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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**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):  
**April 23, 2003**

**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.)

**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**

**N/A**  
(Former name or former address, if changed since last report)

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Item 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statements.

None

(b) Pro Forma Financial Information.

None

(c) Exhibits.

The following exhibit is furnished as part of this report:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, dated April 23, 2003.

Item 9. REGULATION FD DISCLOSURE

In accordance with guidance from the Securities and Exchange Commission in Release number 33-8216, the information furnished under this Item 9 ("Regulation FD Disclosure") is intended to be furnished under Item 12 ("Results of Operations and Financial Condition"). In accordance with General Instruction B.6 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed "filed" for the purpose of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

On April 23, 2003, Vornado Realty Trust (the "Company") issued a press release regarding the Company's revision of its definition of Funds From Operations to include straight-lining of rent. A copy of this press release is being furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VORNADO REALTY TRUST

(Registrant)

By: /s/ Joseph Macnow

Name: Joseph Macnow

Title: Executive Vice

President — Finance and Administration, Chief Financial  
Officer

Date: April 24, 2003

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EXHIBIT INDEX

99.1 Press Release, dated April 23, 2003.

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CONTACT: JOSEPH MACNOW  
(201) 587-1000



210 Route 4 East  
Paramus, NJ 07652

FOR IMMEDIATE RELEASE — APRIL 23, 2003

PARAMUS, NEW JERSEY....VORNADO REALTY TRUST (NYSE:VNO) today announced that in order to comply with the Securities and Exchange Commission's recent Regulation G concerning non-GAAP financial measures, adhere to NAREIT's definition of Funds From Operations (FFO) and to disclose FFO on a comparable basis with virtually all other companies in the industry, the Company will revise its definition of FFO to include the effect of straight-lining of rent. Effective with the first quarter of 2003, the Company will reflect this change retroactively to the earliest period being reported. Accordingly, FFO per share will increase as follows:

	As Previously Reported	Effect Of Change	As Restated
2002:			
Q1	\$ .98	\$ .06	\$ 1.04
Q2	.95	.06	1.01
Q3	.90	.06	.96
Q4	.79	.02(1)	.81
Total	<u>\$ 3.62</u>	<u>\$ .20</u>	<u>\$ 3.82</u>
2001	<u>\$ 3.79</u>	<u>\$ .21</u>	<u>\$ 4.00</u>
2000	<u>\$ 3.45</u>	<u>\$ .26</u>	<u>\$ 3.71</u>

(1) Net of a \$.03 allowance for uncollectible rents.

Since, in accordance with GAAP, the effect of straight-lining of rent has always been included in reported net income, this change will not have an impact on net income. A reconciliation of Net Income to FFO, as restated for the above change is attached. Since Adjusted Funds From Operations (AFFO) already excludes the effect of straight-lining of rent, this change will not have an impact on AFFO.

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.

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The following tables reconcile net income and funds from operations as restated:

<u>(Amounts in thousands)</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Net income applicable to common shares	\$ 209,736	\$ 227,233	\$ 195,301
Cumulative effect of a change in accounting principle	30,129	4,110	—
Depreciation and amortization of real property	195,808	119,568	97,744
Amortization of below market leases, net	(12,634)	—	—
Appreciation of securities held in officer's deferred compensation trust	—	3,023	4,765
Net gains on sale of real estate	—	(12,445)	(10,965)
Net gain from condemnation proceeding	—	(3,050)	—
Proportionate share of adjustments to equity in net income of partially-owned entities to arrive at funds from operations:			
Depreciation and amortization of real property	51,881	65,588	63,791
Net gain on sales of real estate	(3,431)	(6,298)	—
Other	2,552	1,449	6,896
Minority interest in excess of preferential distributions	(50,498)	(20,049)	(20,043)
	<u>423,543</u>	<u>379,129</u>	<u>337,489</u>
Series A preferred shares	6,150	19,505	21,689
Funds from operations—diluted	<u>\$ 429,693</u>	<u>\$ 398,634</u>	<u>\$ 359,178</u>
Shares used for determining diluted funds from operations per share	<u>112,600</u>	<u>99,719</u>	<u>96,710</u>

(Amounts in thousands)	Total	Q4	Q3	Q2	Q1
Net income applicable to common shares	\$ 209,736	\$ 40,540	\$ 59,247	\$ 64,553	\$ 45,396
Cumulative effect of a change in accounting principle	30,129	—	—	—	30,129
Depreciation and amortization of real property	195,808	51,384	49,823	48,553	46,048
Amortization of below market leases, net	(12,634)	(3,283)	(3,117)	(3,117)	(3,117)
Proportionate share of adjustments to equity in net income of partially-owned entities to arrive at funds from operations:					
Depreciation and amortization of real property	51,881	13,957	12,140	12,903	12,881
Net gain on sales of real estate	(3,431)	—	(3,431)	—	—
Other	2,552	(1,552)	2,958	1,337	(191)
Minority interest in excess of preferential distributions	(50,498)	(10,767)	(11,140)	(11,559)	(17,032)
	423,543	90,279	106,480	112,670	114,114
Series A preferred shares	6,150	1,178	1,444	1,647	1,881
Funds from operations—diluted	\$ 429,693	\$ 91,457	\$ 107,924	\$ 114,317	\$ 115,995
Shares used for determining diluted funds from operations per share	112,600	112,796	112,858	113,563	111,520

Funds from operations (“FFO”) does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States of America and is not necessarily indicative of cash available to fund cash needs which is disclosed in the Consolidated Statements of Cash Flows for the applicable periods. There are no material legal or functional restrictions on the use of FFO. FFO should not be considered as an alternative to net income as an indicator of the Company’s operating performance or as an alternative to cash flows as a measure of liquidity. Management considers FFO a supplemental measure of operating performance and along with cash flow from operating activities, financing activities and investing activities, it provides investors with an indication of the ability of the Company to incur and service debt, to make capital expenditures and to fund other cash needs. FFO may not be comparable to similarly titled measures reported by other REITs since a number of REITs calculate FFO in a manner different from that used by NAREIT. FFO, as defined by NAREIT, represents net income applicable to common shares before depreciation and amortization, extraordinary items and gains or losses on sales of real estate. FFO as disclosed above has been modified from this definition to adjust primarily to exclude income arising from the amortization of acquired below market leases, net of above market leases.

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