PRESS RELEASE

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VORNADO REALTY TRUST

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Vornado's operating results for the year ended December 31, 2001

PARAMUS, NEW JERSEY....VORNADO REALTY TRUST (NewYork Stock Exchange: VNO) today reported:

Year Ended-2001 Results

Funds from operations for the year ended December 31, 2001 was $376.5 million, or $3.78 per diluted share, compared to $335.2 million, or $3.47 per diluted share, for the year ended December 31, 2000. Net income applicable to common shares for the year ended December 31, 2001 was $227.2 million, or $2.47 per diluted share, versus $195.3 million, or $2.20 per diluted share, for the prior year's period.

Funds from operations and net income for the year ended December 31, 2001, include (i) a charge of $16.5 million resulting from the write-off of all of the Company's investments in technology companies, (ii) a charge of $5.2 million for the costs of acquisitions not consummated, (iii) a charge of $1.3 million for donations to the Twin Towers Fund and the NYC Fireman's Fund, (iv) a $15.7 million after-tax net gain on the sale of condominiums and (v) a charge of $7.4 million from the write-off of the Company's entire net investment in the Russian Tea Room. Funds from operations before these items and after minority interest was $389.4 million, or $3.90 per diluted share, a 12.4% increase over last year's $3.47 per diluted share.

Further, net income for the year ended December 31, 2001 includes the following items: (i) gains on the sale of real estate of $15.5 million, (ii) the Company"s $6.3 million share of Alexander's net'gain on sale of real estate,'(iii) the Company"s $1.2 million share of Alexander's extraordinary gain on early extinguishment of debt and (iv) a charge of $4.1 million resulting from the cumulative effect of the application of SFAS 133, "Accounting for Derivative Instruments and Hedging Activities". These items aggregate $18.9 million, or $.19 per diluted share of income. Funds from operations does not include these items.

Net income for the year ended December 31, 2000 includes a net gain on the sale of real estate of $11.0 million, or $.11 per diluted share and an extraordinary charge of $1.1 million, or $.01 per diluted share in connection with the prepayment of debt as part of a refinancing. Funds from operations does not include these items.

Fourth Quarter-2001 Results

Funds from operations for the quarter ended December 31, 2001 was $106.1 million, or $1.01 per diluted share, compared to $87.4 million, or $.90 per diluted share, for the quarter ended December 31, 2000. Net income applicable to common shares for the quarter ended December 31, 2001 was $55.6 million, or $.57 per diluted share, versus $42.1 million, or $.47 per diluted share, for the quarter ended December 31, 2000.

Funds from operations and net income for the quarter ended December 31, 2001 include the following items: (i) a $1.8 million after-tax net gain on the sale of condominiums, (ii) $1.5 million of income from the reversal of a deferred rent liability relating to the termination of an agreement with a technology company and (iii) a charge of $1.3 million for donations to the Twin Towers Fund and the NYC Fireman's Fund. Funds from operations before these items and after minority interest was $104.9 million, or $1.00 per diluted share, an 11.1% increase over last year's $.90 per diluted share.

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

VORNADO REALTY TRUST

OPERATING RESULTS FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2001

	FOR THE YEAR ENDED	
(amounts in thousands, except per share amounts)	December 31, 2001	December 31, 2000
Revenues	$ 985,773	$ 825,972
Income before cumulative effect of change in accounting principle and extraordinary item	$ 266,678	$ 235,116
Cumulative effect of change in accounting principle	(4,110)	--
Extraordinary item	1,170	(1,125)
Net income	263,738	233,991
Preferred stock dividends	(36,505)	(38,690)
Net income applicable to common shares	$ 227,233 (1)	$ 195,301 (2)

Funds from operations	$ 376,523(1)	$ 335,158
Per Common Share:		
Net income		
Basic	$ 2.55	$ 2.26
Diluted	$ 2.47	$ 2.20
Average number of common shares and share equivalents outstanding	92,073,000	88,692,000
Funds from operations	$ 3.78	$ 3.47
Average number of common shares and share equivalents outstanding used for determining funds from operations per share	99,719,000	96,710,000

(amounts in thousands, except per share amounts)	FOR THE THREE MONTHS ENDED December 31, 2001	December 31, 2000
Revenues	$ 246,823	$ 216,293
Net income	$ 64,337	$ 51,723
Preferred stock dividends	(8,736)	(9,673)
Net income applicable to common shares	$ 55,601(3)	$ 42,050
Funds from operations	$ 106,078(3)	$ 87,350
Per Common Share:		
Net income		
Basic	$ .59	$ .48
Diluted	$ .57	$ .47
Average number of common shares and share equivalents outstanding	97,169,000	89,149,000
Funds from operations	$ 1.01	$ .90
Average number of common shares and share equivalents outstanding used for determining funds from operations per share	104,815,000	97,168,000

(1) Funds from operations and net income for the year ended December 31, 2001, include (i) a charge of $16.5 million resulting from the write-off of all of the Company's investments in technology companies, (ii) a charge of $5.2 million for the costs of acquisitions not consummated, (iii) a charge of $1.3 million for donations to the Twin Towers Fund and the NYC Fireman's Fund, (iv) a $15.7 million after-tax net gain on the sale of condominiums and (v) a charge of $7.4 million from the write-off of the Company's entire net investment in the Russian Tea Room. Funds from operations before these items and after minority interest was $389.4 million, or $3.90 per diluted share, a 12.4% increase over last year's $3.47 per diluted share. Further, net income for the year ended December 31, 2001 includes the following items: (i) gains on the sale of real estate of $15.5 million, (ii) the Company's $6.3 million share of Alexander's net gain on sale of real estate, (iii) the Company's $1.2 million share of Alexander's extraordinary gain on early extinguishment of debt and (iv) a charge of $4.1 million resulting from the cumulative effect of the application of SFAS 133, "Accounting for Derivative Instruments and Hedging Activities". These items aggregate $18.9 million, or $.19 per diluted share of income. Funds from operations does not include these items.

(2) Net income for the year ended December 31, 2000 includes a net gain on the sale of real estate of $11.0 million, or $.11 per diluted share and an extraordinary charge of $1.1 million, or $.01 per diluted share in connection with the prepayment of debt as part of a refinancing. Funds from operations does not include these items.

(3) Funds from operations and net income for the quarter ended December 31, 2001 include the following items: (i) a $1.8 million after-tax net gain on the sale of condominiums, (ii) $1.5 million of income from the reversal of a deferred rent liability relating to the termination of an agreement with a technology company and (iii) a charge of $1.3 million for donations to the Twin Towers Fund and the NYC Fireman's Fund. Funds from operations before these items and after minority interest was $104.9 million, or $1.00 per diluted share, an 11.1% increase over last year's $.90 per diluted share.