiums	501	714
FFO from discontinued operations and sold properties	161	3,460
	(10,578)	4,878
Noncontrolling interests' share of above adjustments	660	(302)
Total of certain items that impact FFO, net	\$ (9,918)	\$ 4,576
FFO, as adjusted	\$ 215,647	\$ 198,561
Per diluted share	\$ 1.13	\$ 1.05

(1) See page 4 for a reconciliation of our net income (loss) to FFO for the three months ended March 31, 2017 and 2016.

VORNADO REALTY TRUST
OPERATING RESULTS FOR THE THREE MONTHS ENDED
MARCH 31, 2017 AND 2016

(Amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2017	2016
Revenues	\$ 620,848	\$ 613,037
Income (loss) from continuing operations	\$ 71,419	\$ (92,324)
Income from discontinued operations	2,428	716
Net income (loss)	73,847	(91,608)
Less net (income) loss attributable to noncontrolling interests in:		
Consolidated subsidiaries	(6,737)	(9,678)
Operating Partnership	(3,229)	7,487
Net income (loss) attributable to Vornado	63,881	(93,799)
Preferred share dividends	(16,129)	(20,364)
Net income (loss) attributable to common shareholders	\$ 47,752	\$ (114,163)
Income (loss) per common share - Basic:		
Income (loss) from continuing operations, net	\$ 0.24	\$ (0.61)
Income from discontinued operations, net	0.01	-
Net income (loss) per common share	\$ 0.25	\$ (0.61)
Weighted average shares outstanding	189,210	188,658
Income (loss) per common share - Diluted:		
Income (loss) from continuing operations, net	\$ 0.24	\$ (0.61)
Income from discontinued operations, net	0.01	-
Net income (loss) per common share	\$ 0.25	\$ (0.61)
Weighted average shares outstanding	190,372	188,658
FFO	\$ 205,729	\$ 203,137
Per diluted share	\$ 1.08	\$ 1.07
FFO, as adjusted	\$ 215,647	\$ 198,561
Per diluted share	\$ 1.13	\$ 1.05
Weighted average shares used in determining FFO per diluted share	190,412	189,664

The following table reconciles our net income (loss) to FFO:
(Amounts in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2017	2016
Net income (loss) attributable to common shareholders	\$ 47,752	\$ (114,163)
Per diluted share	\$ 0.25	\$ (0.61)
FFO adjustments:		
Depreciation and amortization of real property	\$ 130,469	\$ 134,121
Net gain on sale of real estate	(2,267)	-
Real estate impairment loss	-	160,700
Proportionate share of adjustments to equity in net income (loss) of partially owned entities to arrive at FFO:		
Depreciation and amortization of real property	39,074	39,046
Net gain on sale of real estate	(1,853)	-
Real estate impairment losses	3,051	4,353
	168,474	338,220
Noncontrolling interests' share of above adjustments	(10,517)	(20,942)
FFO adjustments, net	\$ 157,957	\$ 317,278
FFO attributable to common shareholders	\$ 205,709	\$ 203,115
Convertible preferred share dividends	20	22
FFO attributable to common shareholders plus assumed conversions	\$ 205,729	\$ 203,137
Per diluted share	\$ 1.08	\$ 1.07

FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gains from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of our net income (loss) to FFO is provided above. In addition to FFO, we also disclose FFO, as adjusted. Although this non-GAAP measure clearly differs from NAREIT's definition of FFO, we believe it provides a meaningful presentation of operating performance. Reconciliations of FFO to FFO, as adjusted are provided on page 2 of this press release.

Conference Call and Audio Webcast

As previously announced, the Company will host a quarterly earnings conference call and an audio webcast on Tuesday, May 2, 2017 at 10:00 a.m. Eastern Time (ET). The conference call can be accessed by dialing 800-708-4540 (domestic) or 847-619-6397 (international) and indicating to the operator the passcode 44748348. A telephonic replay of the conference call will be available from 1:00 p.m. ET on May 2, 2017 through June 1, 2017. To access the replay, please dial 888-843-7419 and enter the passcode 44748348#. A live webcast of the conference call will be available on the Company's website at www.vno.com and an online playback of the webcast will be available on the website for 90 days following the conference call.

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SUPPLEMENTAL OPERATING
AND FINANCIAL DATA
For the Quarter Ended March 31, 2017

VORNADO
REALTY TRUST

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Certain statements contained herein constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this supplemental package. We also note the following forward-looking statements: in the case of our development and redevelopment projects, the estimated completion date, estimated project cost and cost to complete; and estimates of future capital expenditures, dividends to common and preferred shareholders and operating partnership distributions. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see "Item 1A. Risk Factors" in our Annual Report on Form 10-K, as amended, for the year ended December 31, 2016. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this supplemental package. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of our Annual Report on Form 10-K, or Quarterly Report on Form 10-Q, as applicable, and this supplemental package.

INVESTOR INFORMATION

Executive Officers:

Steven Roth Chairman of the Board and Chief Executive Officer
David R. Greenbaum President - New York Division
Michael J. Franco Executive Vice President - Chief Investment Officer
Joseph Macnow Executive Vice President - Chief Financial Officer and
Chief Administrative Officer

Washington, DC Division:

To Become JBG SMITH Properties
Mitchell N. Schear Current President
Stephen W. Theriot Chief Financial Officer

RESEARCH COVERAGE - EQUITY

James Feldman/Scott Freitag
Bank of America/Merrill Lynch
646-855-5808/646-855-3197

Jed Reagan/Daniel Ismail
Green Street Advisors
949-640-8780

Michael Lewis
SunTrust Robinson Humphrey
212-319-5659

Ross Smotrich/Michael Weinstein
Barclays Capital
212-526-2306/212-526-1979

Anthony Paolone/Gene Nusinzon
JP Morgan
212-622-6682/212-633-1041

Nick Yulico/Frank Lee
UBS
212-713-3402/415-352-5679

Michael Bilerman/Emmanuel Korchman
Citi
212-816-1383/212-816-1382

Vikram Malhotra/Sumit Sharma
Morgan Stanley
212-761-7064/212-761-7567

Vincent Chao
Deutsche Bank
212-250-6799

Alexander Goldfarb/Daniel Santos
Sandler O'Neill
212-466-7937/212-466-7927

Steve Sakwa/Robert Simone
Evercore ISI
212-446-9462/212-446-9459

John W. Guinee/Erin T. Aslakson
Stifel Nicolaus & Company
443-224-1307/443-224-1350

RESEARCH COVERAGE - DEBT

Scott Frost
Bank of America/Merrill Lynch
646-855-8078

Robert Haines/Craig Guttenplan
CreditSights
212-340-3835/212-340-3859

Thierry Perrein
Wells Fargo Securities
704-715-8455

Peter Troisi
Barclays Capital
212-412-3695

Ron Perrotta
Goldman Sachs
212-902-7885

Thomas Cook
Citi
212-723-1112

Mark Streeter
JP Morgan
212-834-5086

This information is provided as a service to interested parties and not as an endorsement of any report, or representation as to the accuracy of any information contained therein. Opinions, forecasts and other forward-looking statements expressed in analysts' reports are subject to change without notice.

COMMON SHARES DATA (NYSE: VNO)

(unaudited)

Vornado Realty Trust common shares are traded on the New York Stock Exchange ("NYSE") under the symbol VNO. Below is a summary of performance and dividends for VNO common shares (based on NYSE prices):

	First Quarter 2017	Fourth Quarter 2016	Third Quarter 2016	Second Quarter 2016
High price	\$ 111.72	\$ 105.91	\$ 108.69	\$ 100.13
Low price	\$ 98.51	\$ 86.35	\$ 97.18	\$ 90.13
Closing price - end of quarter	\$ 100.31	\$ 104.37	\$ 101.21	\$ 100.12
Annualized dividend per share	\$ 2.84	\$ 2.52	\$ 2.52	\$ 2.52
Annualized dividend yield - on closing price	2.8%	2.4%	2.5%	2.5%
Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands)	202,453	201,823	201,816	201,760
Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options	\$ 20.3 Billion	\$ 21.1 Billion	\$ 20.4 Billion	\$ 20.2 Billion

FINANCIAL HIGHLIGHTS

(unaudited and in thousands, except per share amounts)

This section includes non-GAAP financial measures, including Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA"), Funds From Operations attributable to common shares plus assumed conversions ("FFO"), net income attributable to common shareholders, as adjusted, FFO, as adjusted, and Funds Available for Distribution ("FAD"). A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided on the pages that follow.

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
Total revenues	\$ 620,848	\$ 613,037	\$ 638,260
Net income (loss) attributable to common shareholders	\$ 47,752	\$ (114,163)	\$ 651,181
Per common share:			
Basic	\$ 0.25	\$ (0.61)	\$ 3.44
Diluted	\$ 0.25	\$ (0.61)	\$ 3.43
Net income attributable to common shareholders, as adjusted	\$ 56,668	\$ 40,561	\$ 90,302
Per diluted share	\$ 0.30	\$ 0.21	\$ 0.48
FFO, as adjusted	\$ 215,647	\$ 198,561	\$ 248,134
Per diluted share	\$ 1.13	\$ 1.05	\$ 1.31
FFO	\$ 205,729	\$ 203,137	\$ 797,734
FFO - Operating Partnership Basis ("OP Basis")	\$ 219,513	\$ 216,687	\$ 850,493
Per diluted share	\$ 1.08	\$ 1.07	\$ 4.20
Dividends per common share	\$ 0.71	\$ 0.63	\$ 0.63
FFO payout ratio (based on FFO, as adjusted)	62.8%	60.0%	48.1%
FAD payout ratio	88.8%	121.2%	85.1%
Weighted average shares used in determining FFO per diluted share - REIT basis	190,412	189,664	190,108
Convertible units:			
Class A	11,634	11,414	11,485
D-13	445	524	484
G1-G4	39	43	38
Equity awards - unit equivalents	640	670	566
Weighted average shares used in determining FFO per diluted share - OP Basis	<u>203,170</u>	<u>202,315</u>	<u>202,681</u>

TRAILING TWELVE MONTHS PRO FORMA CASH NET OPERATING INCOME ("NOI")

(unaudited and in thousands)

	Trailing Twelve Months Ended March 31, 2017					
	EBITDA, as Adjusted ⁽¹⁾	Non-cash Adjustments & Other ⁽²⁾	Add-back: G&A	Cash NOI, as Adjusted	Incremental NOI from Signed Leases	Pro Forma Cash NOI
New York - Office	\$ 674,463	\$ (117,523)	\$ 25,201	\$ 582,141	\$ 89,755	\$ 671,896
New York - Retail	365,084	(67,255)	10,410	308,239	29,073	337,312
New York - Residential	24,988	(3,240)	-	21,748	-	21,748
theMART	93,001	(4,797)	6,650	94,854	16,748	111,602
555 California Street	46,295	(8,200)	51	38,146	2,326	40,472
Total Vornado	<u>\$ 1,203,831</u>	<u>\$ (201,015)</u>	<u>\$ 42,312</u>	<u>\$ 1,045,128</u>	<u>\$ 137,902</u>	<u>\$ 1,183,030</u>

(1) See reconciliation of net income attributable to the Operating Partnership to EBITDA, as adjusted for the trailing twelve months ended March 31, 2017 on page 15.

(2) Trailing twelve months straight-line rent adjustments, acquired below market leases non-cash income (FAS 141) and amortization expense, inclusive of our share of unconsolidated joint ventures and elimination of non-cash EBITDA from 666 Fifth Avenue - Office.

RECONCILIATION OF NET INCOME TO FFO ⁽¹⁾

(unaudited and in thousands, except per share amounts)

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
Reconciliation of our net income (loss) to FFO:			
Net income (loss) attributable to common shareholders	(A)\$ 47,752	\$ (114,163)	\$ 651,181
Per diluted share	\$ 0.25	\$ (0.61)	\$ 3.43
FFO adjustments:			
Depreciation and amortization of real property	\$ 130,469	\$ 134,121	\$ 133,389
Net gains on sale of real estate	(2,267)	-	(15,302)
Real estate impairment losses	-	160,700	-
Proportionate share of adjustments to equity in net income (loss) of partially owned entities to arrive at FFO:			
Depreciation and amortization of real property	39,074	39,046	37,160
Net gains on sale of real estate	(1,853)	-	(12)
Real estate impairment losses	3,051	4,353	792
	168,474	338,220	156,027
Noncontrolling interests' share of above adjustments	(10,517)	(20,942)	(9,495)
FFO adjustments, net	(B)\$ 157,957	\$ 317,278	\$ 146,532
FFO attributable to common shareholders	(A+B)\$ 205,709	\$ 203,115	\$ 797,713
Convertible preferred share dividends	20	22	21
FFO attributable to common shareholders plus assumed conversions	205,729	203,137	797,734
Add back of income allocated to noncontrolling interests of the Operating Partnership			
	13,784	13,550	52,759
FFO - OP Basis ⁽¹⁾	\$ 219,513	\$ 216,687	\$ 850,493
FFO per diluted share ⁽¹⁾	\$ 1.08	\$ 1.07	\$ 4.20

(1) FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gains from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are non-GAAP financial measures used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

RECONCILIATION OF NET INCOME TO NET INCOME, AS ADJUSTED

(unaudited and in thousands, except per share amounts)

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
Net income (loss) attributable to common shareholders	(A) \$ 47,752	\$ (114,163)	\$ 651,181
Per diluted share	\$ 0.25	\$ (0.61)	\$ 3.43
Certain items that impact net income (loss) attributable to common shareholders:			
Acquisition and transaction related costs	(8,005)	(4,607)	(14,743)
(Loss) income from real estate fund investments, net	(3,235)	5,311	(34,704)
Net income (loss) from discontinued operations and sold properties	2,428	(1,429)	(117)
Net gains on sale of residential condominiums	501	714	-
Skyline properties impairment loss	-	(160,700)	-
Net gain on extinguishment of Skyline properties debt	-	-	487,877
Income from the repayment of our investments in 85 Tenth Avenue loans and preferred equity	-	-	160,843
Net gain on sale of our 20% interest in Fairfax Square	-	-	15,302
Default interest on Skyline properties mortgage loan	-	-	(2,480)
Our share of partially owned entities			
Real estate impairment losses	(3,051)	(4,353)	(14,754)
Net gains on sale of real estate	1,853	-	13
Other	-	-	208
	(9,509)	(165,064)	597,445
Noncontrolling interests' share of above adjustments	593	10,340	(36,566)
Total of certain items that impact net income (loss) attributable to common shareholders, net	(B) \$ (8,916)	\$ (154,724)	\$ 560,879
Per diluted share	\$ (0.05)	\$ (0.82)	\$ 2.95
Net income attributable to common shareholders, as adjusted	(A-B) \$ 56,668	\$ 40,561	\$ 90,302
Per diluted share	\$ 0.30	\$ 0.21	\$ 0.48

RECONCILIATION OF FFO TO FFO, AS ADJUSTED

(unaudited and in thousands, except per share amounts)

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
FFO attributable to common shareholders plus assumed conversions	(A) \$ 205,729	\$ 203,137	\$ 797,734
Per diluted share	\$ 1.08	\$ 1.07	\$ 4.20
Certain items that impact FFO:			
Acquisition and transaction related costs	\$ (8,005)	\$ (4,607)	\$ (14,743)
(Loss) income from real estate fund investments, net	(3,235)	5,311	(34,704)
Net gains on sale of residential condominiums	501	714	-
FFO from discontinued operations and sold properties	161	3,460	2,202
Net gain on extinguishment of Skyline properties debt	-	-	487,877
Income from the repayment of our investments in 85 Tenth Avenue loans and preferred equity	-	-	160,843
Default interest on Skyline properties mortgage loan	-	-	(2,480)
Our share of partially owned entities:			
Real estate impairment losses	-	-	(13,962)
Other	-	-	208
	(10,578)	4,878	585,241
Noncontrolling interests' share of above adjustments	660	(302)	(35,641)
Total of certain items that impact FFO, net	(B) \$ (9,918)	\$ 4,576	\$ 549,600
Per diluted share	\$ (0.05)	\$ 0.02	\$ 2.89
FFO, as adjusted	(A-B) \$ 215,647	\$ 198,561	\$ 248,134
Per diluted share	\$ 1.13	\$ 1.05	\$ 1.31

RECONCILIATION OF FFO TO FAD⁽¹⁾

(unaudited and in thousands, except per share amounts)

	Three Months Ended		
	March 31,		December 31,
	2017	2016	2016
FFO attributable to common shareholders plus assumed conversions	(A) \$ 205,729	\$ 203,137	\$ 797,734
Adjustments to arrive at FAD:			
Recurring tenant improvements, leasing commissions and other capital expenditures	72,491	74,569	124,014
Straight-lining of rents	15,522	41,761	27,827
Stock-based compensation expense	(14,654)	(14,571)	(6,077)
Amortization of acquired below-market leases, net	11,001	17,049	11,068
Adjustments to FFO per page 9, excluding FFO attributable to discontinued operations and sold properties	(10,739)	1,418	583,039
Amortization of debt issuance costs	(8,981)	(9,265)	(8,402)
Carried interest and our share of net unrealized (loss) gain from real estate fund investments	(6,167)	3,138	(27,583)
Non real estate depreciation	(1,994)	(1,824)	(2,522)
Noncontrolling interests' share of above adjustments	(3,524)	(7,015)	(43,360)
	(B) 52,955	105,260	658,004
FAD ⁽¹⁾	(A-B) \$ 152,774	\$ 97,877	\$ 139,730
FAD payout ratio ⁽²⁾	<u>88.8%</u>	<u>121.2%</u>	<u>85.1%</u>

(1) FAD is defined as FFO less (i) cash basis recurring tenant improvements, leasing commissions and capital expenditures, (ii) straight-line rents and amortization of acquired below-market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. FAD is a non-GAAP financial measure that is not intended to represent cash flow 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 that management believes provides useful information regarding the Company's ability to fund its dividends.

(2) FAD payout ratios on a quarterly basis are not necessarily indicative of amounts for the full year due to fluctuation in timing of cash based expenditures, the commencement of new leases and the seasonality of our operations.

CONSOLIDATED NET INCOME/EBITDA ⁽¹⁾

(unaudited and in thousands)

	Three Months Ended			
	March 31,			December 31,
	2017	2016	Inc (Dec)	2016
Property rentals	\$ 486,837	\$ 460,224	\$ 26,613	\$ 493,545
Straight-lining of rents	15,522	41,761	(26,239)	27,989
Amortization of acquired below-market leases, net	11,459	17,507	(6,048)	11,526
Total property rentals	513,818	519,492	(5,674)	533,060
Tenant expense reimbursements	67,670	59,575	8,095	68,826
Fee and other income:				
BMS cleaning fees	21,996	18,146	3,850	21,160
Management and leasing fees	4,637	4,799	(162)	4,844
Lease termination fees	4,166	2,405	1,761	1,794
Other income	8,561	8,620	(59)	8,576
Total revenues	620,848	613,037	7,811	638,260
Operating expenses	260,907	256,349	4,558	262,023
Depreciation and amortization	138,811	142,957	(4,146)	141,821
General and administrative	56,658	48,704	7,954	44,569
Acquisition and transaction related costs	8,005	4,607	3,398	14,743
Skyline properties impairment loss	-	160,700	(160,700)	-
Total expenses	464,381	613,317	(148,936)	463,156
Operating income (loss)	156,467	(280)	156,747	175,104
Income (loss) from partially owned entities	1,445	(4,240)	5,685	164,860
Income (loss) from real estate fund investments	268	11,284	(11,016)	(52,352)
Interest and other investment income, net	9,228	3,518	5,710	9,284
Interest and debt expense	(94,285)	(100,489)	6,204	(98,244)
Net gain on extinguishment of Skyline properties debt	-	-	-	487,877
Net gains on disposition of wholly owned and partially owned assets	501	714	(213)	15,510
Income (loss) before income taxes	73,624	(89,493)	163,117	702,039
Income tax (expense) benefit	(2,205)	(2,831)	626	1,493
Income (loss) from continuing operations	71,419	(92,324)	163,743	703,532
Income from discontinued operations	2,428	716	1,712	1,012
Net income (loss)	73,847	(91,608)	165,455	704,544
Less net loss (income) attributable to noncontrolling interests in consolidated subsidiaries	(6,737)	(9,678)	2,941	5,010
Net income (loss) attributable to the Operating Partnership	67,110	(101,286)	168,396	709,554
Interest and debt expense	116,327	126,120	(9,793)	130,464
Depreciation and amortization	171,537	174,811	(3,274)	173,071
Income tax expense (benefit)	2,429	3,261	(832)	(1,229)
EBITDA	\$ 357,403	\$ 202,906	\$ 154,497	\$ 1,011,860
Capitalized leasing and development payroll	\$ 3,611	\$ 6,142	\$ (2,531)	\$ 5,072
Capitalized interest and debt expense	\$ 11,270	\$ 9,071	\$ 2,199	\$ 9,275

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." We calculate EBITDA on an Operating Partnership basis which is before allocation to the noncontrolling interest of the Operating Partnership. We consider EBITDA a non-GAAP financial measure for making decisions and assessing the unlevered performance of our segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on a multiple of EBITDA, we utilize this measure to make investment decisions as well as to compare the performance of our assets to that of our peers. EBITDA should not be considered a substitute for net income. EBITDA may not be comparable to similarly titled measures employed by other companies.

Our 7.5% interest in Fashion Centre Mall/Washington Tower will not be included in the spin-off of our Washington, DC segment and have been reclassified to Other. The prior year's presentation has been conformed to the current year. In addition, on January 1, 2017 we reclassified our investment in 85 Tenth Avenue from Other to the New York segment as a result of the December 1, 2016 repayment of our loans receivable and the receipt of a 49.9% ownership interest in the property.

EBITDA BY SEGMENT

(unaudited and in thousands)

	Three Months Ended March 31, 2017			
	Total	New York	Washington, DC	Other
Property rentals	\$ 486,837	\$ 318,643	\$ 94,947	\$ 73,247
Straight-lining of rents	15,522	8,962	3,666	2,894
Amortization of acquired below-market leases, net	<u>11,459</u>	<u>10,717</u>	<u>343</u>	<u>399</u>
Total property rentals	513,818	338,322	98,956	76,540
Tenant expense reimbursements	67,670	53,539	8,637	5,494
Fee and other income:				
BMS cleaning fees	21,996	26,123	-	(4,127)
Management and leasing fees	4,637	2,027	2,530	80
Lease termination fees	4,166	3,727	316	123
Other income	<u>8,561</u>	<u>2,501</u>	<u>5,768</u>	<u>292</u>
Total revenues	<u>620,848</u>	<u>426,239</u>	<u>116,207</u>	<u>78,402</u>
Operating expenses	260,907	183,107	43,353	34,447
Depreciation and amortization	138,811	85,471	33,683	19,657
General and administrative	56,658	12,243	6,952	37,463
Acquisition and transaction related costs	<u>8,005</u>	<u>-</u>	<u>-</u>	<u>8,005</u>
Total expenses	<u>464,381</u>	<u>280,821</u>	<u>83,988</u>	<u>99,572</u>
Operating income (loss)	156,467	145,418	32,219	(21,170)
Income (loss) from partially owned entities	1,445	(2,093)	32	3,506
Income from real estate fund investments	268	-	-	268
Interest and other investment income, net	9,228	1,472	64	7,692
Interest and debt expense	(94,285)	(57,987)	(11,561)	(24,737)
Net gains on disposition of wholly owned and partially owned assets	<u>501</u>	<u>-</u>	<u>-</u>	<u>501</u>
Income (loss) before income taxes	73,624	86,810	20,754	(33,940)
Income tax expense	<u>(2,205)</u>	<u>(143)</u>	<u>(354)</u>	<u>(1,708)</u>
Income (loss) from continuing operations	71,419	86,667	20,400	(35,648)
Income from discontinued operations	<u>2,428</u>	<u>-</u>	<u>-</u>	<u>2,428</u>
Net income (loss)	73,847	86,667	20,400	(33,220)
Less net income attributable to noncontrolling interests in consolidated subsidiaries	<u>(6,737)</u>	<u>(2,844)</u>	<u>-</u>	<u>(3,893)</u>
Net income (loss) attributable to the Operating Partnership	67,110	83,823	20,400	(37,113)
Interest and debt expense	116,327	75,923	13,499	26,905
Depreciation and amortization	171,537	112,810	36,383	22,344
Income tax expense	<u>2,429</u>	<u>227</u>	<u>367</u>	<u>1,835</u>
EBITDA for the three months ended March 31, 2017	<u>\$ 357,403</u>	<u>\$ 272,783</u>	<u>\$ 70,649</u>	<u>\$ 13,971</u>
EBITDA for the three months ended March 31, 2016	<u>\$ 202,906</u>	<u>\$ 260,499</u>	<u>\$ (85,468)</u>	<u>\$ 27,875</u>
EBITDA, as adjusted:				
For the three months ended March 31, 2017	<u>\$ 366,912</u>	<u>\$ 272,783 (1)</u>	<u>\$ 70,649 (2)</u>	<u>\$ 23,480 (3)</u>
For the three months ended March 31, 2016	<u>\$ 358,433</u>	<u>\$ 259,057 (1)</u>	<u>\$ 69,287 (2)</u>	<u>\$ 30,089 (3)</u>

See notes on page 13.

NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

- (1) The elements of "New York" EBITDA, as adjusted, are summarized below.

	Three Months Ended March 31,	
	2017	2016
Office (including BMS EBITDA of \$5,599 and \$5,045, respectively)	\$ 170,077	\$ 155,009 (a)
Retail	89,264	89,601 (a)
Residential	6,278	6,350
Alexander's	11,562	11,569
Hotel Pennsylvania	(4,398)	(3,472)
Total New York	<u>\$ 272,783</u>	<u>\$ 259,057</u>

- (a) Beginning in January 2017 for office buildings with retail at the base, we have adjusted the allocation of real estate taxes between the retail and office elements above. This has no effect on our consolidated financial statements, but resulted in a reallocation of \$3,914 of income from retail to office for the three months ended March 31, 2016.

- (2) The elements of "Washington, DC" EBITDA, as adjusted, are summarized below.

	Three Months Ended March 31,	
	2017	2016
Office	\$ 57,032	\$ 58,880
Residential	13,617	10,407
Total Washington, DC	<u>\$ 70,649</u>	<u>\$ 69,287</u>

- (3) The elements of "Other" EBITDA, as adjusted, are summarized below.

	Three Months Ended March 31,	
	2017	2016
theMART (including trade shows)	\$ 24,184	\$ 23,028
555 California Street	12,083	11,615
Other investments	11,660	19,077
	47,927	53,720
Corporate general and administrative expenses ^(a)	(32,987)	(30,606)
Investment income and other, net ^(a)	8,540	6,975
Total Other	<u>\$ 23,480</u>	<u>\$ 30,089</u>

- (a) The amounts in these captions (for this table only) exclude the results of the mark-to-market of our deferred compensation plan of \$2,469 of income for the three months ended March 31, 2017 and \$1,938 of loss for the three months ended March 31, 2016.

RECONCILIATION OF EBITDA TO EBITDA, AS ADJUSTED

(unaudited and in thousands)

	Three Months Ended March 31, 2017			
	Total	New York	Washington, DC	Other
EBITDA per page 12	(A)\$ 357,403	\$ 272,783	\$ 70,649	\$ 13,971
Certain items that impact EBITDA:				
Acquisition and transaction related costs	(8,005)	-	-	(8,005)
Loss from real estate fund investments, net	(3,235)	-	-	(3,235)
EBITDA from discontinued operations	2,428	-	-	2,428
Net gain on sale of residential condominium	501	-	-	501
Our share of partially owned entities:				
Real estate impairment losses	(3,051)	-	-	(3,051)
Net gains on sale of real estate	1,853	-	-	1,853
Total of certain items that impact EBITDA	(B) (9,509)	-	-	(9,509)
EBITDA, as adjusted	(A-B)\$ 366,912	\$ 272,783	\$ 70,649	\$ 23,480

	Three Months Ended March 31, 2016			
	Total	New York	Washington, DC	Other
EBITDA per page 12	(A)\$ 202,906	\$ 260,499	\$ (85,468)	\$ 27,875
Certain items that impact EBITDA:				
Skyline properties impairment loss	(160,700)	-	(160,700)	-
EBITDA from discontinued operations and sold properties	8,108	1,442	5,945	721
Income from real estate fund investments, net	5,311	-	-	5,311
Acquisition and transaction related costs	(4,607)	-	-	(4,607)
Net gain on sale of residential condominium	714	-	-	714
Our share of partially owned entities:				
Real estate impairment losses	(4,353)	-	-	(4,353)
Total of certain items that impact EBITDA	(B) (155,527)	1,442	(154,755)	(2,214)
EBITDA, as adjusted	(A-B)\$ 358,433	\$ 259,057	\$ 69,287	\$ 30,089

RECONCILIATION OF TRAILING TWELVE MONTHS NET INCOME TO EBITDA, AS ADJUSTED

(unaudited and in thousands)

	Trailing Twelve Months Ended March 31, 2017					
	Total	New York			555 California	
		Office	Retail	Residential	theMART	Street
Net income	\$ 551,178	\$ 313,999	\$ 203,951	\$ 3,500	\$ 26,713	\$ 3,015
Interest and debt expense	323,330	199,782	66,298	11,757	24,971	20,522
Depreciation and amortization	482,912	316,810	94,921	9,731	38,692	22,758
Income tax expense	7,600	4,798	177	-	2,625	-
EBITDA	1,365,020	835,389	365,347	24,988	93,001	46,295
Certain items that impact EBITDA	(161,189) ⁽¹⁾	(160,926)	(263)	-	-	-
EBITDA, as adjusted	<u>1,203,831</u>	<u>674,463</u>	<u>365,084</u>	<u>24,988</u>	<u>93,001</u>	<u>46,295</u>

(1) Comprised of a net gain on sale of a 47% ownership interest in 7 West 34th Street of \$159,511 and \$1,678 of EBITDA from 7 West 34th Street.

EBITDA, AS ADJUSTED BY SEGMENT AND REGION

(unaudited)

The following tables set forth the percentages of EBITDA, as adjusted by geographic region.

	Three Months Ended March 31,	
	2017	2016
Segment and Region:		
New York	72%	71%
Washington, DC	19%	19%
theMART, Chicago (included in "Other" segment)	6%	7%
555 California Street, San Francisco (included in "Other" segment)	3%	3%
	<u>100%</u>	<u>100%</u>

CONSOLIDATED BALANCE SHEETS

(unaudited and in thousands)

	<u>March 31, 2017</u>	<u>December 31, 2016</u>	<u>(Decrease) Increase</u>
ASSETS			
Real estate, at cost:			
Land	\$ 4,056,666	\$ 4,065,142	\$ (8,476)
Buildings and improvements	12,727,776	12,727,980	(204)
Development costs and construction in progress	1,564,647	1,430,276	134,371
Leasehold improvements and equipment	117,246	116,560	686
Total	18,466,335	18,339,958	126,377
Less accumulated depreciation and amortization	<u>(3,604,348)</u>	<u>(3,513,574)</u>	<u>(90,774)</u>
Real estate, net	14,861,987	14,826,384	35,603
Cash and cash equivalents	1,484,814	1,501,027	(16,213)
Restricted cash	98,191	98,295	(104)
Marketable securities	188,695	203,704	(15,009)
Tenant and other receivables, net	86,753	94,467	(7,714)
Investments in partially owned entities	1,415,747	1,428,019	(12,272)
Real estate fund investments	454,946	462,132	(7,186)
Receivable arising from the straight-lining of rents, net	1,048,940	1,032,736	16,204
Deferred leasing costs, net	452,187	454,345	(2,158)
Identified intangible assets, net	184,009	192,731	(8,722)
Assets related to discontinued operations	4,416	5,570	(1,154)
Other assets	450,763	515,437	(64,674)
Total Assets	<u>\$ 20,731,448</u>	<u>\$ 20,814,847</u>	<u>\$ (83,399)</u>
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY			
Liabilities:			
Mortgages payable, net	\$ 9,281,280	\$ 9,278,263	\$ 3,017
Senior unsecured notes, net	845,932	845,577	355
Unsecured term loan, net	372,595	372,215	380
Unsecured revolving credit facilities	115,630	115,630	-
Accounts payable and accrued expenses	451,156	458,694	(7,538)
Deferred revenue	274,477	287,846	(13,369)
Deferred compensation plan	124,933	121,374	3,559
Liabilities related to discontinued operations	2,670	2,870	(200)
Other liabilities	433,374	435,436	(2,062)
Total liabilities	11,902,047	11,917,905	(15,858)
Redeemable noncontrolling interests	1,266,074	1,278,446	(12,372)
Vornado shareholders' equity	6,841,707	6,898,519	(56,812)
Noncontrolling interests in consolidated subsidiaries	721,620	719,977	1,643
Total Liabilities, Redeemable Noncontrolling Interests and Equity	<u>\$ 20,731,448</u>	<u>\$ 20,814,847</u>	<u>\$ (83,399)</u>

CAPITAL STRUCTURE

(unaudited and in thousands, except per share and unit amounts)

	<u>March 31, 2017</u>
Debt (contractual balances):	
Consolidated debt:	
Mortgages payable	\$ 9,369,839
Senior unsecured notes	850,000
\$750 Million unsecured term loan	375,000
\$2.5 Billion unsecured revolving credit facilities	115,630
	<u>10,710,469</u>
Pro rata share of debt of non-consolidated entities (excluding \$1,576,195 of Toys' debt)	3,232,642
Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas, 555 California Street, and St. Regis - retail)	(598,750)
	<u>13,344,361</u>

	<u>Shares/Units</u>	<u>Par Value</u>	
Perpetual Preferred:			
5.00% preferred unit (D-16) (1 unit @ \$1,000,000 per unit)			1,000
3.25% preferred units (D-17) (177,100 units @ \$25 per unit)			4,428
6.625% Series G preferred shares	8,000	\$ 25.00	200,000
6.625% Series I preferred shares	10,800	25.00	270,000
5.70% Series K preferred shares	12,000	25.00	300,000
5.40% Series L preferred shares	12,000	25.00	300,000
			<u>1,075,428</u>

	<u>Converted Shares</u>	<u>March 31, 2017 Common Share Price</u>	
Equity:			
Common shares	189,343	\$ 100.31	18,992,996
Class A units	11,787	100.31	1,182,354
Convertible share equivalents:			
Equity awards - unit equivalents	780	100.31	78,242
D-13 preferred units	465	100.31	46,644
G1-G4 units	38	100.31	3,812
Series A preferred shares	40	100.31	4,012
			<u>20,308,060</u>
Total Market Capitalization			<u>\$ 34,727,849</u>

DEBT ANALYSIS

(unaudited and in thousands)

	As of March 31, 2017					
	Total		Variable		Fixed	
	Amount	Weighted Average Interest Rate	Amount	Weighted Average Interest Rate	Amount	Weighted Average Interest Rate
(Contractual debt balances)						
Consolidated debt	\$ 10,710,469	3.39%	\$ 3,768,123	2.60%	\$ 6,942,346	3.82%
Pro rata share of debt of non-consolidated entities:						
Toys	1,576,195	7.69%	1,111,001	6.69%	465,194	10.08%
All other	3,232,642	4.23%	1,113,023	2.69%	2,119,619	5.04%
Total	15,519,306	4.00%	5,992,147	3.37%	9,527,159	4.40%
Less: Noncontrolling interests' share of consolidated debt						
(primarily 1290 Avenue of the Americas, 555 California Street, and St. Regis - retail)	(598,750)		(140,528)		(458,222)	
Company's pro rata share of total debt	<u>\$ 14,920,556</u>	4.01%	<u>\$ 5,851,619</u>	3.39%	<u>\$ 9,068,937</u>	4.42%

	Senior Unsecured Notes	
	Due 2019	Due 2022
Maturity date/put date	6/30/2019	1/15/2022
Principal amount	\$ 450,000	\$ 400,000
Coupon/effective economic interest rate	2.500%/2.581%	5.000%/5.057%
Ratings:		
Moody's/S&P/Fitch	Baa2/BBB/BBB	Baa2/BBB/BBB

Debt Covenant Ratios: ⁽¹⁾

	Senior Unsecured Notes			Unsecured Revolving Credit Facilities and Unsecured Term Loan	
	Required	Actual		Required	Actual
		Due 2019	Due 2022		
Total outstanding debt/total assets ⁽²⁾	Less than 65%	46%	46%	Less than 60%	35%
Secured debt/total assets	Less than 50%	39%	39%	Less than 50%	30%
Interest coverage ratio (annualized combined EBITDA to annualized interest expense)	Greater than 1.50	2.91	2.91		N/A
Fixed charge coverage		N/A	N/A	Greater than 1.40	2.85
Unencumbered assets/unsecured debt	Greater than 150%	600%	600%		N/A
Unsecured debt/cap value of unencumbered assets		N/A	N/A	Less than 60%	13%
Unencumbered coverage ratio		N/A	N/A	Greater than 1.50	12.99

Unencumbered EBITDA:

	Q1 2017	
	Annualized	
New York	\$ 376,384	
Washington, DC	146,848	
Other	26,856	
Total	<u>\$ 550,088</u>	

(1) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes, unsecured revolving credit facilities, and unsecured term loan, as applicable. The methodology used for these computations may differ significantly from similarly titled ratios of other companies. For additional information regarding the methodology used to compute these ratios, please see our filings with the SEC of our revolving credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.

(2) Total assets includes EBITDA capped at 7.5% under the senior unsecured notes and 6.0% under the unsecured revolving credit facilities and unsecured term loan.

DEBT MATURITIES (CONTRACTUAL BALANCES)

(unaudited and in thousands)

Property	Maturity Date ⁽¹⁾	Spread		Interest Rate	2017	2018	2019	2020	2021	Thereafter	Total
		LIBOR	over								
1700 & 1730 M Street	05/17	L+125		2.03%	\$ 43,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,581
2011 Crystal Drive	08/17			7.30%	74,674	-	-	-	-	-	74,674
220 20th Street	02/18			4.61%	-	68,041	-	-	-	-	68,041
828-850 Madison Avenue Retail Condominium	06/18			5.29%	-	80,000	-	-	-	-	80,000
33-00 Northern Boulevard	10/18			4.43%	-	60,519	-	-	-	-	60,519
Senior unsecured notes due 2019	06/19			2.50%	-	-	450,000	-	-	-	450,000
435 Seventh Avenue - retail	08/19	L+225		3.19%	-	-	97,482	-	-	-	97,482
\$1.25 Billion unsecured revolving credit facility	11/19	L+105		1.88%	-	-	115,630	-	-	-	115,630
4 Union Square South - retail	11/19	L+215		2.94%	-	-	115,513	-	-	-	115,513
2200/2300 Clarendon Boulevard (Courthouse Plaza)	05/20	L+160		2.45%	-	-	-	11,000	-	-	11,000
150 West 34th Street	06/20	L+225		3.09%	-	-	-	205,000	-	-	205,000
100 West 33rd Street - office and retail	07/20	L+165		2.48%	-	-	-	580,000	-	-	580,000
220 Central Park South	09/20	L+200		2.98%	-	-	-	950,000	-	-	950,000
\$750 Million unsecured term loan	10/20	L+115		2.11%	-	-	-	375,000	-	-	375,000
Eleven Penn Plaza	12/20			3.95%	-	-	-	450,000	-	-	450,000
888 Seventh Avenue	12/20			3.15%	-	-	-	375,000	-	-	375,000
Borgata Land	02/21			5.14%	-	-	-	-	56,351	-	56,351
770 Broadway	03/21			2.56%	-	-	-	-	700,000	-	700,000
909 Third Avenue	05/21			3.91%	-	-	-	-	350,000	-	350,000
606 Broadway	05/21	L+300		3.86%	-	-	-	-	28,297	-	28,297
WestEnd25	06/21			4.88%	-	-	-	-	100,455	-	100,455
Universal Buildings	08/21	L+190		2.69%	-	-	-	-	185,000	-	185,000
555 California Street	09/21			5.10%	-	-	-	-	577,407	-	577,407
theMART	09/21			2.70%	-	-	-	-	675,000	-	675,000
655 Fifth Avenue	10/21	L+140		2.18%	-	-	-	-	140,000	-	140,000
Two Penn Plaza	12/21	(2)		4.11%	-	-	-	-	575,000	-	575,000
Senior unsecured notes due 2022	01/22			5.00%	-	-	-	-	-	400,000	400,000
\$1.25 Billion unsecured revolving credit facility	02/22	L+100		-	-	-	-	-	-	-	-
1290 Avenue of the Americas	11/22			3.34%	-	-	-	-	-	950,000	950,000
697-703 Fifth Avenue (St. Regis - retail)	12/22	L+180		2.58%	-	-	-	-	-	450,000	450,000
2121 Crystal Drive	03/23			5.51%	-	-	-	-	-	141,015	141,015
666 Fifth Avenue Retail Condominium	03/23			3.61%	-	-	-	-	-	390,000	390,000
2101 L Street	08/24			3.97%	-	-	-	-	-	142,676	142,676

See notes on the following page.

DEBT MATURITIES (CONTRACTUAL BALANCES)

(unaudited and in thousands)

Property	Maturity Date ⁽¹⁾	Spread over LIBOR	Interest Rate	2017	2018	2019	2020	2021	Thereafter	Total
1215 Clark Street, 200 12th Street & 251 18th Street	01/25		7.94%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,118	\$ 90,118
RiverHouse Apartments	04/25	L+128	2.07%	-	-	-	-	-	307,710	307,710
350 Park Avenue	01/27		3.92%	-	-	-	-	-	400,000	400,000
Total consolidated debt (contractual)				<u>\$ 118,255</u>	<u>\$ 208,560</u>	<u>\$ 778,625</u>	<u>\$ 2,946,000</u>	<u>\$ 3,387,510</u>	<u>\$ 3,271,519</u>	<u>\$ 10,710,469</u>
Weighted average rate				<u>5.36%</u>	<u>4.82%</u>	<u>2.56%</u>	<u>2.95%</u>	<u>3.54%</u>	<u>3.67%</u>	<u>3.39%</u>
Fixed rate debt				\$ 74,674	\$ 208,560	\$ 450,000	\$ 825,000	\$ 2,870,303	\$ 2,513,809	\$ 6,942,346
Fixed weighted average rate expiring				7.30%	4.82%	2.50%	3.59%	3.72%	4.06%	3.82%
Floating rate debt				\$ 43,581	\$ -	\$ 328,625	\$ 2,121,000	\$ 517,207	\$ 757,710	\$ 3,768,123
Floating weighted average rate expiring				2.03%	-	2.64%	2.70%	2.53%	2.38%	2.60%

(1) Represents the extended maturity for certain loans in which we have the unilateral right to extend.

(2) Pursuant to an existing swap agreement, \$411,000 of the loan bears interest at a fixed rate of 4.78% through March 2018, and the balance of \$164,000 floats through March 2018. The entire \$575,000 will float thereafter for the duration of the loan.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

Joint Venture Name	Asset Category	Percentage Ownership at March 31, 2017	As of March 31, 2017		
			Company's Carrying Amount	Contractual Debt Balances	
				Company's Pro rata Share	100% of Joint Venture
Alexander's, Inc.	Office/Retail	32.4%	\$ 127,908	\$ 341,900	\$ 1,055,246
Pennsylvania Real Estate Investment Trust ("PREIT")	REIT	8.0%	119,643	142,423	1,774,385
India real estate ventures	Office/Land	4.1% to 36.5%	31,519	45,219	180,876
Urban Edge Properties ("UE")	REIT	5.4%	24,358	64,941	1,205,560
Partially owned office buildings:					
280 Park Avenue	Office	50.0%	268,904	450,000	900,000
One Park Avenue	Office	55.0%	123,452	165,000	300,000
650 Madison Avenue	Office/Retail	20.1%	116,833	161,024	800,000
512 West 22nd Street	Office	55.0%	60,604	34,297	62,359
666 Fifth Avenue Office Condominium	Office	49.5%	45,405	693,400	1,400,809
Rosslyn Plaza	Office/Residential	43.7% to 50.4%	44,315	19,337	38,359
West 57th Street properties	Office	50.0%	43,002	9,813	19,625
Warner Building	Office	55.0%	39,205	150,150	273,000
330 Madison Avenue	Office	25.0%	27,719	37,500	150,000
825 Seventh Avenue	Office	50.0%	5,561	10,250	20,500
85 Tenth Avenue	Office	49.9%	555	311,875	625,000
Other	Office	Various	10,832	34,515	81,150
Other investments:					
Independence Plaza	Residential	50.1%	143,889	275,550	550,000
Toys "R" Us, Inc.	Retailer	32.5%	-	1,576,195	4,849,832
Other	Various	Various	182,043	126,448	728,573
			<u>\$ 1,415,747</u>	<u>\$ 4,649,837</u>	<u>\$ 15,015,274</u>
7 West 34th Street ⁽¹⁾	Office/Retail	53.0%	<u>\$ (44,291)</u>	<u>\$ 159,000</u>	<u>\$ 300,000</u>

(1) Our negative basis results from a deferred gain from the sale of a 47.0% ownership interest in the property and is included in "other liabilities" on our consolidated balance sheet.

UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

<u>Joint Venture Name</u>	Percentage Ownership at March 31, 2017	Our Share of Net Income (Loss) for the Three Months Ended March 31,		Our Share of EBITDA for the Three Months Ended March 31,	
		2017	2016	2017	2016
New York:					
666 Fifth Avenue Office Condominium	49.5%	\$ (10,197)	\$ (10,725)	\$ 6,149	\$ 7,166
Alexander's, Inc.	32.4%	6,892	6,937	11,562	11,569
650 Madison Avenue (retail under development)	20.1%	(1,468)	(1,296)	2,092	2,247
330 Madison Avenue	25.0%	1,343	1,644	2,328	2,579
280 Park Avenue	50.0%	(1,284)	(3,315)	8,142	7,417
Independence Plaza	50.1%	1,248	1,396	5,529	5,504
One Park Avenue	55.0%	804	829	3,691	3,666
825 Seventh Avenue	50.0%	677	656	842	816
85 Tenth Avenue ⁽¹⁾	49.9%	555	-	4,582	-
7 West 34th Street	53.0%	103	-	3,386	-
West 57th Street properties (partially under development)	50.0%	(44)	(8)	254	317
Other	Various	(722)	319	2,015	3,585
		<u>(2,093)</u>	<u>(3,563)</u>	<u>50,572</u>	<u>44,866</u>
Washington, DC:					
1101 17th Street	55.0%	270	464	866	859
Warner Building	55.0%	(183)	(1,753)	2,573	2,104
Rosslyn Plaza	43.7% to 50.4%	(55)	(956)	1,153	960
Other	Various	-	(20)	91	523
		<u>32</u>	<u>(2,265)</u>	<u>4,683</u>	<u>4,446</u>
Other:					
PREIT	8.0%	(2,830)	(4,288)	2,094	1,126
India real estate ventures	4.1% to 36.5%	1,654	(686)	3,072	1,319
Alexander's corporate fee income	32.4%	1,509	1,725	1,509	1,725
UE	5.4%	1,300	1,085	2,785	2,662
85 Tenth Avenue ⁽¹⁾	49.9%	-	2,027	-	6,795
Other	Various	1,873	1,725	3,551	2,846
		<u>3,506</u>	<u>1,588</u>	<u>13,011</u>	<u>16,473</u>
		<u>\$ 1,445</u>	<u>\$ (4,240)</u>	<u>\$ 68,266</u>	<u>\$ 65,785</u>

(1) The prior year's presentation has been conformed to the current year. In addition, on January 1, 2017 we reclassified our investment in 85 Tenth Avenue from Other to the New York segment as a result of the December 1, 2016 repayment of our loans receivable and the receipt of a 49.9% ownership interest in the property.

SQUARE FOOTAGE in service

(unaudited and square feet in thousands)

Segment:	Total		Owned by Company			
	Portfolio	Total	Office	Retail	Showroom	Other
New York:						
Office	20,236	16,965	16,782	-	183	-
Retail	2,668	2,463	-	2,463	-	-
Residential - 1,692 units	1,559	826	-	-	-	826
Alexander's (32.4% interest), including 312 residential units	2,437	790	288	419	-	83
Hotel Pennsylvania	1,400	1,400	-	-	-	1,400
	<u>28,300</u>	<u>22,444</u>	<u>17,070</u>	<u>2,882</u>	<u>183</u>	<u>2,309</u>
Washington, DC:						
Office	10,837	9,846	9,169	677	-	-
Residential - 3,234 units	3,310	3,168	-	43	-	3,125
Other	330	330	-	9	-	321
	<u>14,477</u>	<u>13,344</u>	<u>9,169</u>	<u>729</u>	<u>-</u>	<u>3,446</u>
Other:						
theMART	3,682	3,673	2,003	116	1,554	-
555 California Street (70% interest)	1,737	1,216	1,123	93	-	-
Other	1,832	871	13	858	-	-
	<u>7,251</u>	<u>5,760</u>	<u>3,139</u>	<u>1,067</u>	<u>1,554</u>	<u>-</u>
Total square feet at March 31, 2017	<u>50,028</u>	<u>41,548</u>	<u>29,378</u>	<u>4,678</u>	<u>1,737</u>	<u>5,755</u>
Total square feet at December 31, 2016	<u>50,231</u>	<u>41,727</u>	<u>29,602</u>	<u>4,643</u>	<u>1,792</u>	<u>5,690</u>

Parking Garages (not included above):	Square Feet	Number of Garages	Number of Spaces
New York	1,686	11	4,970
Washington, DC	6,974	45	22,110
theMART	558	4	1,651
555 California Street	168	1	453
Total at March 31, 2017	<u>9,386</u>	<u>61</u>	<u>29,184</u>

TOP 30 TENANTS

(unaudited)

Tenants	Our Share of Square Footage⁽¹⁾	Our Pro Rata Share of Annualized Revenues⁽¹⁾ (in thousands)	% of Pro Rata Annualized Revenues
U.S. Government	3,015,378	\$ 107,906	3.8%
IPG and affiliates	923,896	56,330	2.0%
Swatch Group USA	25,633	38,923	1.4%
Macy's	646,434	37,646	1.3%
Victoria's Secret (guaranteed by L Brands, Inc.)	91,427	33,870	1.2%
Facebook	370,534	33,201	1.2%
Bloomberg L.P.	287,898	33,010	1.2%
AXA Equitable Life Insurance	336,646	32,252	1.1%
Alphabet Inc.: Google/ Motorola Mobility (guaranteed by Google)	728,483	31,837	1.1%
AOL (Verizon)	327,138	29,860	1.1%
McGraw-Hill Companies, Inc.	479,557	28,813	1.0%
Ziff Brothers Investments, Inc.	287,030	28,695	1.0%
The City of New York	565,846	24,267	0.9%
AMC Networks, Inc.	404,920	23,739	0.8%
J. Crew	310,233	23,015	0.8%
Topshop	94,349	23,009	0.8%
Neuberger Berman Group LLC	288,684	21,949	0.8%
Fast Retailing (Uniqlo)	90,732	21,939	0.8%
Madison Square Garden	353,134	21,662	0.8%
Forever 21	127,779	21,641	0.8%
JCPenney	426,370	19,608	0.7%
Hollister	21,741	19,127	0.7%
Bank of America	232,728	18,136	0.6%
Amazon	249,175	17,095	0.6%
PricewaterhouseCoopers LLP	243,434	16,884	0.6%
Family Health International	320,791	15,608	0.6%
Hennes & Mauritz (H&M)	51,363	15,406	0.5%
Cushman & Wakefield	175,042	14,576	0.5%
Alston & Bird	163,883	13,896	0.5%
Sears Holding Company (Kmart Corporation and Sears Corporation)	286,705	13,646	0.5%
			<u>29.7%</u>

(1) Includes leases not yet commenced.

Reconciliation of our Pro Rata Share of Total Annualized Revenues:

Consolidated revenues at 100%	\$ 620,848
Minority interest adjustments	<u>(24,993)</u>
Consolidated revenues at our share	595,855
Unconsolidated revenues at our share, excluding Toys "R" Us, Inc.	<u>112,961</u>
Our pro rata share of revenues	<u>\$ 708,816</u>
Our pro rata share of revenues (annualized)	<u>\$ 2,835,264</u>
	- 25 -

LEASE EXPIRATIONS NEW YORK SEGMENT

(unaudited)

	Year of Lease Expiration	Our Share of Square Feet of Expiring Leases ⁽¹⁾	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
Office:	Month to Month	22,000	\$ 888,000	\$ 40.36	0.1%
	Second Quarter 2017	94,000	5,469,000	58.18	0.5%
	Third Quarter 2017	73,000	4,972,000	68.11	0.5%
	Fourth Quarter 2017	72,000	4,728,000	65.67	0.4%
	Total 2017	239,000	15,169,000	63.47	1.4%
	First Quarter 2018	383,000	24,202,000	63.19	2.2%
	Remaining 2018	803,000	61,545,000	76.64	5.6%
	2019	829,000	56,599,000	68.27	5.2%
	2020	1,479,000	99,991,000	67.61	9.2%
	2021	1,221,000	87,141,000	71.37	8.0%
	2022	739,000	42,207,000	57.11	3.9%
	2023	1,734,000	132,352,000	76.33	12.1%
	2024	1,268,000	96,207,000	75.87	8.8%
	2025	765,000	55,283,000	72.27	5.1%
	2026	1,373,000	97,710,000	71.17	9.0%
	2027	958,000	64,751,000	67.59	5.9%
	Thereafter	4,355,000	256,566,000	58.91	23.5%
Retail:	Month to Month	40,000	\$ 2,437,000	\$ 60.93	0.6%
	Second Quarter 2017	7,000	5,475,000	782.14	1.3%
	Third Quarter 2017	1,000	512,000	512.00	0.1%
	Fourth Quarter 2017	5,000	1,185,000	237.00	0.3%
	Total 2017	13,000	7,172,000	551.69	1.7%
	First Quarter 2018	95,000	24,325,000	256.05	5.7%
	Remaining 2018	87,000	20,846,000	239.61	4.9%
	2019	198,000	32,417,000	163.72	7.6%
	2020	72,000	10,976,000	152.44	2.6%
	2021	52,000	10,323,000	198.52	2.4%
	2022	35,000	4,973,000	142.09	1.2%
	2023	87,000	36,970,000	424.94	8.7%
	2024	156,000	62,808,000	402.62	14.8%
	2025	38,000	18,635,000	490.39	4.4%
	2026	136,000	42,385,000	311.65	10.0%
	2027	31,000	20,882,000	673.61	4.9%
	Thereafter	898,000	129,825,000	144.57	30.5%

(1) Excludes storage, vacancy and other.

LEASE EXPIRATIONS

WASHINGTON, DC SEGMENT

(unaudited)

	Year of Lease Expiration	Our Share of Square Feet of Expiring Leases ⁽¹⁾	Weighted Average Annual Rent of Expiring Leases		Percentage of Annualized Escalated Rent
			Total	Per Sq. Ft.	
Office:	Month to Month	58,000	\$ 837,000	\$ 14.43	0.2%
	Second Quarter 2017	108,000	3,882,000	35.94	1.1%
	Third Quarter 2017	227,000	9,633,000	42.44	2.7%
	Fourth Quarter 2017	126,000	4,169,000	33.09	1.2%
	Total 2017	461,000	17,684,000	38.36	5.0%
	First Quarter 2018	155,000	6,564,000	42.35	1.8%
	Remaining 2018	527,000	24,796,000	47.05	6.9%
	2019	1,170,000	53,001,000	45.30	14.7%
	2020	919,000	46,215,000	50.29	12.8%
	2021	810,000	36,453,000	45.00	10.1%
	2022	1,225,000	55,824,000	45.57	15.5%
	2023	254,000	11,359,000	44.72	3.1%
	2024	377,000	15,866,000	42.08	4.4%
	2025	319,000	12,748,000	39.96	3.5%
	2026	208,000	9,871,000	47.46	2.7%
	2027	237,000	10,435,000	44.03	2.9%
	Thereafter	1,322,000	59,173,000	44.76	16.4%

(1) Excludes storage, vacancy and other.

LEASING ACTIVITY

(unaudited)

The leasing activity and related statistics in the table below is based on leases signed during the period and are not intended to coincide with the commencement of rental revenue in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Second generation relet space represents square footage that has not been vacant for more than nine months and tenant improvements and leasing commissions are based on our share of square feet leased during the period.

(square feet in thousands)

	New York		theMART	555 California	Washington, DC
	Office	Retail		Street	Office
Three Months Ended March 31, 2017					
Total square feet leased	553	12	100	66	545
Our share of square feet leased:	380	11	100	46	525
Initial rent ⁽¹⁾	\$ 75.20	\$ 241.38	\$ 47.62	\$ 86.88	\$ 43.04
Weighted average lease term (years)	7.3	2.3	8.1	11.1	8.8
Second generation relet space:					
Square feet	204	4	96	46	482
GAAP basis:					
Straight-line rent ⁽²⁾	\$ 72.34	\$ 568.95	\$ 47.67	\$ 95.09	\$ 43.96
Prior straight-line rent	\$ 66.23	\$ 422.44	\$ 31.75	\$ 80.31	\$ 41.58
Percentage increase	9.2%	34.7%	50.1%	18.4%	5.7%
Cash basis:					
Initial rent ⁽¹⁾	\$ 74.32	\$ 532.53	\$ 47.06	\$ 86.49	\$ 42.67
Prior escalated rent	\$ 70.01	\$ 454.54	\$ 32.86	\$ 78.67	\$ 45.68
Percentage increase (decrease)	6.2%	17.2%	43.2%	9.9%	(6.6%)
Tenant improvements and leasing commissions:					
Per square foot	\$ 81.72	\$ 43.04	\$ 56.65	\$ 92.17	\$ 67.07
Per square foot per annum	\$ 11.19	\$ 18.71	\$ 6.99	\$ 8.30	\$ 7.62
Percentage of initial rent	14.9%	7.8%	14.7%	9.6%	17.7%

⁽¹⁾ Represents the cash basis weighted average starting rent per square foot, which is generally indicative of market rents. Most leases include free rent and periodic step-ups in rent which are not included in the initial cash basis rent per square foot but are included in the GAAP basis straight-line rent per square foot.

⁽²⁾ Represents the GAAP basis weighted average rent per square foot that is recognized over the term of the respective leases, and includes the effect of free rent and periodic step-ups in rent.

OCCUPANCY AND SAME STORE EBITDA

(unaudited)

	<u>New York</u>	<u>Washington, DC</u>
Occupancy rate at:		
March 31, 2017	96.6%	90.2%
December 31, 2016	96.5%	90.5%
March 31, 2016	96.2%	92.2%
Same store EBITDA % increase (decrease):		
Three months ended March 31, 2017 compared to March 31, 2016	3.7% (1)	0.7%
Three months ended March 31, 2017 compared to December 31, 2016	(6.9%) (2)	(1.2%)
Cash basis same store EBITDA % increase (decrease):		
Three months ended March 31, 2017 compared to March 31, 2016	15.5% (1)	0.3%
Three months ended March 31, 2017 compared to December 31, 2016	(4.0%) (2)	(2.1%)

(1) Excluding Hotel Pennsylvania, same store EBITDA increased by 4.0% and by 15.7% on a cash basis.

(2) Excluding Hotel Pennsylvania, same store EBITDA decreased by 3.5% and by 0.1% on a cash basis.

RESIDENTIAL STATISTICS in service

(unaudited)

	<u>Vornado's Ownership Interest</u>			
	<u>Number of Units</u>	<u>Number of Units</u>	<u>Occupancy Rate</u>	<u>Average Monthly Rent Per Unit</u>
New York:				
March 31, 2017 ⁽¹⁾	2,004	977	95.4 %	\$ 3,600
December 31, 2016 ⁽¹⁾	2,004	977	96.0 %	\$ 3,576
March 31, 2016	1,711	883	94.0 %	\$ 3,511
Washington, DC:				
March 31, 2017	3,234	3,124	97.9 %	\$ 2,133
December 31, 2016	3,156	3,046	97.8 %	\$ 2,121
March 31, 2016	2,512	2,408	97.0 %	\$ 2,039

(1) Includes The Alexander (32.4% ownership) from the date of stabilization in the third quarter of 2016.

DEVELOPMENT/REDEVELOPMENT SUMMARY

(unaudited and in thousands, except square feet)

As of March 31, 2017
(At Vornado's Ownership Interest)

	Segment	Property Rentable Sq. Ft.	Excluding Land Costs		% Complete	Start	Initial Occupancy	Full Quarter Stabilized Operations
			Incremental Budget	Amount Expended				
Current Projects:								
220 Central Park South - residential condominiums	Other	397,000	\$ 1,300,000	\$ 680,737 ⁽¹⁾	52.4%	Q3 2012	N/A	N/A
512 West 22nd Street - office (55.0% interest)	New York	173,000	72,000	22,452 ⁽²⁾	31.2%	Q4 2015	Q1 2018	Q1 2020
61 Ninth Avenue - office (45.1% interest)	New York	170,000	68,000	22,020 ⁽³⁾	32.4%	Q1 2016	Q1 2018	Q1 2020
606 Broadway - office/retail (50.0% interest)	New York	34,000	30,000	11,977 ⁽⁴⁾	39.9%	Q2 2016	Q3 2018	Q2 2020
Total current projects				<u>\$ 737,186</u>				
Future Opportunities:								
	Segment	Property Zoning Sq. Ft.						
Penn Plaza - multiple opportunities - office/residential/retail	New York	TBD						
Hotel Pennsylvania - mixed use	New York	2,052,000						
260 Eleventh Avenue - office	New York	300,000						
Undeveloped Land:								
29, 31, 33 West 57th Street (50.0% interest)	New York	150,000						
527 West Kinzie, Chicago	Other	330,000						
Total undeveloped land		<u>480,000</u>						

(1) Excludes land and acquisition costs of \$515,426.

(2) Excludes land and acquisition costs of \$57,000.

(3) The building is subject to a ground lease which expires in 2115.

(4) Excludes land and acquisition costs of \$22,703.

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

CONSOLIDATED

(unaudited and in thousands, except per square foot amounts)

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 23,867	\$ 114,031	\$ 125,215
Tenant improvements	45,801	86,630	153,696
Leasing commissions	10,267	38,938	50,081
Non-recurring capital expenditures	22,327	55,636	116,875
Total capital expenditures and leasing commissions (accrual basis)	102,262	295,235	445,867
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	33,810	268,101	156,753
Expenditures to be made in future periods for the current period	(58,120)	(117,910)	(222,469)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 77,952</u>	<u>\$ 445,426</u>	<u>\$ 380,151</u>
Our share of square feet leased	916	3,283	3,767
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 9.00</u>	<u>\$ 7.15</u>	<u>\$ 8.43</u>
Percentage of initial rent	<u>15.3%</u>	<u>11.0%</u>	<u>10.8%</u>

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Development and redevelopment expenditures:			
220 Central Park South	\$ 66,284	\$ 303,974	\$ 158,014
The Bartlett	6,315	67,580	103,878
90 Park Avenue	3,447	33,308	29,937
315/345 Montgomery Street (555 California Street)	3,294	9,150	-
606 Broadway	2,765	4,234	-
1700 M Street	2,503	5,299	2,695
304 Canal Street	2,128	5,941	1,405
Penn Plaza	1,274	11,904	17,701
Marriott Marquis Times Square - retail and signage	1,266	9,283	21,929
640 Fifth Avenue	1,090	46,282	17,899
theMART	1,034	24,788	588
Wayne Towne Center	481	8,461	20,633
330 West 34th Street	228	5,492	32,613
2221 South Clark Street (residential conversion)	8	15,939	23,711
Other	6,110	54,930	59,816
	<u>\$ 98,227</u>	<u>\$ 606,565</u>	<u>\$ 490,819</u>

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

NEW YORK SEGMENT

(unaudited and in thousands, except per square foot amounts)

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 17,830	\$ 67,239	\$ 57,752
Tenant improvements	9,041	63,995	68,869
Leasing commissions	3,889	32,475	35,099
Non-recurring capital expenditures	<u>20,916</u>	<u>41,322</u>	<u>81,240</u>
Total capital expenditures and leasing commissions (accrual basis)	51,676	205,031	242,960
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	13,940	159,144	93,105
Expenditures to be made in future periods for the current period	<u>(27,379)</u>	<u>(100,151)</u>	<u>(118,911)</u>
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 38,237</u>	<u>\$ 264,024</u>	<u>\$ 217,154</u>
Our share of square feet leased	<u>391</u>	<u>1,933</u>	<u>1,920</u>
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 11.26</u>	<u>\$ 7.98</u>	<u>\$ 10.20</u>
Percentage of initial rent	<u>14.1%</u>	<u>9.7%</u>	<u>8.9%</u>

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Development and redevelopment expenditures:			
90 Park Avenue	\$ 3,447	\$ 33,308	\$ 29,937
606 Broadway	2,765	4,234	-
304 Canal Street	2,128	5,941	1,405
Penn Plaza	1,274	11,904	17,701
Marriott Marquis Times Square - retail and signage	1,266	9,283	21,929
640 Fifth Avenue	1,090	46,282	17,899
330 West 34th Street	228	5,492	32,613
Other	<u>619</u>	<u>1,759</u>	<u>6,695</u>
	<u>\$ 12,817</u>	<u>\$ 118,203</u>	<u>\$ 128,179</u>

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

WASHINGTON, DC SEGMENT

(unaudited and in thousands, except per square foot amounts)

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 4,485	\$ 24,745	\$ 25,589
Tenant improvements	28,544	12,712	51,497
Leasing commissions	4,776	4,067	6,761
Non-recurring capital expenditures	1,265	8,725	34,428
Total capital expenditures and leasing commissions (accrual basis)	39,070	50,249	118,275
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	10,649	71,935	35,805
Expenditures to be made in future periods for the current period	(30,002)	(16,357)	(73,227)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 19,717</u>	<u>\$ 105,827</u>	<u>\$ 80,853</u>
Our share of square feet leased	525	1,350	1,847
Tenant improvements and leasing commissions per square foot per annum	<u>\$ 7.62</u>	<u>\$ 4.67</u>	<u>\$ 6.41</u>
Percentage of initial rent	<u>17.7%</u>	<u>11.6%</u>	<u>15.9%</u>

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Development and redevelopment expenditures:			
The Bartlett	\$ 6,315	\$ 67,580	\$ 103,878
1700 M Street	2,503	5,299	2,695
2221 South Clark Street (residential conversion)	8	15,939	23,711
Other	5,252	51,564	38,001
	<u>\$ 14,078</u>	<u>\$ 140,382</u>	<u>\$ 168,285</u>

**CAPITAL EXPENDITURES,
TENANT IMPROVEMENTS AND LEASING COMMISSIONS**

OTHER

(unaudited and in thousands)

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Capital expenditures (accrual basis):			
Expenditures to maintain assets	\$ 1,552	\$ 22,047	\$ 41,874
Tenant improvements	8,216	9,923	33,330
Leasing commissions	1,602	2,396	8,221
Non-recurring capital expenditures	146	5,589	1,207
Total capital expenditures and leasing commissions (accrual basis)	11,516	39,955	84,632
Adjustments to reconcile to cash basis:			
Expenditures in the current year applicable to prior periods	9,221	37,022	27,843
Expenditures to be made in future periods for the current period	(739)	(1,402)	(30,331)
Total capital expenditures and leasing commissions (cash basis)	<u>\$ 19,998</u>	<u>\$ 75,575</u>	<u>\$ 82,144</u>

	Three Months Ended	Year Ended December 31,	
	March 31, 2017	2016	2015
Development and redevelopment expenditures:			
220 Central Park South	\$ 66,284	\$ 303,974	\$ 158,014
315/345 Montgomery Street (555 California Street)	3,294	9,150	-
theMART	1,034	24,788	588
Wayne Towne Center	481	8,461	20,633
Other	239	1,607	15,120
	<u>\$ 71,332</u>	<u>\$ 347,980</u>	<u>\$ 194,355</u>

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
			Average Annual Rent PSF (1)	Total Property	In Service	Under Development or Not Available for Lease		
NEW YORK:								
Penn Plaza:								
One Penn Plaza								
(ground leased through 2098)								
-Office	100.0 %	91.6 %	\$ 62.14	2,254,000	2,254,000	-		Cisco, Lion Resources,
								Parsons Brinckerhoff, Symantec Corporation, United Health Care, URS Corporation Group Counseling
-Retail	100.0 %	98.8 %	129.87	271,000	271,000	-		Bank of America, Kmart Corporation,
	100.0 %	92.3 %	69.41	2,525,000	2,525,000	-	\$ -	Shake Shack, Starbucks
Two Penn Plaza								
-Office	100.0 %	99.3 %	57.08	1,582,000	1,582,000	-	575,000	EMC, Information Builders, Inc., Madison Square Garden, McGraw-Hill Companies, Inc.
-Retail	100.0 %	86.4 %	205.85	49,000	49,000	-	-	Chase Manhattan Bank
	100.0 %	98.9 %	61.55	1,631,000	1,631,000	-	575,000	
Eleven Penn Plaza								
-Office	100.0 %	99.5 %	58.43	1,115,000	1,115,000	-	450,000	Macy's, Madison Square Garden, AMC Networks, Inc.
-Retail	100.0 %	85.2 %	145.89	36,000	36,000	-	-	PNC Bank National Association, Starbucks, Madison Square Garden
	100.0 %	99.1 %	61.16	1,151,000	1,151,000	-	450,000	
100 West 33rd Street								
-Office	100.0 %	98.2 %	61.59	855,000	855,000	-	398,402	IPG and affiliates
Manhattan Mall								
-Retail	100.0 %	93.2 %	133.84	256,000	256,000	-	181,598	JCPenney, Aeropostale, Express, Starbucks
330 West 34th Street								
(ground leased through 2149 - 34.8% ownership interest in the land)								
-Office	100.0 %	95.0 %	59.72	691,000	691,000	-	50,150	New York & Company, Inc., Structure Tone, Deutsch, Inc., Yodle, Inc., Footlocker, Home Advisor, Inc.*
-Retail	100.0 %	-	-	18,000	18,000	-	-	
	100.0 %	92.6 %	59.72	709,000	709,000	-	50,150	
435 Seventh Avenue								
-Retail	100.0 %	100.0 %	284.02	43,000	43,000	-	97,482	Hennes & Mauritz
7 West 34th Street								
-Office	53.0 %	100.0 %	63.01	458,000	458,000	-	300,000	Amazon
-Retail	53.0 %	71.8 %	292.19	21,000	21,000	-	-	Amazon
	53.0 %	98.8 %	73.06	479,000	479,000	-	300,000	
484 Eighth Avenue								
-Retail	100.0 %	-	-	16,000	-	16,000	-	
431 Seventh Avenue								
-Retail	100.0 %	100.0 %	256.49	10,000	10,000	-	-	
488 Eighth Avenue								
-Retail	100.0 %	100.0 %	85.23	6,000	6,000	-	-	
267 West 34th Street								
-Retail	100.0 %	100.0 %	175.79	6,000	6,000	-	-	

NEW YORK SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):								
Penn Plaza (Continued):								
138-142 West 32nd Street								
-Retail	100.0 %	67.4 %	\$ 96.80	8,000	8,000	-	\$ -	
150 West 34th Street								
-Retail	100.0 %	100.0 %	70.28	78,000	78,000	-	205,000	Old Navy
137 West 33rd Street								
-Retail	100.0 %	100.0 %	94.67	3,000	3,000	-	-	
265 West 34th Street								
-Retail	100.0 %	100.0 %	493.49	3,000	3,000	-	-	
131-135 West 33rd Street								
-Retail	100.0 %	100.0 %	39.62	23,000	23,000	-	-	
486 Eighth Avenue								
-Retail	100.0 %	-	-	3,000	-	3,000	-	
Total Penn Plaza				7,805,000	7,786,000	19,000	2,257,632	
Midtown East:								
909 Third Avenue (ground leased through 2063)								
-Office	100.0 %	96.5 %	58.91 (3)	1,346,000	1,346,000	-	350,000	IPG and affiliates, Forest Laboratories, Geller & Company, Morrison Cohen LLP, Robeco USA Inc., United States Post Office, The Procter & Gamble Distributing LLC
150 East 58th Street								
-Office	100.0 %	96.7 %	71.61	544,000	544,000	-	-	Castle Harlan, Tournesol Realty LLC (Peter Marino),
-Retail	100.0 %	13.9 %	17.86	2,000	2,000	-	-	
	100.0 %	96.4 %	71.41	546,000	546,000	-	-	
715 Lexington Avenue								
-Retail	100.0 %	100.0 %	249.41	23,000	23,000	-	-	New York & Company, Inc., Zales, Jonathan Adler
966 Third Avenue								
-Retail	100.0 %	100.0 %	90.93	7,000	7,000	-	-	McDonald's
968 Third Avenue								
-Retail	50.0 %	100.0 %	263.80	6,000	6,000	-	-	Capital One Financial Corporation
Total Midtown East				1,928,000	1,928,000	-	350,000	

NEW YORK SEGMENT

PROPERTY TABLE

Property	Ownership	%	Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
					Total	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):									
Midtown West:									
888 Seventh Avenue									
(ground leased through 2067)									
-Office	100.0 %		95.5 %	\$ 92.91	872,000	872,000	-	\$ 375,000	TPG-Axon Capital, Lone Star US Acquisitions LLC, Pershing Square Capital Management, Hutchin Hill*
-Retail	100.0 %		100.0 %	252.83	15,000	15,000	-	-	Vornado Executive Headquarters
	100.0 %		95.6 %	95.61	887,000	887,000	-	375,000	Redeye Grill L.P.
57th Street - 2 buildings									
-Office	50.0 %		88.5 %	56.23	81,000	81,000	-	19,625	Various
-Retail	50.0 %		100.0 %	125.74	22,000	22,000	-	-	
	50.0 %		90.9 %	71.07	103,000	103,000	-	19,625	
825 Seventh Avenue									
-Office	50.0 %		100.0 %	78.70	165,000	165,000	-	20,500	Young & Rubicam
-Retail	100.0 %		100.0 %	269.72	4,000	4,000	-	-	Lindy's
	51.2 %		100.0 %	83.22	169,000	169,000	-	20,500	
Total Midtown West					1,159,000	1,159,000	-	415,125	
Park Avenue:									
280 Park Avenue									
-Office	50.0 %		96.5 %	98.05	1,228,000	1,228,000	-	900,000	Cohen & Steers Inc., GIC Inc., Franklin Templeton Co. LLC, PJT Partners, Investcorp International Inc., Wells Fargo Scottrade Inc., Starbucks, The Four Seasons Restaurant
-Retail	50.0 %		100.0 %	96.50	26,000	26,000	-	-	
	50.0 %		96.6 %	98.02	1,254,000	1,254,000	-	900,000	
350 Park Avenue									
-Office	100.0 %		100.0 %	100.25	554,000	554,000	-	400,000	Kissinger Associates Inc., Ziff Brothers Investment Inc., MFA Financial Inc., M&T Bank Fidelity Investment, AT&T Wireless, Valley National Bank
-Retail	100.0 %		100.0 %	213.80	17,000	17,000	-	-	
	100.0 %		100.0 %	103.63	571,000	571,000	-	400,000	
Total Park Avenue					1,825,000	1,825,000	-	1,300,000	
Grand Central:									
90 Park Avenue									
-Office	100.0 %		96.3 %	76.25	937,000	937,000	-	-	Alston & Bird, Amster, Rothstein & Ebenstein, Capital One, Factset Research Systems Inc., Foley & Lardner, PricewaterhouseCoopers LLP*
-Retail	100.0 %		100.0 %	130.42	24,000	24,000	-	-	Citibank, Starbucks
	100.0 %		96.4 %	77.60	961,000	961,000	-	-	
330 Madison Avenue									
-Office	25.0 %		97.4 %	73.54	809,000	809,000	-	150,000	Guggenheim Partners LLC, HSBC Bank AFS, Glencore Ltd.*, Jones Lang LaSalle Inc., Wells Fargo, American Century
-Retail	25.0 %		100.0 %	312.18	33,000	33,000	-	-	
	25.0 %		97.5 %	82.89	842,000	842,000	-	150,000	
510 Fifth Avenue									
-Retail	100.0 %		100.0 %	145.85	66,000	66,000	-	-	The North Face, Elie Tahari
Total Grand Central					1,869,000	1,869,000	-	150,000	

NEW YORK SEGMENT

PROPERTY TABLE

Property	Ownership	%	Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
					Total Property	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):									
Madison/Fifth:									
640 Fifth Avenue									
-Office	100.0 %		90.6 %	\$ 89.46	245,000	245,000	-		Fidelity Investments, Owl Creek Asset Management LP,
-Retail	100.0 %		96.1 %	906.66	68,000	68,000	-		Stifel Financial Corp., GCA Savvian Inc. Victoria's Secret (guaranteed by L Brands, Inc.), Dyson*
	100.0 %		91.8 %	266.99	313,000	313,000	-	\$ -	
666 Fifth Avenue									
-Office (Office Condo)	49.5 %		-	-	1,403,000	-	1,403,000	1,400,809	Colliers International NY LLC,
-Retail (Office Condo)	49.5 %		-	-	45,000	-	45,000	-	Integrated Holding Group, Vinson & Elkins LLP
-Retail (Retail Condo)	100.0 % (4)		100.0 %	437.96	114,000	114,000	-	390,000	HSBC Bank USA, Citibank
			100.0 %	437.96	1,562,000	114,000	1,448,000	1,790,809	Fast Retailing (Uniqlo), Hollister, Tissot
595 Madison Avenue									
-Office	100.0 %		92.9 %	79.42	294,000	294,000	-		Beauvais Carpets, Levin Capital Strategies LP,
-Retail	100.0 %		36.0 %	1,205.96	30,000	30,000	-		Cosmetech Mably Int'l LLC.
	100.0 %		87.6 %	183.73	324,000	324,000	-	-	Coach
650 Madison Avenue									
-Office	20.1 %		94.9 %	111.42	525,000	525,000	-	800,000	Memorial Sloan Kettering Cancer Center, Polo Ralph Lauren,
-Retail	20.1 %		92.0 %	1,219.46	67,000	27,000	40,000	-	Willett Advisors LLC
	20.1 %		94.6 %	236.82	592,000	552,000	40,000	800,000	Bottega Veneta Inc., Moncler USA Inc.
689 Fifth Avenue									
-Office	100.0 %		90.0 %	78.24	82,000	82,000	-		Yamaha Artist Services Inc., Brunello Cucinelli USA Inc.
-Retail	100.0 %		100.0 %	811.42	17,000	17,000	-		MAC Cosmetics, Massimo Dutti
	100.0 %		91.7 %	204.14	99,000	99,000	-	-	
655 Fifth Avenue									
-Retail	92.5 %		100.0 %	222.18	57,000	57,000	-	140,000	Ferragamo
697-703 Fifth Avenue (St. Regis - retail)									
-Retail	74.3 %		100.0 %	2,513.33	26,000	26,000	-	450,000	Swatch Group USA, Harry Winston
Total Madison/Fifth					2,973,000	1,485,000	1,488,000	3,180,809	
Midtown South:									
770 Broadway									
-Office	100.0 %		98.0 %	80.72	990,000	990,000	-	700,000	Facebook, AOL (Verizon), J. Crew
-Retail	100.0 %		100.0 %	56.17	168,000	168,000	-	-	Ann Taylor Retail Inc., Bank of America, Kmart Corporation
	100.0 %		98.3 %	77.16	1,158,000	1,158,000	-	700,000	
One Park Avenue									
-Office	55.0 %		96.3 %	52.69	870,000	870,000	-	300,000	New York University, Clarins USA Inc., Public Service Mutual Insurance, Robert A.M. Stern Architect*
-Retail	55.0 %		100.0 %	64.58	79,000	79,000	-	-	automotiveMastermind*
	55.0 %		96.7 %	53.68	949,000	949,000	-	300,000	Bank of Baroda, Citibank, Equinox, Men's Wearhouse
4 Union Square South									
-Retail	100.0 %		100.0 %	100.70	206,000	206,000	-	115,513	Burlington Coat Factory, Whole Foods Market, DSW, Forever 21
692 Broadway									
-Retail	100.0 %		100.0 %	88.05	36,000	36,000	-	-	Equinox, AOL
Other									
-Retail	50.0 %		-	-	36,000	-	36,000	30,000	
Total Midtown South					2,385,000	2,349,000	36,000	1,145,513	

NEW YORK SEGMENT

PROPERTY TABLE

Property	Ownership	Occupancy	Weighted	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
			Average Annual Rent PSF (1)	Total Property	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):								
Rockefeller Center:								
1290 Avenue of the Americas								
-Office	70.0 %	99.5 %	\$ 80.32	2,031,000	2,031,000	-	\$ 950,000	AXA Equitable Life Insurance, Hachette Book Group Inc., Bryan Cave LLP, Neuberger Berman Group LLC, SSB Realty LLC, Cushman & Wakefield, Fitzpatrick,
-Retail	70.0 %	100.0 %	170.83	79,000	79,000	-	-	Cella, Harper & Scinto, Columbia University Duane Reade, JPMorgan Chase Bank, Sovereign Bank, Starbucks
	70.0 %	99.5 %	83.71	2,110,000	2,110,000	-	950,000	
608 Fifth Avenue								
(ground leased through 2033)								
-Office	100.0 %	96.2 %	61.49	93,000	93,000	-	-	
-Retail	100.0 %	100.0 %	453.98	44,000	44,000	-	-	Topshop
	100.0 %	97.4 %	187.55	137,000	137,000	-	-	
Total Rockefeller Center				2,247,000	2,247,000	-	950,000	
Wall Street/Downtown:								
40 Fulton Street								
-Office	100.0 %	93.5 %	39.78	245,000	245,000	-	-	Market News International Inc., Sapient Corp.
-Retail	100.0 %	100.0 %	101.90	5,000	5,000	-	-	TD Bank
	100.0 %	93.7 %	41.02	250,000	250,000	-	-	
Soho:								
478-486 Broadway - 2 buildings								
-Retail	100.0 %	100.0 %	239.17	65,000	65,000	-	-	Topshop, Madewell, J. Crew
-Residential (10 units)	100.0 %	100.0 %	-	20,000	20,000	-	-	
	100.0 %	-	-	85,000	85,000	-	-	
443 Broadway								
-Retail	100.0 %	100.0 %	112.57	16,000	16,000	-	-	Necessary Clothing
304 Canal Street								
-Retail	100.0 %	-	-	4,000	-	4,000	-	
-Residential (4 units)	100.0 %	-	-	9,000	-	9,000	-	
	100.0 %	-	-	13,000	-	13,000	-	
334 Canal Street								
-Retail	100.0 %	-	-	4,000	4,000	-	-	
-Residential (4 units)	100.0 %	75.0 %	-	11,000	11,000	-	-	
	100.0 %	-	-	15,000	15,000	-	-	
155 Spring Street								
-Retail	100.0 %	100.0 %	124.54	50,000	50,000	-	-	Vera Bradley
148 Spring Street								
-Retail	100.0 %	100.0 %	183.13	8,000	8,000	-	-	Dr. Martens
150 Spring Street								
-Retail	100.0 %	100.0 %	274.25	6,000	6,000	-	-	Sandro
-Residential (1 unit)	100.0 %	100.0 %	-	1,000	1,000	-	-	
	100.0 %	-	-	7,000	7,000	-	-	
Other								
-Residential (26 units)	100.0 %	96.2 %	-	35,000	35,000	-	-	
Total Soho				229,000	216,000	13,000	-	

NEW YORK SEGMENT

PROPERTY TABLE

Property	Ownership	Occupancy	Weighted	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
			Average Annual Rent PSF (1)	Total Property	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):								
Times Square:								
1540 Broadway								Forever 21, Planet Hollywood, Disney, Sunglass Hut,
-Retail	100.0 %	100.0 %	\$ 247.16	160,000	160,000	-	\$ -	MAC Cosmetics, U.S. Polo
1535 Broadway (Marriott Marquis - retail and signage) (ground and building leased through 2032)								
-Retail	100.0 %	31.6 %	2,171.27	46,000	46,000	-		T-Mobile, Invicta, Swatch Group USA, Laline
-Theatre	100.0 %	100.0 %	13.15	62,000	62,000	-		Nederlander-Marquis Theatre
	100.0 %	70.9 %	399.88	108,000	108,000	-	-	
Total Times Square				268,000	268,000	-	-	
Upper East Side:								
828-850 Madison Avenue								
-Retail	100.0 %	100.0 %	606.39	18,000	18,000	-	80,000	Gucci, Chloe, Cartier, Cho Cheng, Christoffe Silver Inc.
677-679 Madison Avenue								
-Retail	100.0 %	100.0 %	486.83	8,000	8,000	-		Berluti
-Residential (8 units)	100.0 %	50.0 %		5,000	5,000	-		
	100.0 %			13,000	13,000	-	-	
759-771 Madison Avenue (40 East 66th)								
-Residential (5 units)	100.0 %	100.0 %		12,000	12,000	-		
-Retail	100.0 %	100.0 %	1,110.84	11,000	11,000	-		John Varvatos, Nespresso USA, J. Crew
	100.0 %			23,000	23,000	-	-	
1131 Third Avenue								
-Retail	100.0 %	100.0 %	149.59	23,000	23,000	-	-	Nike, Crunch LLC, J.Jill
Other								
-Retail - 2 buildings	100.0 %	100.0 %	-	15,000	15,000	-		
-Residential (8 units)	100.0 %	87.5 %		7,000	7,000	-		
	100.0 %			22,000	22,000	-	-	
Total Upper East Side				99,000	99,000	-	80,000	
Long Island City:								
33-00 Northern Boulevard (Center Building)								
-Office	100.0 %	99.5 %	33.10	471,000	471,000	-	60,519	The City of New York, NYC Transit Authority
Chelsea/Meatpacking District:								
260 Eleventh Avenue (ground leased through 2114)								
-Office	100.0 %	100.0 %	51.02	184,000	184,000	-	-	The City of New York
85 Tenth Avenue								Google, General Services Administration, Telehouse International Corp., L-3 Communications,
-Office	49.9 %	100.0 %	85.18	586,000	586,000	-	625,000	Moet Hennessy USA. Inc.
-Retail	49.9 %	100.0 %	76.41	40,000	40,000	-	-	IL Posto LLC, Toro NYC Restaurant, L'Atelier
	49.9 %	100.0 %	84.63	626,000	626,000	-	625,000	
Total Chelsea/Meatpacking District				810,000	810,000	-	625,000	

NEW YORK SEGMENT

PROPERTY TABLE

Property	%	%	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total	Under Development or Not Available for Lease	In Service		
Ownership	Occupancy			Property	In Service	for Lease		
NEW YORK (Continued):								
Upper West Side:								
50-70 W 93rd Street								
-Residential (326 units)	49.9 %	95.4 %		283,000	283,000	-	\$ 80,000	
Tribeca:								
Independence Plaza, Tribeca								
-Residential (1,327 units)	50.1 %	95.9 %		1,185,000	1,185,000	-	550,000	
-Retail	50.1 %	100.0 %	\$ 44.45	72,000	60,000	12,000	-	Duane Reade, Food Emporium
	50.1 %			1,257,000	1,245,000	12,000	550,000	
New Jersey:								
Paramus								
-Office	100.0 %	94.7 %	21.89	129,000	129,000	-	-	Vornado's Administrative Headquarters
Washington D.C.:								
3040 M Street								
-Retail	100.0 %	86.7 %	58.11	44,000	44,000	-	-	Nike
Properties to be Developed:								
512 West 22nd Street								
-Office	55.0 %	-	-	173,000	-	173,000	62,359	
61 Ninth Avenue (ground leased through 2115)								
-Office	45.1 %	-	-	147,000	-	147,000		
-Retail	45.1 %	-	-	23,000	-	23,000		Starbucks*
	45.1 %	-	-	170,000	-	170,000		
606 Broadway (19 East Houston Street)								
-Office	50.0 %	-	-	23,000	-	23,000	-	
-Retail	50.0 %	-	-	11,000	-	11,000	28,297	
	50.0 %	-	-	34,000	-	34,000	28,297	
Total Properties to be Developed				377,000	-	377,000	90,656	
New York Office:								
Total		96.8%	\$ 71.28	21,982,000	20,236,000	1,746,000	\$ 8,887,364	
Vornado's Ownership Interest		96.7%	\$ 69.11	17,832,000	16,965,000	867,000	\$ 6,023,545	
New York Retail:								
Total		95.5%	\$ 217.55	2,858,000	2,668,000	190,000	\$ 1,717,890	
Vornado's Ownership Interest		95.3%	\$ 214.54	2,556,000	2,463,000	93,000	\$ 1,562,391	
New York Residential:								
Total		95.6%		1,568,000	1,559,000	9,000	\$ 630,000	
Vornado's Ownership Interest		95.4%		835,000	826,000	9,000	\$ 315,470	

NEW YORK SEGMENT

PROPERTY TABLE

Property	Ownership	Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total	In Service	Under Development or Not Available for Lease		
NEW YORK (Continued):								
ALEXANDER'S, INC.:								
New York:								
731 Lexington Avenue, Manhattan								
-Office	32.4 %	100.0 %	\$ 114.66	889,000	889,000	-	\$ 300,000	Bloomberg Hennes & Mauritz, The Home Depot, The Container Store
-Retail	32.4 %	99.4 %	182.01	<u>174,000</u>	<u>174,000</u>	-	<u>350,000</u>	
	32.4 %	99.9 %	124.75	1,063,000	1,063,000	-	650,000	
Rego Park I, Queens (4.8 acres)	32.4 %	100.0 %	40.78	343,000	343,000	-	78,246	Sears, Burlington Coat Factory, Bed Bath & Beyond, Marshalls
Rego Park II (adjacent to Rego Park I),								
Queens (6.6 acres)	32.4 %	99.9 %	44.83	609,000	609,000	-	259,000	Century 21, Costco, Kohl's, TJ Maxx, Toys "R" Us
Flushing, Queens (5) (1.0 acre)	32.4 %	100.0 %	17.36	167,000	167,000	-	-	New World Mall LLC
The Alexander Apartment Tower, Rego Park, Queens, NY								
-Residential (312 units)	32.4 %	96.5 %	-	255,000	255,000	-	-	
New Jersey:								
Paramus, New Jersey								
(30.3 acres ground leased to IKEA through 2041)	32.4 %	100.0 %	-	-	-	-	68,000	IKEA (ground lessee)
Property to be Developed:								
Rego Park III (adjacent to Rego Park II),								
Queens, NY (3.4 acres)	32.4 %	-	-	-	-	-	-	
Total Alexander's	32.4 %	99.6 %	77.16	<u>2,437,000</u>	<u>2,437,000</u>	<u>-</u>	<u>1,055,246</u>	
Hotel Pennsylvania:								
-Hotel (1,700 Keys)	100.0 %			<u>1,400,000</u>	<u>1,400,000</u>	-	-	
Total New York		96.9%	\$ 85.56	30,245,000	28,300,000	1,945,000	\$ 12,290,500	
Vornado's Ownership Interest		96.6%	\$ 73.28	23,413,000	22,444,000	969,000	\$ 8,243,306	

* Lease not yet commenced.

- (1) Weighted average annual rent per square foot for office properties excludes garages and diminuous amounts of storage space. Weighted average annual rent per square foot for retail excludes non-selling space.
(2) Represents the contractual debt obligations.
(3) Excludes US Post Office leased through 2038 (including four five-year renewal options) for which the annual escalated rent is \$11.70 PSF.
(4) 75,000 square feet is leased from the office condo.
(5) Leased by Alexander's through January 2037.

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
WASHINGTON, DC:								
Crystal City:								
2011-2451 Crystal Drive - 5 buildings	100.0%	87.8%	\$ 44.27	2,325,000	2,325,000	-	\$ 215,689	General Services Administration, Lockheed Martin, Finmeccanica, Conservation International, Smithsonian Institution, Natl. Consumer Coop. Bank, Council on Foundations, Vornado/Charles E. Smith Headquarters Food Marketing Institute, American Diabetes Association
S. Clark Street/12th Street - 5 buildings	100.0%	82.7%	36.96	1,541,000	1,541,000	-	53,179	General Services Administration, L-3 Communications, The Int'l Justice Mission, Management Systems International
1550-1750 Crystal Drive/ 241-251 18th Street - 4 buildings	100.0%	85.7%	38.85	1,474,000	1,204,000	270,000 *	36,939	General Services Administration, Chemonics, Dominion Dental, Booz Allen, Arete Associates, Battelle Memorial Institute
1800, 1851 and 1901 South Bell Street - 3 buildings	100.0%	100.0%	41.87	869,000	377,000	492,000 *	-	General Services Administration, Leidos Innovation Corp. University of Phoenix, Inc.
2100/2200 Crystal Drive - 2 buildings	100.0%	71.1%	39.58	532,000	532,000	-	-	General Services Administration, Deloitte LLP, Public Broadcasting Service
223 23rd Street	100.0%	-	-	147,000	-	147,000 *	-	
2001 Jefferson Davis Highway	100.0%	53.1%	33.19	161,000	161,000	-	-	Institute for the Psychology Sciences
Crystal City Shops at 2100	100.0%	94.6%	23.91	80,000	80,000	-	-	Various
Crystal Drive Retail	100.0%	100.0%	51.51	57,000	57,000	-	-	Various
Total Crystal City	100.0%	84.8%	40.60	7,186,000	6,277,000	909,000	305,807	
Central Business District:								
1825-1875 Connecticut Avenue, NW Universal Buildings - 2 buildings	100.0%	99.0%	46.98	686,000	686,000	-	185,000	Family Health International, WeWork
1299 Pennsylvania Avenue, NW Warner Building	55.0%	99.6%	72.88	593,000	593,000	-	273,000	Baker Botts LLP, General Electric, Cooley LLP, Facebook, Live Nation, APCO Worldwide Inc.
2101 L Street, NW	100.0%	99.0%	68.33	380,000	380,000	-	142,676	Greenberg Traurig, LLP, US Green Building Council, American Insurance Association, RTKL Associates, DTZ
875 15th Street, NW - Bowen Building	100.0%	84.5%	70.72	231,000	231,000	-	-	Paul Hastings LLP, General Services Administration
1101 17th Street, NW	55.0%	97.9%	49.40	216,000	216,000	-	31,000	AFSCME, Verto Solutions
1730 M Street, NW (ground leased through 2061)	100.0%	91.3%	45.54	205,000	205,000	-	14,853	General Services Administration, IMA World Health, Equal Justice
1700 M Street	100.0%	-	-	333,000	-	333,000	28,728	

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
WASHINGTON, DC (Continued):								
Central Business District (Continued):								
1501 K Street, NW	5.0%	91.5%	\$ 68.70	402,000	402,000	-	\$ -	Sidley Austin LLP, UBS
1399 New York Avenue, NW	100.0%	79.1%	76.53	129,000	129,000	-	-	Abbott Laboratories, Abbvie US LLC, Chertoff Group LLC, SAP America Inc., Leland Stanford Jr. University, Genentech Inc.
Total Central Business District		95.4%	59.71	<u>3,175,000</u>	<u>2,842,000</u>	<u>333,000</u>	<u>675,257</u>	
Rosslyn/Ballston:								
2200/2300 Clarendon Blvd (Courthouse Plaza) - 2 buildings (ground leased through 2062)	100.0%	93.4%	46.71	639,000	639,000	-	11,000	Arlington County, General Services Administration, AMC Theaters, Social Impact
Rosslyn Plaza - 4 buildings	46.2%	66.6%	42.95	736,000	472,000	264,000 *	38,359	General Services Administration, Corporate Executive Board, Nathan Associates, Inc.
Total Rosslyn/Ballston		86.4%	45.91	<u>1,375,000</u>	<u>1,111,000</u>	<u>264,000</u>	<u>49,359</u>	
Reston:								
Commerce Executive - 3 buildings	100.0%	93.6%	34.93	<u>407,000</u>	393,000	14,000 *	-	Allworld Language Consultants, Kroll Associates Inc., BT North America, Applied Information Sciences, Clarabridge Inc.
Rockville/Bethesda:								
Democracy Plaza One (ground leased through 2084)	100.0%	99.0%	32.43	<u>214,000</u>	214,000	-	-	National Institutes of Health
Total Washington, DC office properties⁽³⁾								
		87.9%	\$ 46.49	12,357,000	10,837,000	1,520,000	\$ 1,030,423	
Vornado's Ownership Interest								
		87.8%	\$ 44.86	11,217,000	9,846,000	1,371,000	\$ 874,600	

WASHINGTON, DC SEGMENT

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
WASHINGTON, DC (Continued):								
Residential:								
For rent residential:								
RiverHouse Apartments - 3 buildings (1,670 units)	100.0%	97.5%	\$ -	1,802,000	1,802,000	-	\$ 307,710	
WestEnd25 (283 units)	100.0%	97.9%	-	273,000	273,000	-	100,455	
220 20th Street (265 units)	100.0%	98.5%	-	269,000	269,000	-	68,041	
2221 South Clark Street (216 units)	100.0%	100.0%	-	171,000	171,000	-	-	WeWork (residential and office)
The Bartlett - 1 building								
-Residential (699 units)	100.0%	86.4%	-	577,000	499,000	78,000	-	
-Retail	100.0%	100.0%	-	43,000	43,000	-	-	Whole Foods
	100.0%			620,000	542,000	78,000	-	
Rosslyn Plaza - 2 buildings (196 units)	43.7%	99.0%	-	253,000	253,000	-	-	
Total Residential		97.9%	-	3,388,000	3,310,000	78,000	476,206	
Other:								
Crystal City Hotel	100.0%	100.0%	-	266,000	266,000	-	-	
Met Park/Warehouses - 1 building	100.0%	100.0%	-	129,000	53,000	76,000 *	-	
Other - 3 buildings	100.0%	100.0%	-	11,000	11,000	-	-	
Total Other		100.0%		406,000	330,000	76,000	-	
Total Washington, DC		90.2%	\$ 46.49	16,151,000	14,477,000	1,674,000	\$ 1,506,629	
Vornado's Ownership Interest		90.2%	\$ 44.86	14,869,000	13,344,000	1,525,000	\$ 1,350,806	

* We do not capitalize interest or real estate taxes on this space.

- (1) Weighted average annual rent per square foot excludes ground rent, storage rent, garages and residential.
(2) Represents the contractual debt obligations.
(3) Reclassified Fashion Centre Mall/Washington Tower from the Washington, DC segment to Other.

OTHER

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (2)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
555 California Street:								
555 California Street	70.0%	98.9%	\$ 70.12	1,504,000	1,504,000	-	\$ 577,407	Bank of America, Dodge & Cox, Goldman Sachs & Co., Jones Day, Kirkland & Ellis LLP, Morgan Stanley & Co. Inc., McKinsey & Company Inc., UBS Financial Services, KKR Financial, Microsoft Corporation, Fenwick & West LLP
315 Montgomery Street	70.0%	55.6%	58.00	233,000	233,000	-	-	Bank of America, Regus, Ripple Labs Inc.
345 Montgomery Street	70.0%	-	-	64,000	-	64,000	-	
Total 555 California Street		93.1%	\$ 69.15	1,801,000	1,737,000	64,000	\$ 577,407	
Vornado's Ownership Interest		93.1%	\$ 69.15	1,261,000	1,216,000	45,000	\$ 404,185	
theMART:								
theMART, Chicago								
								Motorola Mobility (guaranteed by Google), CCC Information Services, Ogilvy Group (WPP), Publicis Groupe (MSL Group, Medicus Group, Razorfish), 1871, Yelp Inc., Paypal, Inc., Allscripts Healthcare, Chicago School of Professional Psychology, Innovation Development Institute, Inc., Chicago Teachers Union,
-Office	100.0%	99.2%	\$ 36.60	2,003,000	2,003,000	-	-	ConAgra Foods Inc., Allstate Insurance Company, Steelcase, Baker, Knapp & Tubbs, Holly Hunt Ltd., Allsteel Inc., Herman Miller Inc., Knoll Inc., Teknion LLC
-Showroom/Trade show	100.0%	98.5%	46.25	1,554,000	1,554,000	-	-	
-Retail	100.0%	98.3%	46.57	<u>106,000</u>	<u>106,000</u>	-	-	
	100.0%	98.9%	40.94	3,663,000	3,663,000	-	\$ 675,000	
Other (2 properties)	50.0%	100.0%	37.35	19,000	19,000	-	33,522	
Total theMART		98.9%	\$ 40.92	3,682,000	3,682,000	-	\$ 708,522	
Vornado's Ownership Interest		98.9%	\$ 40.92	3,673,000	3,673,000	-	\$ 691,761	

(1) Weighted average annual rent per square foot excludes ground rent, storage rent and garages.
(2) Represents the contractual debt obligations.

REAL ESTATE FUND

PROPERTY TABLE

Property	Fund % Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Encumbrances (in thousands) (3)	Major Tenants
				Total Property	In Service	Under Development or Not Available for Lease		
VORNADO CAPITAL PARTNERS								
REAL ESTATE FUND:								
New York, NY:								
Lucida, 86th Street and Lexington Avenue								
(ground leased through 2082)								
- Retail	100.0%	100.0%	\$ 222.09	95,000	95,000	-		Barnes & Noble, Hennes & Mauritz, Sephora, Bank of America
- Residential (39 units)	100.0%	94.9%		59,000	59,000	-		
	100.0%			154,000	154,000	-	\$ 146,000	
11 East 68th Street Retail	100.0%	100.0%	685.97	11,000	11,000	-	60,000	Belstaff, Kent & Curwen, Rag & Bone
Crowne Plaza Times Square								
- Hotel (795 Keys)								
- Retail	75.3% (2)	100.0%	147.57	46,000	46,000	-		Hershey's, MAC Cosmetics
- Office	75.3% (2)	61.4%	44.33	194,000	194,000	-		American Management Association
	75.3% (2)	68.8%	64.12	240,000	240,000	-	310,000	
501 Broadway	100.0%	100.0%	263.57	9,000	9,000	-	23,000	Capital One
Culver City, CA:								
800 Corporate Pointe - 2 buildings	100.0%	98.0%	39.16	246,000	246,000	-	61,735	Ares Management LLC, Meredith Corp., West Publishing Corp., Syska Hennessy Group, Symantec Corp., X Prize Foundation
Miami, FL:								
1100 Lincoln Road								
- Retail	100.0%	96.3%	209.37	49,000	49,000	-		Anthropologie, Banana Republic
- Theatre	100.0%	100.0%	38.56	79,000	79,000	-		Regal Cinema
	100.0%	98.6%	102.68	128,000	128,000	-	66,000	
Total Real Estate Fund	92.5%	90.6%		788,000	788,000	-	\$ 666,735	
Vornado's Ownership Interest	27.4%	86.9%		216,000	216,000	-	\$ 147,541	

(1) Weighted average annual rent per square foot excludes ground rent, storage rent, garages and residential.

(2) Vornado's effective ownership through its Real Estate Fund and its co-investment is 33%.

(3) Represents the contractual debt obligations.

OTHER

PROPERTY TABLE

Property	% Ownership	% Occupancy	Weighted Average Annual Rent PSF (1)	Square Feet			Under Development or Not Available for Lease	Encumbrances (in thousands) (3)	Major Tenants
				Total	In Service				
				Property	Owned by Company	Owned By Tenant (2)			
OTHER:									
New Jersey:									
Wayne Town Center, Wayne (ground leased through 2064)	100.0%	100.0%	\$ 29.98	670,000	222,000	443,000	5,000	\$ -	JCPenney, Costco, Dick's Sporting Goods, Nordstrom Rack, 24 Hour Fitness
Maryland:									
Annapolis (ground and building leased through 2042)	100.0%	100.0%	8.99	128,000	128,000	-	-	-	The Home Depot
Virginia (Pentagon City):									
Fashion Centre Mall ⁽⁴⁾	7.5%	97.1%	49.47	869,000	869,000	-	-	410,000	Macy's, Nordstrom
Washington Tower ⁽⁴⁾	7.5%	100.0%	50.48	170,000	170,000	-	-	40,000	Computer Science Corp.
Total Other		98.6%	\$ 39.52	1,837,000	1,389,000	443,000	5,000	\$ 450,000	
Vornado's Ownership Interest		99.8%	\$ 28.61	876,000	428,000	443,000	5,000	\$ 34,000	

- (1) Weighted average annual rent per square foot excludes ground rent, storage rent, garages and residential.
(2) Owned by tenant on land leased from the company.
(3) Represents the contractual debt obligations.
(4) Reclassified to Other from the Washington, DC segment.