

Vornado to Support Sears-Kmart Merger

Company Release - 3/21/2005

PARAMUS, N.J.--(BUSINESS WIRE)--March 21, 2005--Vornado Realty Trust (NYSE:VNO) today announced that it will support the merger between Sears Roebuck and Co. (NYSE:S) and Kmart Holding Corporation (NASDAQ:KMRT) and that it will elect to receive stock as consideration in that merger. Vornado currently holds 1,176,600 shares of Sears stock and a derivative position for an additional 7,916,900 shares.

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. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

CONTACT: Vornado Realty Trust
Joseph Macnow, 201-587-1000

SOURCE: Vornado Realty Trust