



SL Green Realty Corp Announces Sale of 49.5% Interest in 485 Lexington Ave.

New York, NY, August 10, 2009 - SL Green Realty Corp. (NYSE: SLG) today announced that it has entered into a sale-purchase agreement to sell a 49.5% interest in 485 Lexington Avenue, NY, NY to a joint venture partnership comprised of Optibase Ltd. and Gilmore USA LLC, or "Green 485 JV LLC." The transaction results in an implied asset valuation of approximately \$504.2 million, or \$547 per square foot, and includes \$450 million of existing debt, which will remain outstanding. The implied cap rate of this transaction is 6.25%. The Company notes that the transaction is subject to certain conditions including the lender's approval of the transfer of ownership in Green 485 JV LLC and the lender's approval of substitute guarantors under the loan. There is no assurance that the conditions precedent contemplated in the sale-purchase agreement will be fulfilled or that the transaction will be consummated at such time or at all.

SL Green CEO Marc Holliday commented, "This is a first, but significant step towards the sale of interests in 485 Lexington Avenue. If ultimately approved, the transaction would demonstrate that the Midtown Manhattan office market continues to stand as one of the world's top locations and that investor interest is once again on the rise."

The 921,000 square foot office tower was acquired by SL Green in 2004. After acquiring the asset, SL Green immediately embarked upon a \$90 million capital repositioning program which included replacing all windows, installing a new lobby, replacing the retail storefronts, and upgrading the common corridors and elevators. The success of SL Green's repositioning efforts are evidenced by the building's renewed presence along the highly trafficked Lexington Avenue corridor and its current 96.8% occupancy to tenants including Citigroup, N.A. and The Traveler's Indemnity Corp.

Cushman & Wakefield acted on behalf of SL Green Realty Corp. for this transaction.

Company Profile

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust, or REIT, that predominantly acquires, owns, repositions and manages Manhattan office properties. The Company is the only publicly held REIT that specializes in this niche. As of June 30, 2009, the Company owned interests in 29 New York City office properties totaling approximately 23,211,200 square feet, making it New York's largest office landlord. In addition, at June 30, 2009, SL Green held investment interests in, among other things, eight retail properties encompassing approximately 400,212 square feet, three development properties encompassing approximately 399,800 square feet and two land interests, along with ownership interests in 32 suburban assets totaling 6,949,700 square feet in Brooklyn, Queens, Long Island, Westchester County, Connecticut and New Jersey.

To be added to the Company's distribution list or to obtain the latest news releases and other Company information, please visit our website at www.slgreen.com or contact Investor Relations at 212-216-1601.

Forward-looking Statement

This press release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are intended to be covered by the safe harbor provisions thereof. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including such matters as future management of debt obligations, are forward-looking statements. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate.

Forward-looking statements are not guarantees of future performance and actual results or developments may materially differ, and we caution you not to place undue reliance on such statements. Forward-looking statements are generally identifiable by the use of the words "may," "will," "should," "expect," "anticipate," "estimate," "believe," "intend," "project," "continue," or the negative of these words, or other similar words or terms.

Forward-looking statements contained in this press release are subject to a number of risks and uncertainties which may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by forward-looking statements made by us. These risks and uncertainties include the effect of the credit crisis on general economic, business and financial conditions, and on the New York Metro real estate market in particular; dependence upon certain geographic markets; availability of capital (debt and equity); and unanticipated increases in financing and other costs, including a rise in interest rates; our ability to comply with financial covenants in our debt instruments;

Other factors and risks to our business, many of which are beyond our control, are described in our filings with the Securities

and Exchange Commission. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of future events, new information or otherwise.

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