

PRESS RELEASE

Contact:

Joseph Macnow
(201) 587-1000



AUGUST 6, 1998

Vornado's operating results for the six months ended June 30, 1998.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today reported that funds from operations for the quarter ended June 30, 1998 were \$54.8 million, or \$.65 per diluted share, compared to \$15.0 million, or \$.28 per diluted share, for the quarter ended June 30, 1997. Net income applicable to common shares for the quarter ended June 30, 1998 was \$30.9 million, or \$.37 per diluted share, versus \$8.9 million, or \$.17 per diluted share, for the quarter ended June 30, 1997.

Funds from operations for the six months ended June 30, 1998 were \$99.2 million, or \$1.25 per diluted share, compared to \$27.2 million, or \$.51 per diluted share, for the prior year's period. Net income applicable to common shares for the six months ended June 30, 1998 was \$57.0 million, or \$.72 per diluted share, versus \$18.6 million, or \$.35 per diluted share, for the prior year's period.

1997's results reflect an expense of \$6.2 million, or \$.12 per share, in the quarter and \$12.5 million, or \$.23 per share, in the six months representing amortization of an officer's employment arrangement.

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