

PRESS RELEASE

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Vornado's operating results for the year ended December 31, 1999.

SADDLE BROOK, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today reported that funds from operations for the year ended December 31, 1999 were \$293.8 million, or \$3.15 per diluted share, compared to \$218.9 million, or \$2.65 per diluted share, for the year ended December 31, 1998. Net income applicable to common shares for the year ended December 31, 1999 was \$169.1 million, or \$1.94 per diluted share, versus \$131.2 million, or \$1.59 per diluted share, for the previous year.

Funds from operations for the fourth quarter ended December 31, 1999 were \$77.0 million, or \$.81 per diluted share, compared to \$61.1 million, or \$.71 per diluted share, for the prior year's quarter. Net income applicable to common shares for the quarter ended December 31, 1999 was \$39.1 million, or \$.45 per diluted share, versus \$34.5 million, or \$.45 per diluted share, for the prior year's quarter.

1998's net income applicable to common shares reflects net gains in the third quarter and the year of \$9.6 million or \$.12 per share resulting from an insurance settlement and a condemnation proceeding. These gains were not included in Funds from operations.

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

VORNADO REALTY TRUST

OPERATING RESULTS FOR THE YEAR AND THREE MONTHS ENDED DECEMBER 31, 1999

(amounts in thousands, except per share amounts)	FOR THE YEAR ENDED	
	December 31, 1999	December 31, 1998 ⁽¹⁾
Revenues.....	<u>\$ 696,958</u>	<u>\$ 509,860</u>
Net income.....	\$ 202,519	\$ 152,854
Preferred stock dividends.....	<u>(33,438)</u>	<u>(21,690)</u>
Net income applicable to common shares.....	<u>\$ 169,081</u>	<u>\$ 131,164</u>
Funds from operations.....	<u>\$ 293,773</u>	<u>\$ 218,899</u>
Per Common Share:		
Net income		
Basic.....	<u>\$ 1.97</u>	<u>\$ 1.62</u>
Diluted.....	<u>\$ 1.94</u>	<u>\$ 1.59</u>
Average number of common shares and share equivalents outstanding.....	<u>87,287,810</u>	<u>82,655,950</u>
Funds from operations.....	<u>\$ 3.15</u>	<u>\$ 2.65</u>
Average number of common shares and share equivalents outstanding used for determining funds from operations per share.....	<u>93,301,556</u>	<u>82,655,950</u>
	FOR THE THREE MONTHS ENDED	
(amounts in thousands, except per share amounts)	December 31, 1999	December 31, 1998 ⁽¹⁾
Revenues.....	<u>\$ 183,651</u>	<u>\$ 150,454</u>
Net income.....	\$ 48,755	\$ 39,969
Preferred stock dividends.....	<u>(9,673)</u>	<u>(5,422)</u>
Net income applicable to common shares.....	<u>\$ 39,082</u>	<u>\$ 34,547</u>
Funds from operations.....	<u>\$ 77,044</u>	<u>\$ 61,110</u>
Per Common Share:		
Net income		
Basic.....	<u>\$.45</u>	<u>\$.41</u>

Diluted.....	<u>\$.45</u>	<u>\$.40</u>
Average number of common shares and share equivalents outstanding.....	<u>87,227,656</u>	<u>86,169,617</u>
Funds from operations.....	<u>\$.81</u>	<u>\$.71</u>
Average number of common shares and share equivalents outstanding used for determining funds from operations per share.....	<u>95,245,984</u>	<u>86,169,617</u>

(1) Operating results for the year ended December 31, 1998 includes net gains from an insurance settlement and a condemnation proceeding of \$9,649 or \$.12 per share.

Net income and net income per share for 1999 reflect a reduction for the nine months ended September 30, 1999 of \$2,236 or \$.03 per share to correct depreciation expense of a partially-owned entity. Funds from operations were not affected.