

PRESS RELEASE

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Vornado's operating results for quarter ended September 30, 2000.

PARAMUS, NEW JERSEY.....VORNADO REALTY TRUST (NYSE:VNO) today reported that funds from operations for the quarter ended September 30, 2000 was \$84.6 million, or \$.87 per diluted share, compared to \$76.5 million, or \$.80 per diluted share, for the quarter ended September 30, 1999. Net income applicable to common shares for the quarter ended September 30, 2000 was \$58.4 million, or \$.65 per diluted share, versus \$44.5 million, or \$.51 per diluted share, for the quarter ended September 30, 1999.

Funds from operations for the nine months ended September 30, 2000 was \$247.8 million, or \$2.57 per diluted share, compared to \$216.9 million, or \$2.34 per diluted share, for the prior year's period. Net income applicable to common shares for the nine months ended September 30, 2000 was \$153.3 million, or \$1.73 per diluted share, versus \$130.0 million, or \$1.49 per diluted share, for the prior year's period.

Funds from operations and net income do not include rent of \$2.9 million or \$.03 per share in the quarter ended September 30, 2000 and \$5.3 million or \$.05 per share in the nine months ended September 30, 2000 from the Company's Temperature Controlled Logistics tenant.

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

VORNADO REALTY TRUST

OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2000

| (amounts in thousands, except per share amounts) | For the Three Months Ended | |
|---|-----------------------------------|--------------------|
| | September 30, 2000 ⁽¹⁾ | September 30, 1999 |
| Revenues | <u>\$ 215,655</u> | <u>\$ 182,821</u> |
| Net income | \$ 68,119 | \$ 54,159 |
| Preferred stock dividends..... | <u>(9,672)</u> | <u>(9,672)</u> |
| Net income applicable to common shares..... | <u>\$ 58,447</u> | <u>\$ 44,487</u> |
| Funds from operations..... | <u>\$ 84,629</u> | <u>\$ 76,462</u> |
| Per Common Share: | | |
| Net income: | | |
| Basic | <u>\$.68</u> | <u>\$.52</u> |
| Diluted..... | <u>\$.65</u> | <u>\$.51</u> |
| Average number of common shares and share equivalents outstanding | <u>89,713,419</u> | <u>87,489,161</u> |
| Funds from operations..... | <u>\$.87</u> | <u>\$.80</u> |
| Average number of common shares and share equivalents outstanding used for determining funds from operations per share... | <u>97,731,427</u> | <u>95,507,489</u> |
| | | |
| (amounts in thousands, except per share amounts) | | |
| | | |
| Revenues | <u>\$ 609,679</u> | <u>\$ 513,307</u> |
| Income before extraordinary item | \$ 183,393 | \$ 153,764 |
| Extraordinary item | <u>(1,125)</u> | <u>--</u> |
| Net income | 182,268 | 153,764 |
| Preferred stock dividends..... | <u>(29,017)</u> | <u>(23,765)</u> |
| Net income applicable to common shares..... | <u>\$ 153,251</u> | <u>\$ 129,999</u> |
| Funds from operations..... | <u>\$ 247,808</u> | <u>\$ 216,876</u> |
| Per Common Share: | | |
| Net income: | | |
| Basic | <u>\$ 1.77</u> | <u>\$ 1.52</u> |
| Diluted..... | <u>\$ 1.73</u> | <u>\$ 1.49</u> |
| Average number of common shares and share equivalents Outstanding | <u>88,623,325</u> | <u>87,337,518</u> |

| | | |
|--|-------------------|-------------------|
| Outstanding | <u>96,641,653</u> | <u>92,683,070</u> |
| Funds from operations | <u>\$ 2.57</u> | <u>\$ 2.34</u> |
| Average number of common shares and share equivalents | | |
| Outstanding used for determining funds from operations per share.. | <u>96,641,653</u> | <u>92,683,070</u> |

(1) Funds from operations and net income do not include rent of \$2.9 million or \$0.03 per share in the quarter ended September 30, 2000 and \$5.3 million or \$0.05 per share in the nine months ended September 30, 2000 from the Company's Temperature Controlled Logistics tenant.