

## Vornado Completes Acquisition of 37 Stores From Toys "R" Us

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PARAMUS, N.J.--(BUSINESS WIRE)--

VORNADO REALTY TRUST (NYSE:VNO) announced today that it has acquired 37 Toys "R" Us stores completing the first phase of its previously announced agreement to purchase up to 44 stores. The purchase price for these stores was \$171 million. These properties, of which 18 are owned in fee, 8 are ground leased and 11 are space leased, aggregate 1.5 million square feet and are primarily located in seven east coast states, Texas and California. Of these properties, 25 are leased or subleased to other retailers and 12 are currently vacant. All of these stores were part of the store closing program announced by Toys "R" Us in January 2006.

Vornado expects to purchase six of the remaining stores by the end of the first quarter of 2007, subject to landlords' consent, where applicable, and customary closing conditions. The seventh store Vornado had agreed to purchase from Toys "R" Us was sold to a third party.

Vornado owns a 32.9% interest in Toys "R" Us. Vornado's share of the gain recognized by Toys "R" Us on this transaction will be reflected as an adjustment to the Company's basis in this investment and will not be recorded as income.

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.

Source: Vornado Realty Trust

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