# Section 1: 8-K

**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, DC 20549**

**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):**
**February 24, 2014**

**VORNADO REALTY TRUST**
**(Exact Name of Registrant as Specified in Charter)**

| **Maryland** | **No. 001-11954** | **No. 22-1657560** |
|---|---|---|
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**VORNADO REALTY L.P.**
**(Exact Name of Registrant as Specified in Charter)**

| **Delaware** | **No. 001-34482** | **No. 13-3925979** |
|---|---|---|
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| **888 Seventh Avenue New York, New York** | **10019** |
|---|---|
| (Address of Principal Executive offices) | (Zip Code) |

Registrant’s telephone number, including area code: (212) 894-7000

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On February 24, 2014, Vornado Realty Trust (the "Company"), the general partner of Vornado Realty L.P., issued a press release announcing its financial results for the fourth quarter of 2013. That press release referred to certain supplemental financial information that is available on the Company's website. That press release and the supplemental financial information are attached to this Current Report on Form 8-K as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein.

Exhibits 99.1 and 99.2 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company or Vornado Realty L.P. under the Securities Act of 1933 or the Exchange Act.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are being furnished as part of this Current Report on Form 8-K:

99.1 Vornado Realty Trust press release dated February 24, 2014.

99.2 Vornado Realty Trust supplemental operating and financial data for the year ended December 31, 2013.

## SIGNATURE

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/ Stephen Theriot |
| Name: | Stephen Theriot |
| Title: | Chief Financial Officer (duly authorized officer and principal financial and accounting officer) |

Date: February 25, 2014

## SIGNATURE

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 L.P.**
(Registrant)
By: VORNADO REALTY TRUST,
Sole General Partner

| | |
|---|---|
| By: | /s/ Stephen Theriot |
| Name: | Stephen Theriot |
| Title: | Chief Financial Officer of Vornado Realty Trust, sole general partner of Vornado Realty L.P. (duly authorized officer and principal financial and accounting officer) |

Date: February 25, 2014

Exhibit Index

99.1 Vornado Realty Trust press release dated February 24, 2014.

99.2 Vornado Realty Trust supplemental operating and financial data for the year ended December 31, 2013.



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# Section 2: EX-99



| | | |
|---|---|---|
| CONTACT: | STEPHEN THERIOT | **EXHIBIT 99.1** |
| | (201) 587-1000 | |

VORNADO REALTY TRUST

210 Route 4 East

Paramus, NJ, 07652


FOR IMMEDIATE RELEASE – February 24, 2014

## Vornado Announces Fourth Quarter 2013 Financial Results.

PARAMUS, NEW JERSEY.......VORNADO REALTY TRUST (NYSE: VNO) filed its Form 10-K for the year ended December 31, 2013 today and reported:

***Fourth Quarter 2013 Results***

NET LOSS attributable to common shareholders for the quarter ended December 31, 2013 was $68.9 million, or $0.37 per diluted share, compared to net income of $62.6 million, or $0.33 per diluted share for the quarter ended December 31, 2012. Net loss for the quarter ended December 31, 2013 and net income for the quarter ended December 31, 2012 include $127.5 million and $281.5 million, respectively, of net gains on sale of real estate, and $32.9 million and $117.9 million, respectively, of real estate impairment losses. In addition, the quarters ended December 31, 2013 and 2012 include certain other items that affect comparability which are listed in the table below. Adjusting net income attributable to common shareholders for net gains on sale of real estate, real estate impairment losses and the items in the table below, net of amounts attributable to noncontrolling interests, net income attributable to common shareholders for the quarters ended December 31, 2013 and 2012 was $107.6 million and $77.4 million, or $0.57 and $0.41 per diluted share, respectively.

FUNDS FROM OPERATIONS attributable to common shareholders plus assumed conversions (“FFO”) for the quarter ended December 31, 2013 was a negative $6.8 million, or $0.04 per diluted share, compared to a positive $55.9 million, or $0.30 per diluted share for the prior year’s quarter. Adjusting FFO for certain items that affect comparability which are listed in the table below, FFO for the quarters ended December 31, 2013 and 2012 was $248.7 million and $207.3 million, or $1.33 and $1.11 per diluted share, respectively.

| (Amounts in thousands, except per share amounts) | For the Quarters Ended December 31, 2013 | 2012 |
|---|---|---|
| (Negative FFO) FFO (1) | $ (6,784) | $ 55,890 |
| Per Share | $ (0.04) | $ 0.30 |
| **Items that affect comparability income (expense):** | | |
| Toys "R" Us Negative FFO (including impairment losses of $162,215 and $40,000, respectively) | $ (282,041) | $ (61,358) |
| Acquisition related costs | (18,088) | (6,934) |
| Non-cash impairment loss on J.C. Penney common shares | - | (224,937) |
| Loss from the mark-to-market of J.C. Penney derivative position | - | (22,472) |
| Net gain on sale of land parcels and residential condominiums | 23,988 | - |
| FFO attributable to discontinued operations, including LNR and discontinued operations of Alexander's in 2012 | 1,671 | 46,365 |
| Accelerated amortization of discount on investment in subordinated debt of Independence Plaza | - | 60,396 |
| 1290 Avenue of the Americas and 555 California Street priority return and income tax benefit | - | 25,260 |
| Net gain resulting from Lexington Realty Trust's stock issuance | - | 14,116 |
| Other, net | 3,436 | 8,425 |
| | (271,034) | (161,139) |
| Noncontrolling interests' share of above adjustments | 15,555 | 9,778 |
| Items that affect comparability, net | $ (255,479) | $ (151,361) |

| | | |
|---|---|---|
| **FFO as adjusted for comparability** | **$ 248,695** | **$ 207,251** |
| **Per Share** | **$ 1.33** | **$ 1.11** |

(1) See page 4 for a reconciliation of our net (loss) income to (Negative FFO) FFO for the quarters ended December 31, 2013 and 2012.

***Year Ended 2013 Results***

NET INCOME attributable to common shareholders for the year ended December 31, 2013 was $392.0 million, or $2.09 per diluted share, compared to $549.3 million, or $2.94 per diluted share for the year ended December 31, 2012. Net income for the years ended December 31, 2013 and 2012 includes $412.1 million and $487.4 million, respectively, of net gains on sale of real estate, and $43.7 million and $141.6 million, respectively, of real estate impairment losses. In addition, the years ended December 31, 2013 and 2012 include certain other items that affect comparability which are listed in the table below. Adjusting net income attributable to common shareholders for net gains on sale of real estate, real estate impairment losses and the items in the table below, net of amounts attributable to noncontrolling interests, net income attributable to common shareholders for the years ended December 31, 2013 and 2012 was $395.3 million and $262.2 million, or $2.11 and $1.40 per diluted share, respectively.

FFO for the year ended December 31, 2013 was $641.0 million, or $3.41 per diluted share, compared to $818.6 million, or $4.39 per diluted share for the prior year. Adjusting FFO for certain items that affect comparability which are listed in the table below, FFO for the years ended December 31, 2013 and 2012 was $941.5 million and $778.5 million, or $5.01 and $4.18 per diluted share, respectively.

| (Amounts in thousands, except per share amounts) | For the Years Ended December 31, 2013 | 2012 |
|---|---|---|
| FFO (1) | $ 641,037 | $ 818,565 |
| Per Share | $ 3.41 | $ 4.39 |
| **Items that affect comparability income (expense):** | | |
| Toys "R" Us (Negative FFO) FFO (including impairment losses of $240,757 and $40,000, respectively) | $ (312,788) | $ 65,673 |
| Loss on sale of J.C. Penney common shares | (54,914) | - |
| Non-cash impairment loss on J.C. Penney common shares | (39,487) | (224,937) |
| Loss from the mark-to-market of J.C. Penney derivative position | (33,487) | (75,815) |
| Acquisition related costs | (24,857) | (11,248) |
| Preferred unit and share redemptions | (1,130) | 8,948 |
| Stop & Shop litigation settlement income | 59,599 | - |
| Net gain on sale of marketable securities, land parcels and residential condominiums | 58,245 | 13,347 |
| FFO attributable to discontinued operations, including LNR, and discontinued operations of Alexander's in 2012 | 33,928 | 153,179 |
| Accelerated amortization of discount on investment in subordinated debt of Independence Plaza | - | 60,396 |
| After-tax net gain on sale of Canadian Trade Shows | - | 19,657 |
| Net gain resulting from Lexington Realty Trust's stock issuance | - | 14,116 |
| 1290 Avenue of the Americas and 555 California Street priority return | - | 13,222 |
| Other, net | (3,890) | 6,196 |
| | (318,781) | 42,734 |
| Noncontrolling interests' share of above adjustments | 18,347 | (2,644) |
| Items that affect comparability, net | $ (300,434) | $ 40,090 |
| **FFO as adjusted for comparability** | **$ 941,471** | **$ 778,475** |
| **Per Share** | **$ 5.01** | **$ 4.18** |

(1) See page 4 for a reconciliation of our net (loss) income to FFO for the years ended December 31, 2013 and 2012.

Supplemental Financial Information

Further details regarding the Company's results of operations, properties and tenants can be accessed at the Company's website www.vno.com. Vornado Realty Trust is a fully – integrated equity real estate investment trust.



(tables to follow)

**VORNADO REALTY TRUST**
**OPERATING RESULTS FOR THE QUARTERS AND YEARS ENDED**
**DECEMBER 31, 2013 AND 2012**

| (Amounts in thousands, except per share amounts) | For The Quarters Ended December 31, | | For The Years Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| Revenues | $ 673,308 | $ 686,693 | $ 2,760,909 | $ 2,736,232 |
| (Loss) income from continuing operations | (168,474) | 51,936 | 140,227 | 402,188 |
| Income from discontinued operations | 129,715 | 39,957 | 424,513 | 292,353 |
| Net (loss) income | (38,759) | 91,893 | 564,740 | 694,541 |
| Less net income attributable to noncontrolling interests in: | | | | |
| Consolidated Subsidiaries | (13,903) | (1,090) | (63,952) | (32,018) |
| Operating Partnership | 4,155 | (3,882) | (23,659) | (35,327) |
| Preferred unit distributions of the Operating Partnership | (12) | (786) | (1,158) | (9,936) |
| Net (loss) income attributable to Vornado | (48,519) | 86,135 | 475,971 | 617,260 |
| Preferred share dividends | (20,368) | (20,750) | (82,807) | (76,937) |
| Preferred unit and share redemptions | - | (2,752) | (1,130) | 8,948 |
| Net (loss) income attributable to common shareholders | $ (68,887) | $ 62,633 | $ 392,034 | $ 549,271 |
| Net (loss) income per common share: | | | | |
| Basic | $ (0.37) | $ 0.34 | $ 2.10 | $ 2.95 |
| Diluted | $ (0.37) | $ 0.33 | $ 2.09 | $ 2.94 |
| Weighted average shares: | | | | |
| Basic | 187,109 | 186,267 | 186,941 | 185,810 |
| Diluted | 187,109 | 186,866 | 187,709 | 186,530 |
| (Negative FFO) FFO attributable to common shareholders plus assumed conversions | $ (6,784) | $ 55,890 | $ 641,037 | $ 818,565 |
| Per diluted share | $ (0.04) | $ 0.30 | $ 3.41 | $ 4.39 |
| FFO as adjusted for comparability | $ 248,695 | $ 207,251 | $ 941,471 | $ 778,475 |
| Per diluted share | $ 1.33 | $ 1.11 | $ 5.01 | $ 4.18 |
| Weighted average shares used in determining FFO per diluted share | 187,109 | 186,866 | 187,757 | 186,530 |

The following table reconciles our net (loss) income to (Negative FFO) FFO:

| (Amounts in thousands) | For The Quarters Ended December 31, | | For The Years Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| **Reconciliation of our net (loss) income to (Negative FFO) FFO:** | | | | |
| Net (loss) income attributable to Vornado | $ (48,519) | $ 86,135 | $ 475,971 | $ 617,260 |
| Depreciation and amortization of real property | 124,611 | 125,069 | 501,753 | 504,407 |
| Net gains on sale of real estate | (127,512) | (41,998) | (411,593) | (245,799) |
| Real estate impairment losses | 32,443 | 116,453 | 37,170 | 129,964 |
| Proportionate share of adjustments to equity in net income of Toys, to arrive at FFO: | | | | |
| Depreciation and amortization of real property | 16,506 | 17,777 | 69,741 | 68,483 |
| Real estate impairment losses | 456 | 1,430 | 6,552 | 9,824 |
| Income tax effect of above adjustments | (5,937) | (6,728) | (26,703) | (27,493) |
| Proportionate share of adjustments to equity in net income of partially owned entities, excluding Toys, to arrive at FFO: | | | | |
| Depreciation and amortization of real property | 25,282 | 20,387 | 87,529 | 86,197 |
| Net gains on sale of real estate | - | (239,551) | (465) | (241,602) |
| Real estate impairment losses | - | - | - | 1,849 |
| Noncontrolling interests' share of above adjustments | (3,746) | 418 | (15,089) | (16,649) |
| FFO | 13,584 | 79,392 | 724,866 | 886,441 |
| Preferred share dividends | (20,368) | (20,750) | (82,807) | (76,937) |
| Preferred unit and share redemptions | - | (2,752) | (1,130) | 8,948 |
| (Negative FFO) FFO attributable to common shareholders | (6,784) | 55,890 | 640,929 | 818,452 |
| Convertible preferred share dividends | - | - | 108 | 113 |
| (Negative FFO) FFO attributable to common shareholders plus assumed conversions | $ (6,784) | $ 55,890 | $ 641,037 | $ 818,565 |

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FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flows as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of our net income to FFO is provided above. In addition to FFO, we also disclose FFO before certain items that affect comparability. Although this non-GAAP measure clearly differs from NAREIT's definition of FFO, we believe it provides a meaningful presentation of operating performance. A reconciliation of FFO to FFO as adjusted for comparability is provided on page 1 and page 2 of this press release.

***Conference Call and Audio Webcast***

As previously announced, the Company will host a quarterly earnings conference call and audio webcast on February 25, 2014 at 10:00 a.m. Eastern Time (ET). The conference call can be accessed by dialing 800-708-4539 (domestic) or 847-619-6396 (international) and indicating to the operator the passcode 36581010. A telephonic replay of the conference call will be available from 1:00 p.m. ET on February 25, 2014 through March 27, 2014. To access the replay, please dial 888-843-7419 and enter the passcode 36581010#. A live webcast of the conference call will be available on the Company's website at www.vno.com and an online playback of the webcast will be available on the website for 90 days following the conference call.

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# Section 3: EX-99

**EXHIBIT 99.2**

SUPPLEMENTAL OPERATING
AND FINANCIAL DATA
For the Year Ended December 31, 2013

VORNADO
REALTY TRUST

VORNADO REALTY TRUST

# INDEX



Certain statements contained herein constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance. They represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “would,” “may” or other similar expressions in this supplemental package. Many of the factors that will determine the outcome of these and our other forward-looking statements are beyond our ability to control or predict. For further discussion of factors that could materially affect the outcome of our forward-looking statements, see “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2013.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this supplemental package. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances occurring after the date of our Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as applicable, and this supplemental package.

VORNADO
REALTY TRUST

# INVESTOR INFORMATION

**Key Employees:**

| | |
|---|---|
| Steven Roth | Chairman of the Board and Chief Executive Officer |
| Michael J. Franco | Executive Vice President - Co-Head of Acquisitions and Capital Markets |
| David R. Greenbaum | President - New York Division |
| Joseph Macnow | Executive Vice President - Finance and Chief Administrative Officer |
| Robert Minutoli | Executive Vice President - Retail Division |
| Mitchell N. Schear | President - Vornado / Charles E. Smith Washington, DC Division |
| Wendy Silverstein | Executive Vice President - Co-Head of Acquisitions and Capital Markets |
| Stephen W. Theriot | Chief Financial Officer |

## RESEARCH COVERAGE - EQUITY

James Feldman / Stephen Sihelnik
Bank of America / Merrill Lynch
646-855-5808 / 646-855-1829

Ross Smotrich / Michael R. Lewis
Barclays Capital
212-526-2306 / 212-526-3098

Michael Bilerman / Joshua Attie
Citigroup Global Markets
212-816-1383 / 212-816-1685

Vincent Chao
Deutsche Bank
212-250-6799

Michael Knott / John Bejjani
Green Street Advisors, Inc.
949-640-8780 / 949-640-8780

David Harris
Imperial Capital
212-351-9429

Steve Sakwa / George Auerbach
ISI Group
212-446-9462 / 212-446-9459

Anthony Paolone
JP Morgan
212-622-6682

Vance H. Edelson
Morgan Stanley
212-761-0078

Alexander Goldfarb / Andrew Schaffer
Sandler O'Neill & Partners
212-466-7937 / 212-466-8062

John W. Guinee / Erin T. Aslakson
Stifel Nicolaus & Company
443-224-1307 / 443-224-1350

Ross T. Nussbaum / Gabriel Hilmoe
UBS
212-713-2484 / 212-713-3876

## RESEARCH COVERAGE - DEBT

Scott Frost
Bank of America / Merrill Lynch
646-855-8078

Danish Agboatwala
Barclays Capital
212-412-2573

Thomas Cook
Citigroup Global Markets
212-723-1112

Robert Haines / Craig Guttenplan
Credit Sights
212-340-3835 / 212-340-3859

Mark Streeter
JP Morgan
212-834-5086

Thierry Perrein
Wells Fargo Securities
704-715-8455

This information is provided as a service to interested parties and not as an endorsement of any report, or representation as to the accuracy of any information contained therein. Opinions, forecasts and other forward-looking statements expressed in analysts' reports are subject to change without notice.

# 2013 BUSINESS DEVELOPMENTS

**Acquisitions**

Since January 1, 2013, we have completed the following acquisitions:

- A 20.1% interest in 650 Madison Avenue, a 27-story, 594,000 square foot Class A office and retail tower located on Madison Avenue between 59th and 60th Street, for $260 million ($1.295 billion at 100%).
- A 92.5% interest in 655 Fifth Avenue, a 57,500 square foot retail and office property located at the northeast corner of Fifth Avenue and 52nd Street in Manhattan, for $277.5 million ($300 million at 100%).
- Land and air rights for 137,000 zoning square feet thereby completing the assemblage for our 220 Central Park South development site in Manhattan, for $194 million.
- Three other Manhattan street retail properties, in separate transactions, for an aggregate of $65.3 million.

**Dispositions**

Since January 1, 2013, we have sold 20 assets and marketable securities, including J.C. Penney, for an aggregate of $1.8 billion, with net proceeds of approximately $1.3 billion. Below is a summary of these sales.

- Green Acres Mall in Valley Stream, New York, for $500 million.
- The Plant, a power strip shopping center in San Jose, California, for $203 million.
- 866 United Nations Plaza, a 360,000 square foot office building in Manhattan, for $200 million.
- A retail property in Philadelphia, which is a part of the Gallery at Market Street, for $60 million.
- A parcel of land known as Harlem Park located at 1800 Park Avenue (at 125th Street) in New York City, for $66 million.
- A retail property in Tampa, Florida for $45 million, of which our 75% share was $33.8 million.
- 12 other properties, in separate transactions, for an aggregate of $82.3 million.
- Marketable securities, principally J.C. Penney, for an aggregate of $378.7 million.
- Our 26.2% interest in LNR for net proceeds of $240.5 million.
- Our 50% interest in the Downtown Crossing site in Boston for net proceeds of $45 million.

**Financing Activities**

Since January 1, 2013, we have executed the following capital market transactions:

- A $600 million loan secured by our 220 Central Park South development site.
- The restructuring of the $678 million (face amount) Skyline properties mortgage loan.
- Extended one of our two $1.25 billion revolving credit facilities from June 2015 to June 2017, with two six-month extension options.
- Five additional financings secured by real estate aggregating $1.707 billion at a weighted average interest rate of 3.63% and a weighted average term of 7.5 years. One of these financings was to support a recently acquired asset and the other four yielded approximately $351 million of net proceeds.
- Issued $300 million of 5.4% Series L Preferred Shares and redeemed all of the outstanding Series F and H Preferred Shares and the Series D-15 Preferred Units, which had a weighted average rate of 6.77%, for $299.4 million.

VORNADO
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## COMMON SHARES DATA (NYSE: VNO)

(unaudited)

Vornado Realty Trust common shares are traded on the New York Stock Exchange ("NYSE") under the symbol VNO. Below is a summary of VNO common shares performance and dividends (based on NYSE prices):

| | Fourth Quarter 2013 | Third Quarter 2013 | Second Quarter 2013 | First Quarter 2013 |
|---|---|---|---|---|
| High Price | $ 91.91 | $ 89.35 | $ 88.73 | $ 85.94 |
| Low Price | $ 82.73 | $ 79.56 | $ 76.19 | $ 79.43 |
| Closing Price - end of quarter | $ 88.79 | $ 84.06 | $ 82.85 | $ 83.64 |
| Annualized Dividend per share | $ 2.92 | $ 2.92 | $ 2.92 | $ 2.92 |
| Annualized Dividend Yield - on Closing Price | 3.3% | 3.5% | 3.5% | 3.5% |
| Outstanding shares, Class A units and convertible preferred units as converted, excluding stock options (in thousands) | 199,245 | 199,051 | 199,051 | 198,992 |
| Closing market value of outstanding shares, Class A units and convertible preferred units as converted, excluding stock options | $ 17.7 Billion | $ 16.7 Billion | $ 16.5 Billion | $ 16.6 Billion |

## TIMING

Quarterly financial results and related earnings conference calls for the next three quarters are expected to occur as follows:

| | Filing Date | Earnings Call |
|---|---|---|
| First Quarter 2014 | May 5, 2014 | May 6, 2014 10AM ET |
| Second Quarter 2014 | August 4, 2014 | August 5, 2014 10AM ET |
| Third Quarter 2014 | November 3, 2014 | November 4, 2014 10AM ET |

VORNADO REALTY TRUST

# FINANCIAL HIGHLIGHTS

(unaudited and in thousands, except per share amounts)

This section includes non-GAAP financial measures, including Earnings Before Interest Taxes Depreciation and Amortization ("EBITDA"), Funds From Operations attributable to common shares plus assumed conversions ("FFO"), FFO as adjusted for comparability, and Funds Available for Distribution ("FAD"). A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures are provided on the pages that follow.

| | Three Months Ended | | | Year Ended | |
|---|---|---|---|---|---|
| | December 31, | | September 30, | December 31, | |
| | 2013 | 2012 | 2013 | 2013 | 2012 |
| Total revenues | $ 673,308 | $ 686,693 | $ 679,435 | $ 2,760,909 | $ 2,736,232 |
| Net (loss) income attributable to common shareholders | $ (68,887) | $ 62,633 | $ 83,005 | $ 392,034 | $ 549,271 |
| Per common share: | | | | | |
| Basic | $ (0.37) | $ 0.34 | $ 0.44 | $ 2.10 | $ 2.95 |
| Diluted | $ (0.37) | $ 0.33 | $ 0.44 | $ 2.09 | $ 2.94 |
| **FFO as adjusted for comparability** | **$ 248,695** | **$ 207,251** | **$ 236,517** | **$ 941,471** | **$ 778,475** |
| **Per diluted share** | **$ 1.33** | **$ 1.11** | **$ 1.26** | **$ 5.01** | **$ 4.18** |
| (Negative FFO) FFO | $ (6,784) | $ 55,890 | $ 210,627 | $ 641,037 | $ 818,565 |
| (Negative FFO) FFO - Operating Partnership Basis ("OP Basis") | $ (7,206) | $ 59,485 | $ 223,693 | $ 680,628 | $ 872,560 |
| Per diluted share | $ (0.04) | $ 0.30 | $ 1.12 | $ 3.41 | $ 4.39 |
| FAD | $ 133,637 | $ 147,594 | $ 165,572 | $ 603,626 | $ 623,858 |
| Per diluted share | $ 0.71 | $ 0.79 | $ 0.88 | $ 3.21 | $ 3.34 |
| Dividends per common share: | | | | | |
| Regular | $ 0.73 | $ 0.69 | $ 0.73 | $ 2.92 | $ 2.76 |
| Special (long-term capital gain) | - | 1.00 | - | - | 1.00 |
| Total | $ 0.73 | $ 1.69 | $ 0.73 | $ 2.92 | $ 3.76 |
| FFO payout ratio (based on regular quarterly dividends and FFO as adjusted for comparability) | 54.9% | 62.2% | 57.9% | 58.3% | 66.0% |
| FAD payout ratio (based on regular quarterly dividends and FFO as adjusted for comparability) | 102.8% | 87.3% | 83.0% | 91.0% | 82.6% |
| Weighted average shares used in determining FFO per diluted share - REIT basis | 187,109 | 186,866 | 187,771 | 187,757 | 186,530 |
| Convertible units: | | | | | |
| Class A | 10,564 | 10,908 | 10,630 | 10,610 | 11,272 |
| D-13 | 531 | 602 | 556 | 564 | 589 |
| G1-G4 | 96 | 106 | 99 | 98 | 110 |
| Equity awards - unit equivalents | 442 | 405 | 363 | 324 | 333 |
| Weighted average shares used in determining FFO per diluted share - OP Basis | 198,742 | 198,887 | 199,419 | 199,353 | 198,834 |

VORNADO
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## RECONCILIATION OF NET INCOME TO FFO (1)

(unaudited and in thousands, except per share amounts)

| | Three Months Ended December 31, 2013 | Three Months Ended December 31, 2012 | Three Months Ended September 30, 2013 | Year Ended December 31, 2013 | Year Ended December 31, 2012 |
|---|---|---|---|---|---|
| Reconciliation of our net (loss) income to (Negative FFO) FFO: | | | | | |
| Net (loss) income attributable to Vornado | $ (48,519) | $ 86,135 | $ 103,374 | $ 475,971 | $ 617,260 |
| Depreciation and amortization of real property | 124,611 | 125,069 | 117,901 | 501,753 | 504,407 |
| Net gains on sale of real estate | (127,512) | (41,998) | (16,087) | (411,593) | (245,799) |
| Real estate impairment losses | 32,443 | 116,453 | 720 | 37,170 | 129,964 |
| Proportionate share of adjustments to equity in net income of Toys, to arrive at FFO: | | | | | |
| Depreciation and amortization of real property | 16,506 | 17,777 | 16,430 | 69,741 | 68,483 |
| Real estate impairment losses | 456 | 1,430 | 1,826 | 6,552 | 9,824 |
| Income tax effect of above adjustments | (5,937) | (6,728) | (6,390) | (26,703) | (27,493) |
| Proportionate share of adjustments to equity in net income of partially owned entities, excluding Toys, to arrive at FFO: | | | | | |
| Depreciation and amortization of real property | 25,282 | 20,387 | 20,931 | 87,529 | 86,197 |
| Net gains on sale of real estate | - | (239,551) | - | (465) | (241,602) |
| Real estate impairment losses | - | - | - | - | 1,849 |
| Noncontrolling interests' share of above adjustments | (3,746) | 418 | (7,736) | (15,089) | (16,649) |
| FFO | 13,584 | 79,392 | 230,969 | 724,866 | 886,441 |
| Preferred share dividends | (20,368) | (20,750) | (20,369) | (82,807) | (76,937) |
| Preferred unit and share redemptions | - | (2,752) | - | (1,130) | 8,948 |
| (Negative FFO) FFO attributable to common shareholders | (6,784) | 55,890 | 210,600 | 640,929 | 818,452 |
| Convertible preferred share dividends | - | - | 27 | 108 | 113 |
| (Negative FFO) FFO attributable to common shareholders plus assumed conversions | (6,784) | 55,890 | 210,627 | 641,037 | 818,565 |
| Add back of income allocated to noncontrolling interests of the Operating Partnership | (422) | 3,595 | 13,066 | 39,591 | 53,995 |
| **(Negative FFO) FFO - OP Basis (1)** | **$ (7,206)** | **$ 59,485** | **$ 223,693** | **$ 680,628** | **$ 872,560** |
| **(Negative FFO) FFO per diluted share (1)** | **$ (0.04)** | **$ 0.30** | **$ 1.12** | **$ 3.41** | **$ 4.39** |

(1) FFO is computed in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude net gain from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets, extraordinary items and other specified non-cash items, including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO and FFO per diluted share are used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. FFO does not represent cash generated from operating activities and is not necessarily indicative of cash available to fund cash requirements and should not be considered as an alternative to net income as a performance measure or cash flows as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies.

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## RECONCILIATION OF FFO TO FFO AS ADJUSTED FOR COMPARABILITY

(unaudited and in thousands, except per share amounts)

| | | Three Months Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | December 31, | | September 30, | December 31, | |
| | | 2013 | 2012 | 2013 | 2013 | 2012 |
| (Negative FFO) FFO attributable to common shareholders plus assumed conversions | (A) | $ (6,784) | $ 55,890 | $ 210,627 | $ 641,037 | $ 818,565 |
| Per diluted share | | $ (0.04) | $ 0.30 | $ 1.12 | $ 3.41 | $ 4.39 |
| *Items that affect comparability income (expense):* | | | | | | |
| Toys "R" Us (Negative FFO) FFO (including impairment losses of $162,215 and $40,000 in the three months ended December 31, 2013 and 2012, respectively and $240,757 and $40,000 in the year ended December 31, 2013 and 2012, respectively) | | (282,041) | (61,358) | (22,343) | (312,788) | 65,673 |
| Loss on sale of J.C. Penney common shares | | - | - | (18,114) | (54,914) | - |
| Non-cash impairment loss on J.C. Penney common shares | | - | (224,937) | - | (39,487) | (224,937) |
| Loss from the mark-to-market of J.C. Penney derivative position | | - | (22,472) | (20,012) | (33,487) | (75,815) |
| Acquisition related costs | | (18,088) | (6,934) | (2,818) | (24,857) | (11,248) |
| Preferred unit and share redemptions | | - | (2,752) | - | (1,130) | 8,948 |
| Stop & Shop litigation settlement income | | - | - | - | 59,599 | - |
| Net gain on sale of marketable securities, land parcels and residential condominiums | | 23,988 | - | 31,741 | 58,245 | 13,347 |
| FFO attributable to discontinued operations, including LNR, and discontinued operations of Alexander's in 2012 | | 1,671 | 46,365 | 2,539 | 33,928 | 153,179 |
| Accelerated amortization of discount on investment in subordinated debt of Independence Plaza | | - | 60,396 | - | - | 60,396 |
| After-tax net gain on sale of Canadian Trade Shows | | - | - | - | - | 19,657 |
| Net gain resulting from Lexington Realty Trust's stock issuance | | - | 14,116 | - | - | 14,116 |
| 1290 Avenue of the Americas and 555 California Street priority return and income tax benefit | | - | 25,260 | - | - | 13,222 |
| Other, net | | 3,436 | 11,177 | 1,511 | (3,890) | 6,196 |
| | | (271,034) | (161,139) | (27,496) | (318,781) | 42,734 |
| Noncontrolling interests' share of above adjustments | | 15,555 | 9,778 | 1,606 | 18,347 | (2,644) |
| Items that affect comparability, net | (B) | $ (255,479) | $ (151,361) | $ (25,890) | $ (300,434) | $ 40,090 |
| Per diluted share | | $ (1.37) | $ (0.81) | $ (0.14) | $ (1.60) | $ 0.21 |
| **FFO attributable to common shareholders plus assumed conversions, as adjusted for comparability** | **(A-B)** | **$ 248,695** | **$ 207,251** | **$ 236,517** | **$ 941,471** | **$ 778,475** |
| **Per diluted share** | | **$ 1.33** | **$ 1.11** | **$ 1.26** | **$ 5.01** | **$ 4.18** |

VORNADO
REALTY TRUST

# RECONCILIATION OF FFO TO FAD (1)

(unaudited and in thousands, except per share amounts)

| | | Three Months Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | December 31, | | September 30, | December 31, | |
| | | 2013 | 2012 | 2013 | 2013 | 2012 |
| (Negative FFO) FFO attributable to common shareholders plus assumed conversions | (A) | $ (6,784) | $ 55,890 | $ 210,627 | $ 641,037 | $ 818,565 |
| **Adjustments to arrive at FAD:** | | | | | | |
| Items that affect comparability per page 7, excluding FFO attributable to discontinued operations | | (272,705) | (207,504) | (30,035) | (352,709) | (110,445) |
| Recurring tenant improvements, leasing commissions and other capital expenditures (3) | | 98,371 | 87,448 | 63,523 | 298,507 | 244,493 |
| Straight-line rentals | | 20,651 | 13,183 | 15,889 | 68,728 | 66,192 |
| Amortization of acquired below-market leases, net | | 11,882 | 14,212 | 10,839 | 48,504 | 52,887 |
| Carried interest and our share of net unrealized gains from Real Estate Fund | | 14,915 | 11,294 | 3,448 | 45,749 | 19,678 |
| Stock-based compensation expense | | (9,118) | (7,767) | (9,201) | (34,914) | (30,588) |
| Amortization of debt issuance costs | | (10,473) | (6,970) | (4,865) | (25,593) | (23,639) |
| Non real estate depreciation | | (2,346) | (1,524) | (1,748) | (8,342) | (9,383) |
| Amortization of discount on convertible and exchangeable senior debentures | | - | - | - | - | (1,646) |
| Noncontrolling interests' share of above adjustments | | 8,402 | 5,924 | (2,795) | (2,519) | (12,842) |
| | (B) | (140,421) | (91,704) | 45,055 | 37,411 | 194,707 |
| **FAD(1)** | (A-B) | **$ 133,637** | **$ 147,594** | **$ 165,572** | **$ 603,626** | **$ 623,858** |
| **FAD per diluted share** | | **$ 0.71** | **$ 0.79** | **$ 0.88** | **$ 3.21** | **$ 3.34** |
| **FAD payout ratio (2)** | | **102.8%** | **87.3%** | **83.0%** | **91.0%** | **82.6%** |

(1) FAD is defined as FFO less (i) recurring tenant improvements, leasing commissions and capital expenditures, (ii) straight-line rents and amortization of acquired below-market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. FAD is a non-GAAP financial measure that is not intended to represent cash flow and is not indicative of cash flow provided by operating activities as determined in accordance with GAAP. FAD is presented solely as a supplemental disclosure that management believes provides useful information regarding the Company's ability to fund its dividends.

(2) FAD payout ratios on a quarterly basis are not necessarily indicative of amounts for the full year due to fluctuation in timing of cash based expenditures, the commencement of new leases and the seasonality of our operations.

(3) Includes expenditures of $25,541, $12,466, and $14,197 in the three months ended December 31, 2013 and 2012 and September 30, 2013, respectively, and $61,895 and $24,354 in the year ended December 31, 2013 and 2012, respectively, for the 608,000 square foot Motorola Mobility lease at the Merchandise Mart (whose cash rent has not commenced).

VORNADO REALTY TRUST

## CONSOLIDATED NET INCOME / EBITDA (1)

(unaudited and in thousands)

| | Three Months Ended December 31, 2013 | Three Months Ended December 31, 2012 | Inc (Dec) | September 30, 2013 |
|---|---|---|---|---|
| Property rentals | $ 511,300 | $ 494,895 | $ 16,405 | $ 501,399 |
| Straight-line rent adjustments | 20,651 | 13,183 | 7,468 | 15,889 |
| Amortization of acquired below-market leases, net | 12,535 | 14,646 | (2,111) | 11,820 |
| Total rentals | 544,486 | 522,724 | 21,762 | 529,108 |
| Tenant expense reimbursements | 81,330 | 74,272 | 7,058 | 84,368 |
| Cleveland Medical Mart development project | 2,343 | 51,220 | (48,877) | 4,893 |
| Fee and other income: | | | | |
| BMS cleaning fees | 17,434 | 18,147 | (713) | 15,898 |
| Signage revenue | 9,300 | 6,640 | 2,660 | 8,738 |
| Management and leasing fees | 4,976 | 5,329 | (353) | 7,977 |
| Lease termination fees | 5,144 | 1,189 | 3,955 | 20,344 |
| Other income | 8,295 | 7,172 | 1,123 | 8,109 |
| Total revenues | 673,308 | 686,693 | (13,385) | 679,435 |
| Operating expenses | 263,296 | 259,719 | 3,577 | 263,437 |
| Depreciation and amortization | 131,902 | 129,632 | 2,270 | 123,697 |
| General and administrative | 53,568 | 51,313 | 2,255 | 48,336 |
| Cleveland Medical Mart development project | 2,446 | 49,492 | (47,046) | 3,239 |
| Impairment losses, acquisition related costs and tenant buy-outs | 50,531 | 110,572 | (60,041) | 2,818 |
| Total expenses | 501,743 | 600,728 | (98,985) | 441,527 |
| Operating income | 171,565 | 85,965 | 85,600 | 237,908 |
| (Loss) applicable to Toys | (293,066) | (73,837) | (219,229) | (34,209) |
| (Loss) income from partially owned entities | (99) | 354,776 | (354,875) | 1,453 |
| Income from Real Estate Fund | 28,951 | 26,364 | 2,587 | 22,913 |
| Interest and other investment income (loss), net | 8,234 | (237,961) | 246,195 | (10,275) |
| Interest and debt expense | (120,625) | (121,049) | 424 | (119,681) |
| Net gain on disposition of wholly owned and partially owned assets | 23,988 | 8,491 | 15,497 | 15,138 |
| (Loss) income before income taxes | (181,052) | 42,749 | (223,801) | 113,247 |
| Income tax benefit (expense) | 12,578 | 9,187 | 3,391 | (2,222) |
| (Loss) income from continuing operations | (168,474) | 51,936 | (220,410) | 111,025 |
| Income from discontinued operations | 129,715 | 39,957 | 89,758 | 21,226 |
| Net (loss) income | (38,759) | 91,893 | (130,652) | 132,251 |
| Less net (income) loss attributable to noncontrolling interests in: | | | | |
| Consolidated subsidiaries | (13,903) | (1,090) | (12,813) | (23,833) |
| Operating Partnership | 4,155 | (3,882) | 8,037 | (5,032) |
| Preferred unit distributions of the Operating Partnership | (12) | (786) | 774 | (12) |
| Net (loss) income attributable to Vornado | (48,519) | 86,135 | (134,654) | 103,374 |
| Interest and debt expense | 207,424 | 193,258 | 14,166 | 183,116 |
| Depreciation and amortization | 183,685 | 182,499 | 1,186 | 172,756 |
| Income tax expense (benefit) | 8,270 | (43,050) | 51,320 | (20,292) |
| **EBITDA** | **$ 350,860** | **$ 418,842** | **$ (67,982)** | **$ 438,954** |
| Capitalized leasing and development payroll | $ 4,682 | $ 3,386 | $ 1,296 | $ 3,965 |
| Capitalized interest | $ 14,279 | $ 8,917 | $ 5,362 | $ 10,532 |

(1) EBITDA represents "Earnings Before Interest, Taxes, Depreciation and Amortization." Management considers EBITDA a supplemental measure for making decisions and assessing the unlevered performance of its segments as it relates to the total return on assets as opposed to the levered return on equity. As properties are bought and sold based on a multiple of EBITDA, management utilizes this measure to make investment decisions as well as to compare the performance of its assets to that of its peers. EBITDA should not be considered a substitute for net income. EBITDA may not be comparable to similarly titled measures employed by other companies.

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## CONSOLIDATED NET INCOME / EBITDA

(unaudited and in thousands)

| | Year Ended December 31, 2013 | 2012 | Inc (Dec) |
|---|---|---|---|
| Property rentals | $ 2,034,374 | $ 1,941,654 | $ 92,720 |
| Straight-line rent adjustments | 68,728 | 66,192 | 2,536 |
| Amortization of acquired below-market leases, net | 52,861 | 54,215 | (1,354) |
| Total rentals | 2,155,963 | 2,062,061 | 93,902 |
| Tenant expense reimbursements | 317,345 | 294,584 | 22,761 |
| Cleveland Medical Mart development project | 36,369 | 235,234 | (198,865) |
| Fee and other income: | | | |
| BMS cleaning fees | 66,505 | 67,584 | (1,079) |
| Signage revenue | 32,866 | 20,892 | 11,974 |
| Management and leasing fees | 24,637 | 21,849 | 2,788 |
| Lease termination fees | 92,497 | 2,361 | 90,136 |
| Other income | 34,727 | 31,667 | 3,060 |
| Total revenues | 2,760,909 | 2,736,232 | 24,677 |
| Operating expenses | 1,054,897 | 1,017,331 | 37,566 |
| Depreciation and amortization | 531,212 | 510,383 | 20,829 |
| General and administrative | 211,100 | 202,444 | 8,656 |
| Cleveland Medical Mart development project | 32,210 | 226,619 | (194,409) |
| Impairment losses, acquisition related costs and tenant buy-outs | 57,300 | 114,886 | (57,586) |
| Total expenses | 1,886,719 | 2,071,663 | (184,944) |
| Operating income | 874,190 | 664,569 | 209,621 |
| (Loss) income applicable to Toys | (362,377) | 14,859 | (377,236) |
| Income from partially owned entities | 23,592 | 408,267 | (384,675) |
| Income from Real Estate Fund | 102,898 | 63,936 | 38,962 |
| Interest and other investment loss, net | (24,699) | (260,945) | 236,246 |
| Interest and debt expense | (483,190) | (493,713) | 10,523 |
| Net gain on disposition of wholly owned and partially owned assets | 3,407 | 13,347 | (9,940) |
| Income before income taxes | 133,821 | 410,320 | (276,499) |
| Income tax benefit (expense) | 6,406 | (8,132) | 14,538 |
| Income from continuing operations | 140,227 | 402,188 | (261,961) |
| Income from discontinued operations | 424,513 | 292,353 | 132,160 |
| Net income | 564,740 | 694,541 | (129,801) |
| Less net income attributable to noncontrolling interests in: | | | |
| Consolidated subsidiaries | (63,952) | (32,018) | (31,934) |
| Operating Partnership | (23,659) | (35,327) | 11,668 |
| Preferred unit distributions of the Operating Partnership | (1,158) | (9,936) | 8,778 |
| Net income attributable to Vornado | 475,971 | 617,260 | (141,289) |
| Interest and debt expense | 758,781 | 760,523 | (1,742) |
| Depreciation and amortization | 732,757 | 735,293 | (2,536) |
| Income tax expense | 26,371 | 7,026 | 19,345 |
| **EBITDA** | **$ 1,993,880** | **$ 2,120,102** | **$ (126,222)** |
| | | | |
| Capitalized leasing and development payroll | $ 16,207 | $ 13,896 | $ 2,311 |
| Capitalized interest | $ 42,303 | $ 16,801 | $ 25,502 |

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# EBITDA BY SEGMENT

(unaudited and in thousands)

As a result of certain organizational changes and asset sales in 2012, the Merchandise Mart segment no longer met the criteria to be a separate reportable segment; accordingly, effective January 1, 2013, the remaining assets were reclassified to “Other.” We have also reclassified the prior period segment financial results to conform to the current year presentation.

| | Three Months Ended December 31, 2013 | | | | | |
|---|---|---|---|---|---|---|
| | Total | New York | Washington, DC | Retail Properties | Toys | Other |
| Property rentals | $ 511,300 | $ 278,395 | $ 112,240 | $ 66,243 | $ - | $ 54,422 |
| Straight-line rent adjustments | 20,651 | 13,524 | 1,316 | 908 | - | 4,903 |
| Amortization of acquired below-market leases, net | 12,535 | 8,030 | 521 | 2,746 | - | 1,238 |
| Total rentals | 544,486 | 299,949 | 114,077 | 69,897 | - | 60,563 |
| Tenant expense reimbursements | 81,330 | 42,289 | 11,510 | 22,199 | - | 5,332 |
| Cleveland Medical Mart development project | 2,343 | - | - | - | - | 2,343 |
| Fee and other income: | | | | | | |
| BMS cleaning fees | 17,434 | 22,565 | - | - | - | (5,131) |
| Signage revenue | 9,300 | 9,300 | - | - | - | - |
| Management and leasing fees | 4,976 | 2,279 | 2,937 | 394 | - | (634) |
| Lease termination fees | 5,144 | 1,717 | 209 | 70 | - | 3,148 |
| Other income | 8,295 | 1,919 | 5,776 | 376 | - | 224 |
| Total revenues | 673,308 | 380,018 | 134,509 | 92,936 | - | 65,845 |
| Operating expenses | 263,296 | 157,559 | 50,310 | 33,233 | - | 22,194 |
| Depreciation and amortization | 131,902 | 60,202 | 31,810 | 18,880 | - | 21,010 |
| General and administrative | 53,568 | 8,550 | 6,975 | 4,168 | - | 33,875 |
| Cleveland Medical Mart development project | 2,446 | - | - | - | - | 2,446 |
| Impairment losses, acquisition related costs and tenant buy-outs | 50,531 | - | - | 32,443 | - | 18,088 |
| Total expenses | 501,743 | 226,311 | 89,095 | 88,724 | - | 97,613 |
| Operating income (loss) | 171,565 | 153,707 | 45,414 | 4,212 | - | (31,768) |
| (Loss) applicable to Toys | (293,066) | - | - | - | (293,066) | - |
| (Loss) income from partially owned entities | (99) | 1,507 | (423) | 585 | - | (1,768) |
| Income from Real Estate Fund | 28,951 | - | - | - | - | 28,951 |
| Interest and other investment income, net | 8,234 | 1,456 | 30 | 8 | - | 6,740 |
| Interest and debt expense | (120,625) | (56,538) | (18,927) | (9,680) | - | (35,480) |
| Net gain on disposition of wholly owned and partially owned assets | 23,988 | - | - | - | - | 23,988 |
| (Loss) income before income taxes | (181,052) | 100,132 | 26,094 | (4,875) | (293,066) | (9,337) |
| Income tax benefit (expense) | 12,578 | (1,496) | 15,980 | (831) | - | (1,075) |
| (Loss) income from continuing operations | (168,474) | 98,636 | 42,074 | (5,706) | (293,066) | (10,412) |
| Income from discontinued operations | 129,715 | 129,706 | - | - | - | 9 |
| Net (loss) income | (38,759) | 228,342 | 42,074 | (5,706) | (293,066) | (10,403) |
| Less net (income) loss attributable to noncontrolling interests in: | | | | | | |
| Consolidated subsidiaries | (13,903) | (1,268) | - | 14 | - | (12,649) |
| Operating Partnership | 4,155 | - | - | - | - | 4,155 |
| Preferred unit distributions of the Operating Partnership | (12) | - | - | - | - | (12) |
| Net (loss) income attributable to Vornado | (48,519) | 227,074 | 42,074 | (5,692) | (293,066) | (18,909) |
| Interest and debt expense | 207,424 | 73,066 | 22,416 | 10,844 | 62,239 | 38,859 |
| Depreciation and amortization | 183,685 | 73,694 | 36,610 | 19,721 | 31,446 | 22,214 |
| Income tax expense (benefit) | 8,270 | 1,558 | (17,841) | 831 | 22,573 | 1,149 |
| **EBITDA for the three months ended December 31, 2013** | **$ 350,860** | **$ 375,392** | **$ 83,259** | **$ 25,704** | **$ (176,808)** | **$ 43,313** |
| **EBITDA for the three months ended December 31, 2012** | **$ 418,842** | **$ 407,823** | **$ 118,021** | **$ (20,074)** | **$ (29,148)** | **$ (57,780)** |
| **EBITDA as adjusted for comparability - OP basis:** | | | | | | |
| **For the three months ended December 31, 2013** | **$ 424,911** | **$ 246,061 [1]** | **$ 83,259 [2]** | **$ 58,147 [3]** | **$ -** | **$ 37,444 [4]** |
| **For the three months ended December 31, 2012** | **$ 386,545** | **$ 215,716 [1]** | **$ 80,673 [2]** | **$ 57,697 [3]** | **$ -** | **$ 32,459 [4]** |

See notes on page 13.

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## EBITDA BY SEGMENT

(unaudited and in thousands)

| | Year Ended December 31, 2013 | | | | | |
|---|---|---|---|---|---|---|
| | Total | New York | Washington, DC | Retail Properties | Toys | Other |
| Property rentals | $ 2,034,374 | $ 1,103,629 | $ 450,982 | $ 259,437 | $ - | $ 220,326 |
| Straight-line rent adjustments | 68,728 | 40,978 | 5,558 | 4,572 | - | 17,620 |
| Amortization of acquired below-market leases, net | 52,861 | 34,214 | 2,064 | 11,415 | - | 5,168 |
| Total rentals | 2,155,963 | 1,178,821 | 458,604 | 275,424 | - | 243,114 |
| Tenant expense reimbursements | 317,345 | 169,086 | 42,774 | 87,036 | - | 18,449 |
| Cleveland Medical Mart development project | 36,369 | - | - | - | - | 36,369 |
| Fee and other income: | | | | | | |
| BMS cleaning fees | 66,505 | 85,757 | - | - | - | (19,252) |
| Signage revenue | 32,866 | 32,866 | - | - | - | - |
| Management and leasing fees | 24,637 | 9,798 | 14,466 | 1,564 | - | (1,191) |
| Lease termination fees | 92,497 | 26,469 | 1,626 | 59,867 | - | 4,535 |
| Other income | 34,727 | 6,469 | 23,691 | 1,825 | - | 2,742 |
| Total revenues | 2,760,909 | 1,509,266 | 541,161 | 425,716 | - | 284,766 |
| Operating expenses | 1,054,897 | 630,998 | 195,568 | 133,681 | - | 94,650 |
| Depreciation and amortization | 531,212 | 261,878 | 124,488 | 66,400 | - | 78,446 |
| General and administrative | 211,100 | 34,087 | 27,630 | 18,992 | - | 130,391 |
| Cleveland Medical Mart development project | 32,210 | - | - | - | - | 32,210 |
| Impairment losses, acquisition related costs and tenant buy-outs | 57,300 | - | - | 32,443 | - | 24,857 |
| Total expenses | 1,886,719 | 926,963 | 347,686 | 251,516 | - | 360,554 |
| Operating income (loss) | 874,190 | 582,303 | 193,475 | 174,200 | - | (75,788) |
| (Loss) applicable to Toys | (362,377) | - | - | - | (362,377) | - |
| Income (loss) from partially owned entities | 23,592 | 15,527 | (6,968) | 2,097 | - | 12,936 |
| Income from Real Estate Fund | 102,898 | - | - | - | - | 102,898 |
| Interest and other investment (loss) income, net | (24,699) | 5,532 | 129 | 13 | - | (30,373) |
| Interest and debt expense | (483,190) | (181,966) | (102,277) | (44,203) | - | (154,744) |
| Net gain on disposition of wholly owned and partially owned assets | 3,407 | - | - | 1,377 | - | 2,030 |
| Income (loss) before income taxes | 133,821 | 421,396 | 84,359 | 133,484 | (362,377) | (143,041) |
| Income tax benefit (expense) | 6,406 | (2,794) | 14,031 | (2,311) | - | (2,520) |
| Income (loss) from continuing operations | 140,227 | 418,602 | 98,390 | 131,173 | (362,377) | (145,561) |
| Income (loss) from discontinued operations | 424,513 | 138,245 | - | 287,536 | - | (1,268) |
| Net income (loss) | 564,740 | 556,847 | 98,390 | 418,709 | (362,377) | (146,829) |
| Less net (income) attributable to noncontrolling interests in: | | | | | | |
| Consolidated subsidiaries | (63,952) | (10,786) | - | (3,065) | - | (50,101) |
| Operating Partnership | (23,659) | - | - | - | - | (23,659) |
| Preferred unit distributions of the Operating Partnership | (1,158) | - | - | - | - | (1,158) |
| Net income (loss) attributable to Vornado | 475,971 | 546,061 | 98,390 | 415,644 | (362,377) | (221,747) |
| Interest and debt expense | 758,781 | 236,645 | 116,131 | 50,901 | 181,586 | 173,518 |
| Depreciation and amortization | 732,757 | 293,974 | 142,409 | 72,161 | 135,178 | 89,035 |
| Income tax expense (benefit) | 26,371 | 3,002 | (15,707) | 2,311 | 33,532 | 3,233 |
| **EBITDA for the year ended December 31, 2013** | **$ 1,993,880** | **$ 1,079,682** | **$ 341,223** | **$ 541,017** | **$ (12,081)** | **$ 44,039** |
| **EBITDA for the year ended December 31, 2012** | **$ 2,120,102** | **$ 1,017,859** | **$ 532,412** | **$ 200,526** | **$ 281,289** | **$ 88,016** |
| **EBITDA as adjusted for comparability - OP basis:** | | | | | | |
| **For the year ended December 31, 2013** | **$ 1,660,139** | **$ 942,829** (1) | **$ 341,223** (2) | **$ 222,966** (3) | **$ -** | **$ 153,121** (4) |
| **For the year ended December 31, 2012** | **$ 1,501,142** | **$ 810,206** (1) | **$ 355,477** (2) | **$ 216,436** (3) | **$ -** | **$ 119,023** (4) |

See notes on the following page.

VORNADO REALTY TRUST

## NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(1) The elements of "New York" EBITDA as adjusted for comparability are summarized below.

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| Office | $ 153,863 | $ 141,569 | $ 623,514 | $ 552,273 |
| Retail | 69,312 | 52,486 | 246,382 | 189,116 |
| Alexander's | 11,069 | 9,952 | 42,210 | 40,362 |
| Hotel Pennsylvania | 11,817 | 11,709 | 30,723 | 28,455 |
| Total New York | $ 246,061 | $ 215,716 | $ 942,829 | $ 810,206 |

(2) The elements of "Washington, DC" EBITDA as adjusted for comparability are summarized below.

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| Office, excluding the Skyline Properties | $ 65,910 | $ 61,805 | $ 268,373 | $ 272,513 |
| Skyline properties | 6,953 | 7,910 | 29,499 | 40,037 |
| Total Office | 72,863 | 69,715 | 297,872 | 312,550 |
| Residential | 10,396 | 10,958 | 43,351 | 42,927 |
| Total Washington, DC | $ 83,259 | $ 80,673 | $ 341,223 | $ 355,477 |

(3) The elements of "Retail Properties" EBITDA as adjusted for comparability are summarized below.

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| Strip shopping centers | $ 40,547 | $ 40,478 | $ 157,269 | $ 152,228 |
| Regional malls | 17,600 | 17,219 | 65,697 | 64,208 |
| Total Retail properties | $ 58,147 | $ 57,697 | $ 222,966 | $ 216,436 |

VORNADO REALTY TRUST

## NOTES TO EBITDA BY SEGMENT

(unaudited and in thousands)

(4) The elements of "other" EBITDA as adjusted for comparability are summarized below.

| | Three Months Ended December 31, 2013 | Three Months Ended December 31, 2012 | Year Ended December 31, 2013 | Year Ended December 31, 2012 |
|---|---|---|---|---|
| Our share of Real Estate Fund: | | | | |
| (Loss) income before net realized/unrealized gains | $ (70) | $ 764 | $ 1,676 | $ 4,926 |
| Net unrealized gains | 6,574 | 5,456 | 21,443 | 13,840 |
| Net realized gain | - | - | 2,046 | - |
| Carried interest | 8,341 | 5,838 | 24,306 | 5,838 |
| Total | 14,845 | 12,058 | 49,471 | 24,604 |
| Merchandise Mart Building, 7 West 34th Street and trade shows | 20,038 | 13,620 | 74,270 | 62,470 |
| 555 California Street | 10,296 | 9,138 | 42,667 | 40,544 |
| India real estate ventures | 1,133 | 1,936 | 5,841 | 5,503 |
| Lexington[(a)] | - | 2,770 | 2,770 | 9,696 |
| Other investments | 4,765 | 6,839 | 23,636 | 28,074 |
| | 51,077 | 46,361 | 198,655 | 170,891 |
| Corporate general and administrative expenses[(b)] | (23,850) | (22,142) | (94,904) | (89,082) |
| Investment income and other, net[(b)] | 10,217 | 8,240 | 49,370 | 37,214 |
| Total Other | $ 37,444 | $ 32,459 | $ 153,121 | $ 119,023 |

(a) In the first quarter of 2013, we began accounting for our investment in Lexington as a marketable equity security - available for sale. This investment was previously accounted for under the equity method.

(b) The amounts in these captions (for this table only) exclude income (expense) from the mark-to-market of our deferred compensation plan.

# EBITDA BY SEGMENT AND REGION

(unaudited)

The following tables set forth the percentages of EBITDA, by operating segment and by geographic region (excluding discontinued operations and other gains and losses that affect comparability), from our New York, Washington, DC and Retail Properties segments.

| | Three Months Ended December 31, | | Year Ended December 31, | |
|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 |
| **Segment** | | | | |
| New York | 64% | 61% | 62% | 59% |
| Washington, DC | 21% | 23% | 23% | 26% |
| Retail Properties | 15% | 16% | 15% | 15% |
| | 100% | 100% | 100% | 100% |
| **Region** | | | | |
| New York City metropolitan area | 75% | 73% | 73% | 70% |
| Washington, DC / Northern Virginia metropolitan area | 22% | 23% | 23% | 26% |
| Puerto Rico | 1% | 2% | 2% | 2% |
| California | 1% | 1% | 1% | 1% |
| Other geographies | 1% | 1% | 1% | 1% |
| | 100% | 100% | 100% | 100% |

VORNADO REALTY TRUST

## CONSOLIDATED BALANCE SHEETS

(unaudited and in thousands)

| | December 31, 2013 | December 31, 2012 | (Decrease) Increase |
|---|---|---|---|
| **ASSETS** | | | |
| Real estate, at cost: | | | |
| Land | $ 4,205,815 | $ 4,766,315 | $ (560,500) |
| Buildings and improvements | 12,661,938 | 12,421,086 | 240,852 |
| Development costs and construction in progress | 1,354,350 | 920,273 | 434,077 |
| Leasehold improvements and equipment | 132,523 | 130,544 | 1,979 |
| Total | 18,354,626 | 18,238,218 | 116,408 |
| Less accumulated depreciation and amortization | (3,410,933) | (3,072,269) | (338,664) |
| Real estate, net | 14,943,693 | 15,165,949 | (222,256) |
| Cash and cash equivalents | 583,290 | 960,319 | (377,029) |
| Restricted cash | 262,440 | 183,256 | 79,184 |
| Marketable securities | 191,917 | 398,188 | (206,271) |
| Tenant and other receivables, net | 115,862 | 195,718 | (79,856) |
| Investments in partially owned entities | 1,166,443 | 1,226,256 | (59,813) |
| Investment in Toys | 83,224 | 478,041 | (394,817) |
| Real Estate Fund investments | 667,710 | 600,786 | 66,924 |
| Mortgage and mezzanine loans receivable, net | 170,972 | 225,359 | (54,387) |
| Receivable arising from the straight-lining of rents, net | 823,137 | 758,191 | 64,946 |
| Deferred leasing and financing costs, net | 413,726 | 405,004 | 8,722 |
| Identified intangible assets, net | 323,322 | 415,330 | (92,008) |
| Assets related to discontinued operations | - | 671,573 | (671,573) |
| Other assets | 351,488 | 381,079 | (29,591) |
| **Total assets** | **$ 20,097,224** | **$ 22,065,049** | **$ (1,967,825)** |
| | | | |
| **LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY** | | | |
| Liabilities: | | | |
| Mortgages payable | $ 8,331,993 | $ 8,599,222 | $ (267,229) |
| Senior unsecured notes | 1,350,855 | 1,358,008 | (7,153) |
| Revolving credit facility debt | 295,870 | 1,170,000 | (874,130) |
| Accounts payable and accrued expenses | 422,276 | 484,746 | (62,470) |
| Deferred revenue | 542,998 | 596,067 | (53,069) |
| Deferred compensation plan | 116,515 | 105,200 | 11,315 |
| Deferred tax liabilities | 1,280 | 15,305 | (14,025) |
| Liabilities related to discontinued operations | - | 487,271 | (487,271) |
| Other liabilities | 437,073 | 400,934 | 36,139 |
| Total liabilities | 11,498,860 | 13,216,753 | (1,717,893) |
| Redeemable noncontrolling interests | 1,003,620 | 944,152 | 59,468 |
| Vornado shareholders' equity | 6,765,232 | 6,850,935 | (85,703) |
| Noncontrolling interests in consolidated subsidiaries | 829,512 | 1,053,209 | (223,697) |
| **Total liabilities, redeemable noncontrolling interests and equity** | **$ 20,097,224** | **$ 22,065,049** | **$ (1,967,825)** |

VORNADO REALTY TRUST

# CAPITAL STRUCTURE

(unaudited and in thousands, except per share amounts)

| **Debt:** | | | **December 31, 2013** |
|---|---|---|---|
| Consolidated debt: | | | |
| Mortgages payable | | | $ 8,331,993 |
| Senior unsecured notes | | | 1,350,855 |
| $2.5 billion revolving credit facilities | | | 295,870 |
| | | | 9,978,718 |
| Pro rata share of non-consolidated debt: | | | |
| Toys | | | 1,861,485 |
| All other partially owned entities | | | 2,327,918 |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | | | (465,000) |
| Total debt | | | 13,703,121 |
| **Perpetual Preferred:** | **Shares/Units** | **Par Value** | |
| 5.00% Preferred Unit (D-16) (1 unit @ $1,000) | | | 1,000 |
| 6.625% Series G Preferred Shares | 8,000 | 25.00 | 200,000 |
| 6.625% Series I Preferred Shares | 10,800 | 25.00 | 270,000 |
| 6.875% Series J Preferred Shares | 9,850 | 25.00 | 246,250 |
| 5.70% Series K Preferred Shares | 12,000 | 25.00 | 300,000 |
| 5.40% Series L Preferred Shares | 12,000 | 25.00 | 300,000 |
| | | | 1,317,250 |
| | | **December 31, 2013** | |
| **Equity:** | **Converted Shares** | **Common Share Price** | |
| Common shares | 187,285 | $ 88.79 | 16,629,035 |
| Class A units | 10,526 | 88.79 | 934,604 |
| Convertible share equivalents: | | | |
| Equity awards - unit equivalents | 766 | 88.79 | 68,013 |
| D-13 preferred units | 526 | 88.79 | 46,704 |
| G1-G4 units | 95 | 88.79 | 8,435 |
| Series A preferred shares | 47 | 88.79 | 4,173 |
| | | | 17,690,964 |
| **Total Market Capitalization** | | | **$ 32,711,335** |

VORNADO REALTY TRUST

# DEBT ANALYSIS

(unaudited and in thousands)

| | As of December 31, 2013 | | | | | |
|---|---|---|---|---|---|---|
| | Total | | Variable | | Fixed | |
| | Amount | Weighted Average Interest Rate | Amount | Weighted Average Interest Rate | Amount | Weighted Average Interest Rate |
| Consolidated debt | $ 9,978,718 | 4.44% | $ 1,064,730 | 2.01% | $ 8,913,988 | 4.73% |
| Pro rata share of non-consolidated debt: | | | | | | |
| Toys | 1,861,485 | 6.56% | 1,179,001 | 5.45% | 682,484 | 8.47% |
| All other | 2,327,918 | 5.50% | 196,240 | 2.09% | 2,131,678 | 5.81% |
| Total | 14,168,121 | 4.89% | 2,439,971 | 3.68% | 11,728,150 | 5.14% |
| Less: Noncontrolling interests' share of consolidated debt (primarily 1290 Avenue of the Americas and 555 California Street) | (465,000) | | - | | (465,000) | |
| Company's pro rata share of total debt | $ 13,703,121 | 4.92% | $ 2,439,971 | 3.68% | $ 11,263,150 | 5.19% |

| Debt Covenant Ratios: [1] | Senior Unsecured Notes | | | | Revolving Credit Facilities | | Unencumbered EBITDA | |
|---|---|---|---|---|---|---|---|---|
| | | Actual | | | | | | 4Q 2013 |
| | Required | Due 2015 | Due 2022 | Due 2039 | Required | Actual | | Annualized |
| Total Outstanding Debt / Total Assets [2] | Less than 65% | 39% | 39% | 41% | Less than 60% | 31% | New York | $ 397,432 |
| Secured Debt / Total Assets | Less than 50% | 33% | 33% | 35% | Less than 50% | 28% | Washington, DC | 195,232 |
| Interest Coverage Ratio (Annualized Combined EBITDA to Annualized Interest Expense) | Greater than 1.50 | 2.82 | 2.82 | 2.82 | | N/A | Retail Properties | 78,520 |
| | | | | | | | Other | 53,412 |
| Fixed Charge Coverage | | N/A | N/A | N/A | Greater than 1.40 | 2.50 | Total | $ 724,596 |
| Unencumbered Assets / Unsecured Debt | Greater than 150% | 737% | 737% | 714% | | N/A | | |
| Unsecured Debt / Cap Value of Unencumbered Assets | | N/A | N/A | N/A | Less than 60% | 6% | | |
| Unencumbered Coverage Ratio | | N/A | N/A | N/A | Greater than 1.50 | 8.48 | | |

| | Senior Unsecured Notes | | |
|---|---|---|---|
| | Due 2015 | Due 2022 | Due 2039 |
| Settlement Date | 3/26/2010 | 12/7/2011 | 9/30/2009 |
| Principal Amount | $ 500,000 | $ 400,000 | $ 452,500 |
| Issue Price | 99.834% | 99.546% | 100.000% |
| Coupon | 4.250% | 5.000% | 7.875% |
| Effective economic interest rate | 4.287% | 5.057% | 7.875% |
| Ratings: | | | |
| Moody's | Baa2 | Baa2 | Baa2 |
| S&P | BBB | BBB | BBB |
| Fitch | BBB | BBB | BBB |
| Maturity Date / Put Date | 4/1/2015 | 1/15/2022 | 10/1/2039 [3] |

(1) Our debt covenant ratios are computed in accordance with the terms of our senior unsecured notes and revolving credit facilities, as applicable. The methodology used for these computations may differ significantly from similarly titled ratios of other companies. For additional information regarding the methodology used to compute these ratios, please see our filings with the SEC of our revolving credit facilities, senior debt indentures and applicable prospectuses and prospectus supplements.

(2) Total assets includes EBITDA capped at 7.5% under the senior unsecured notes and 6.0% under the revolving credit facilities.

(3) These notes may be redeemed at our option in whole or in part beginning October 1, 2014, at a price equal to the principal amount plus accrued interest.

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# DEBT MATURITIES

(unaudited and in thousands)

| Property | Maturity Date [1] | Spread over LIBOR | Interest Rate | 2014 | 2015 | 2016 | 2017 | 2018 | Thereafter | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 1730 M and 1150 17th Street | 06/14 | L+140 | 1.56% | $ 43,581 | $ - | $ - | $ - | $ - | $ - | $ 43,581 |
| 1550 and 1750 Crystal Drive | 11/14 | | 7.81% | 70,623 | - | - | - | - | - | 70,623 |
| 2200 / 2300 Clarendon Boulevard | 01/15 | L+75 | 0.92% | - | 41,279 | - | - | - | - | 41,279 |
| Senior unsecured notes due 2015 | 04/15 | | 4.25% | - | 499,793 | - | - | - | - | 499,793 |
| River House Apartments | 04/15 | | 5.43% | - | 195,546 | - | - | - | - | 195,546 |
| 909 Third Avenue | 04/15 | | 5.64% | - | 194,910 | - | - | - | - | 194,910 |
| 888 Seventh Avenue | 01/16 | | 5.71% | - | - | 318,554 | - | - | - | 318,554 |
| 510 5th Avenue | 01/16 | | 5.60% | - | - | 30,740 | - | - | - | 30,740 |
| 770 Broadway | 03/16 | | 5.65% | - | - | 353,000 | - | - | - | 353,000 |
| Bowen Building | 06/16 | | 6.14% | - | - | 115,022 | - | - | - | 115,022 |
| Montehiedra Town Center | 07/16 | | 6.04% | - | - | 120,000 | - | - | - | 120,000 |
| $1.25 Billion unsecured revolving credit facility | 11/16 | L+125 | - | - | - | - | - | - | - | - |
| Merchandise Mart | 12/16 | | 5.57% | - | - | 550,000 | - | - | - | 550,000 |
| 350 Park Avenue | 01/17 | | 3.75% | - | - | - | 300,000 | - | - | 300,000 |
| 100 West 33rd Street - office and retail | 03/17 | L+250 | 2.67% | - | - | - | 325,000 | - | - | 325,000 |
| 2011 Crystal Drive | 08/17 | | 7.30% | - | - | - | 78,529 | - | - | 78,529 |
| North Bergen (Tonnelle Avenue) | 01/18 | | 4.59% | - | - | - | - | 75,000 | - | 75,000 |
| 220 20th Street | 02/18 | | 4.61% | - | - | - | - | 72,579 | - | 72,579 |
| Two Penn Plaza | 03/18 | | 5.13% | - | - | - | - | 425,000 | - | 425,000 |
| River House Apartments | 04/18 | [2] | 1.54% | - | - | - | - | 64,000 | - | 64,000 |
| 828-850 Madison Avenue Condominium - retail | 06/18 | | 5.29% | - | - | - | - | 80,000 | - | 80,000 |
| $1.25 Billion unsecured revolving credit facility | 06/18 | L+115 | 1.32% | - | - | - | - | 295,870 | - | 295,870 |
| 435 Seventh Avenue - retail | 08/19 | L+225 | 2.41% | - | - | - | - | - | 98,000 | 98,000 |
| 4 Union Square South - retail | 11/19 | L+215 | 2.32% | - | - | - | - | - | 120,000 | 120,000 |
| Cross-collateralized mortgages on 40 strip shopping centers | 09/20 | [3] | 4.08% | - | - | - | - | - | 620,465 | 620,465 |
| Eleven Penn Plaza | 12/20 | | 3.95% | - | - | - | - | - | 450,000 | 450,000 |
| Borgata Land | 02/21 | | 5.14% | - | - | - | - | - | 59,309 | 59,309 |
| West End 25 | 06/21 | | 4.88% | - | - | - | - | - | 101,671 | 101,671 |
| 555 California Street | 09/21 | | 5.10% | - | - | - | - | - | 600,000 | 600,000 |
| Senior unsecured notes due 2022 | 01/22 | | 5.00% | - | - | - | - | - | 398,562 | 398,562 |
| Skyline Properties | 02/22 | | 2.97% | - | - | - | - | - | 678,000 | 678,000 |
| 1290 Avenue of the Americas | 11/22 | | 3.34% | - | - | - | - | - | 950,000 | 950,000 |
| 2121 Crystal Drive | 03/23 | | 5.51% | - | - | - | - | - | 148,326 | 148,326 |
| 666 Fifth Avenue Retail Condominium | 03/23 | | 3.61% | - | - | - | - | - | 390,000 | 390,000 |
| Bergen Town Center | 04/23 | | 3.56% | - | - | - | - | - | 300,000 | 300,000 |
| 2101 L Street | 08/24 | | 3.97% | - | - | - | - | - | 150,000 | 150,000 |

See notes on the following page.

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# DEBT MATURITIES

(unaudited and in thousands)

| Property | Maturity Date [1] | Spread over LIBOR | Interest Rate | 2014 | 2015 | 2016 | 2017 | 2018 | Thereafter | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 1215 Clark Street, 200 12th Street & 251 18th Street | 01/25 | | 7.94% | $ - | $ - | $ - | $ - | $ - | $ 100,499 | $ 100,499 |
| Senior unsecured notes due 2039 | 10/39 | | 7.88% | - | - | - | - | - | 452,500 | 452,500 |
| Other properties | Various | | | 28,344 | 12,399 | - | - | 28,760 | 41,794 | 111,297 |
| Purchase accounting valuation adjustments | Various | | | 205 | (196) | - | - | - | 1,054 | 1,063 |
| **Total** | | | | **$ 142,753** | **$ 943,731** | **$ 1,487,316** | **$ 703,529** | **$ 1,041,209** | **$ 5,660,180** | **$ 9,978,718** |
| **Weighted average rate** | | | | **5.26%** | **4.67%** | **5.70%** | **3.65%** | **3.72%** | **4.28%** | **4.44%** |
| Fixed rate debt | | | | $ 99,172 | $ 902,452 | $ 1,487,316 | $ 378,529 | $ 664,339 | $ 5,382,180 | $ 8,913,988 |
| Fixed weighted average rate expiring | | | | 6.88% | 4.85% | 5.70% | 4.49% | 5.05% | 4.38% | 4.73% |
| Floating rate debt | | | | $ 43,581 | $ 41,279 | $ - | $ 325,000 | $ 376,870 | $ 278,000 | $ 1,064,730 |
| Floating weighted average rate expiring | | | | 1.56% | 0.92% | - | 2.67% | 1.36% | 2.36% | 2.01% |

(1) Represents the extended maturity for certain loans in which we have the unilateral right, ability and intent to extend.

(2) Interest at the Freddie Mac Reference Note Rate plus 1.53%.

(3) Interest on a $560,465 fixed rate loan at 4.26%. Interest on a $60,000 variable rate loan is at LIBOR plus 1.36%, subject to a LIBOR floor of 1.00%.

VORNADO REALTY TRUST

## UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Asset Category | Percentage Ownership at December 31, 2013 | As of December 31, 2013: Company's Carrying Amount | Debt: Company's Pro rata Share | Debt: 100% of Joint Venture |
|---|---|---|---|---|---|
| Toys | Retailer | 32.6% | $ 83,224 | $ 1,861,485 | $ 5,702,247 |
| Alexander's, Inc. | Office/Retail | 32.4% | $ 167,785 | $ 340,187 | $ 1,049,959 |
| India real estate ventures | Office/Land | 4.1% to 36.5% | 88,467 | 49,755 | 199,021 |
| Partially owned office buildings: | | | | | |
| 280 Park Avenue | Office | 49.5% | 237,398 | 365,536 | 738,704 |
| 650 Madison Avenue | Office/Retail | 20.1% | 117,985 | 161,024 | 800,000 |
| Rosslyn Plaza | Office/Residential | 43.7% to 50.4% | 57,546 | 16,001 | 31,742 |
| West 57th Street properties | Office | 50.0% | 56,869 | 10,000 | 20,000 |
| One Park Avenue | Office | 30.3% | 56,144 | 75,740 | 250,000 |
| 666 Fifth Avenue Office Condominium | Office | 49.5% | 40,878 | 579,279 | 1,170,261 |
| 330 Madison Avenue | Office | 25.0% | 29,821 | 37,500 | 150,000 |
| Warner Building | Office | 55.0% | 16,992 | 160,985 | 292,700 |
| Fairfax Square | Office | 20.0% | 5,110 | 13,844 | 69,219 |
| 1101 17th Street | Office | 55.0% | - | 17,050 | 31,000 |
| Other partially owned office buildings | Office | Various | 2,551 | 26,957 | 69,133 |
| Other investments: | | | | | |
| Independence Plaza | Residential | 50.1% | 161,638 | 275,550 | 550,000 |
| Monmouth Mall | Retail | 50.0% | 6,759 | 78,743 | 157,485 |
| Other investments | Various | Various | 120,500 | 119,767 | 1,002,024 |
| | | | $ 1,166,443 | $ 2,327,918 | $ 6,581,248 |

VORNADO REALTY TRUST

## UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Percentage Ownership at December 31, 2013 | Our Share of Net Income (Loss) for the Three Months Ended December 31, 2013 | Our Share of Net Income (Loss) for the Three Months Ended December 31, 2012 | Our Share of EBITDA for the Three Months Ended December 31, 2013 | Our Share of EBITDA for the Three Months Ended December 31, 2012 |
|---|---|---|---|---|---|
| Toys | 32.6% | $ (293,066) | $ (73,837) | $ (176,808) | $ (29,148) |
| New York: | | | | | |
| Alexander's, Inc. (decrease due to sale of Kings Plaza in November 2012) | 32.4% | $ 4,936 | $ 185,433 | $ 11,069 | $ 191,908 |
| 650 Madison Avenue | 20.1% | (2,229) | - | 3,058 | - |
| Independence Plaza | 50.1% | (2,850) | - | 3,718 | - |
| 280 Park Avenue | 49.5% | (2,069) | (2,243) | 5,346 | 4,905 |
| 666 Fifth Avenue Office Condominium | 49.5% | 1,935 | 1,765 | 7,183 | 4,689 |
| 330 Madison Avenue | 25.0% | 1,459 | 1,573 | 2,346 | 2,439 |
| West 57th Street properties | 50.0% | 126 | 282 | 548 | 801 |
| One Park Avenue | 30.3% | 68 | 233 | 1,974 | 1,908 |
| Other | Various | 131 | 385 | 1,427 | 1,165 |
| | | 1,507 | 187,428 | 36,669 | 207,815 |
| Washington, DC: | | | | | |
| 1101 17th Street | 55.0% | 2,252 | 656 | 692 | 840 |
| Warner Building | 55.0% | (1,880) | (2,748) | 1,942 | 976 |
| Rosslyn Plaza | 43.7% to 50.4% | (1,207) | 723 | 1,495 | 2,763 |
| Fairfax Square | 20.0% | (59) | (47) | 505 | 462 |
| Other | Various | 471 | 375 | 1,372 | 1,295 |
| | | (423) | (1,041) | 6,006 | 6,336 |
| Retail Properties: | | | | | |
| Monmouth Mall | 50.0% | 562 | 422 | 2,474 | 2,293 |
| Other | Various | 23 | (4) | 117 | 111 |
| | | 585 | 418 | 2,591 | 2,404 |
| Other: | | | | | |
| Alexander's corporate fee income | 32.4% | 1,664 | 8,131 | 1,664 | 8,131 |
| India real estate ventures | 4.1% to 36.5% | (903) | (482) | 1,133 | 1,936 |
| Lexington[(1)] | n/a | - | 28,369 | - | 36,578 |
| LNR[(2)] | n/a | - | 26,951 | - | 27,418 |
| Downtown Crossing, Boston[(3)] | n/a | - | (437) | - | (437) |
| Other[(4)] | Various | (2,529) | 105,439 [(5)] | 5,926 | 112,378 [(5)] |
| | | (1,768) | 167,971 | 8,723 | 186,004 |
| | | $ (99) | $ 354,776 | $ 53,989 | $ 402,559 |

(1) In the first quarter of 2013, we began accounting for our investment in Lexington as a marketable equity security - available for sale.

(2) On April 19, 2013, LNR was sold for $1.053 billion. We owned 26.2% of LNR and received net proceeds of $240,474.

(3) On April 24, 2013, the joint venture sold the site in Downtown Crossing, Boston, and we received approximately $45,000 for our 50% interest.

(4) Includes interests in 85 10th Avenue, Fashion Centre Mall, 50-70 West 93rd Street and others.

(5) Includes $105,366 of income comprised of (i) $60,396 from the accelerated amortization of discount on investment in subordinated debt of the property and (ii) a $44,970 purchase price fair value adjustment from the exercise of a warrant to acquire 25% of the equity interest in the property.

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# UNCONSOLIDATED JOINT VENTURES

(unaudited and in thousands)

| Joint Venture Name | Percentage Ownership at December 31, 2013 | Our Share of Net Income (Loss) for the Year Ended December 31, 2013 | Our Share of Net Income (Loss) for the Year Ended December 31, 2012 | Our Share of EBITDA for the Year Ended December 31, 2013 | Our Share of EBITDA for the Year Ended December 31, 2012 |
|---|---|---|---|---|---|
| Toys | 32.6% | $ (362,377) | $ 14,859 | $ (12,081) | $ 281,289 |
| New York: | | | | | |
| Alexander's, Inc. (decrease due to sale of Kings Plaza in November 2012) | 32.4% | $ 17,721 | $ 204,643 | $ 42,210 | $ 231,385 |
| 280 Park Avenue | 49.5% | (8,549) | (11,510) | 20,350 | 20,752 |
| 666 Fifth Avenue Office Condominium | 49.5% | 7,711 | 7,009 | 27,585 | 17,927 |
| Independence Plaza | 50.1% | (6,049) | - | 10,543 | - |
| 330 Madison Avenue | 25.0% | 5,173 | 3,609 | 8,807 | 7,432 |

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