EMPIRE STATE
REALTY TRUST

# Investor Presentation

April 2022



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- Portfolio Characteristics and Sources of Upside
- Attractive Value Proposition / Flight To Quality
- Contracted Rents and Tenant Expansions
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ESRT Property Sector Highlights

- Office
- ESB Observatory
- Retail
- Multifamily

Meet the Team: ESRT Management

Appendix

# COMPETITIVE ADVANTAGES

***ESRT's New York City focus benefits from multiple sources of NYC upside; tourism, residential, retail and office demand***

| | Portfolio | Upside |
|---|---|---|
| Office | ■ 9M SF, predominantly in Manhattan, some GNYM<br>■ Modernized, energy efficient, healthy buildings with central locations near mass transit<br>■ "Flight to Quality" destination, accessible price points | ■ Office leasing momentum<br>■ Rising leased percentage<br>■ $50M contracted revenues from signed leases not commenced and burn-off of free rent |
| ESB Observatory Experience | ■ Iconic, authentic NYC experience<br>■ $165M redevelopment completed<br>■ Dynamic pricing, all reservations model; inflation hedge | ■ Ongoing upside with NYC tourism recovery; drives improved visitation to ESB Observatory Experience<br>■ Quality experience with high customer satisfaction |
| Retail | ■ 0.7M SF, predominantly in Manhattan<br>■ Dominated by everyday shopping tenancies, 95% of FER from national retailers<br>■ Strong locations supported by high foot traffic on or near mass transit | ■ Rebound in foot traffic in neighborhoods surrounding ESRT properties and ground level everyday retail assets |
| Multifamily | ■ 625 units across 2 well-located, well-amenitized properties<br>■ Annual rent resets; inflation hedge<br>■ Modest capital expenditure requirements | ■ Strong residential demand driving occupancy upside at newly acquired multifamily assets |

## COMPETITIVE ADVANTAGES

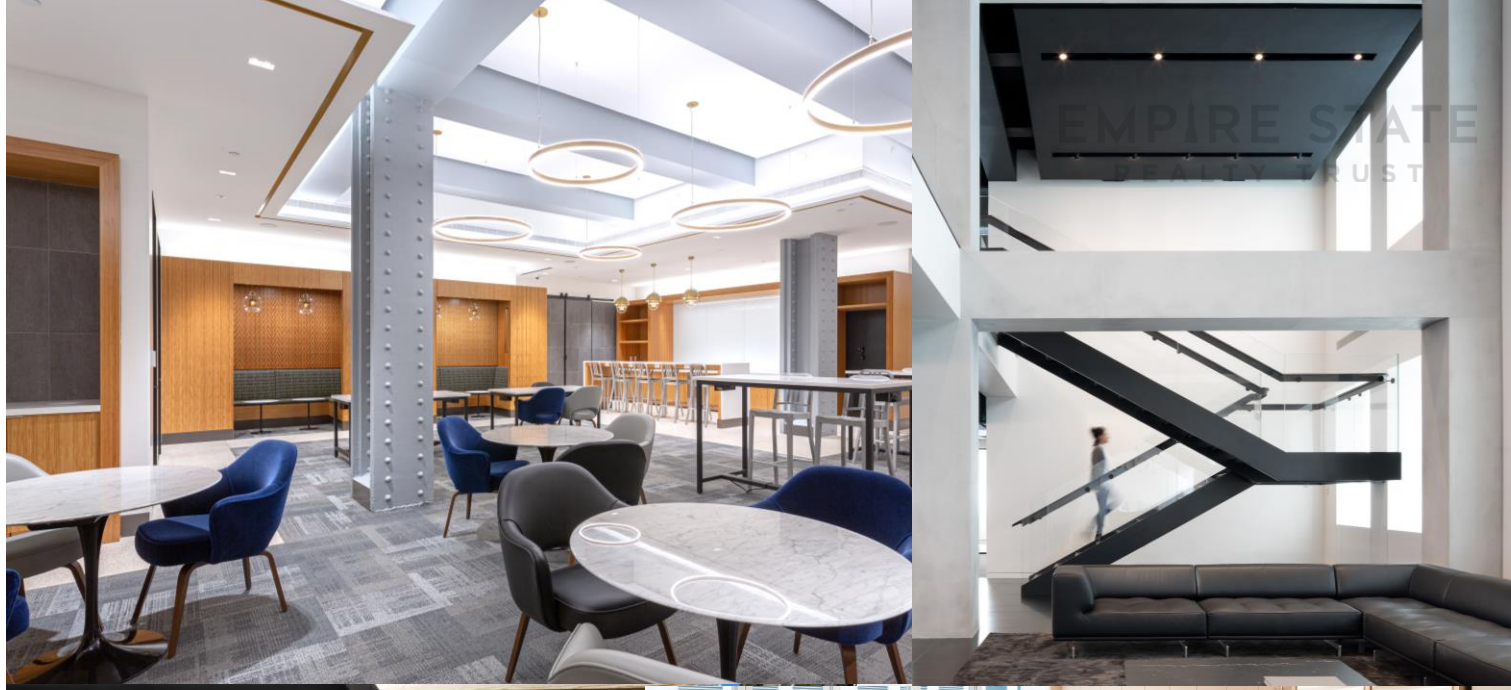
# Value Proposition

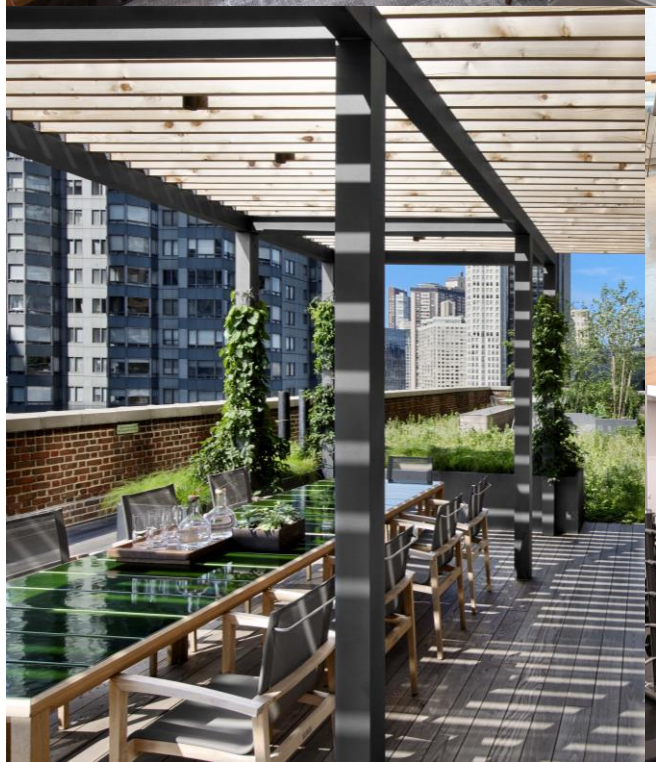
***Upgraded tenant spaces, amenities, and HVAC and energy systems in our modernized, pre-war buildings at accessible rents***

- ✓ Competitive price point for quality assets
- ✓ Centrally located to mass transit
- ✓ Energy efficient and healthy buildings
- ✓ Amenities
- ✓ Turn-key suite offerings and ready-to-go office space
- ✓ Cater to a wide range of tenant sizes

**Select recent names who have committed to leasing space in ESRT:**

ARGO GROUP · CLARINS · LinkedIn · BBG · CROWN CASTLE · iCapital NETWORK · PLAYFLY SPORTS PROPERTIES · progyny Smarter Fertility Benefits · Signature Bank · zentalis









COMPETITIVE ADVANTAGES

# Flight to Quality

***ESRT is a Flight to Quality destination with strong value relative to new Class A buildings and unmodernized Class B buildings***

| Class A NYC Office | EMPIRE STATE REALTY TRUST | Class B NYC Office |
|---|---|---|
| $80 – $200 PSF | **$50 – $82 PSF** | $40 – $60 PSF |
| New construction; steel & glass | **Modernized Buildings** | Pre-war, not modernized |
| Submarket dependent | **Excellent Transportation Access** | Submarket dependent |
| Fully amenitized | **Updated Amenities** | Limited amenities |
| High indoor environmental quality | **High Indoor Environmental Quality** | Average indoor environmental quality |
| High energy efficiency | **High Energy Efficiency** | Average energy efficiency |
| Less flexibility | **Flexible Space Offerings (incl. pre-built)** | Less flexibility |

## Great Fundamentals




**"250 West 57th Street has great infrastructure and good architecture. It's not just an old building; it's a pre-war trophy.** Buildings of this era were built to bring daylight into the working environment and have good, natural ventilation. **They make remarkable workplaces for the future."**

**Rick Cook, FAIA**
Founding Partner, COOKFOX Architects, LLP
Tenant at 250 West 57th Street

COMPETITIVE ADVANTAGES

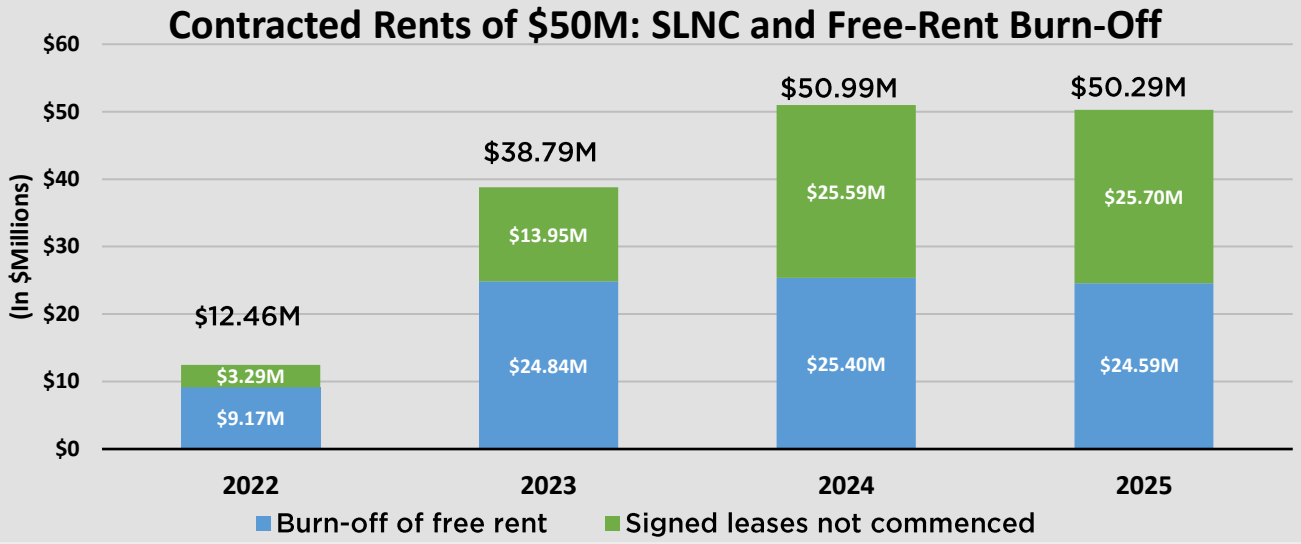
# Contracted Rents & Tenant Expansions

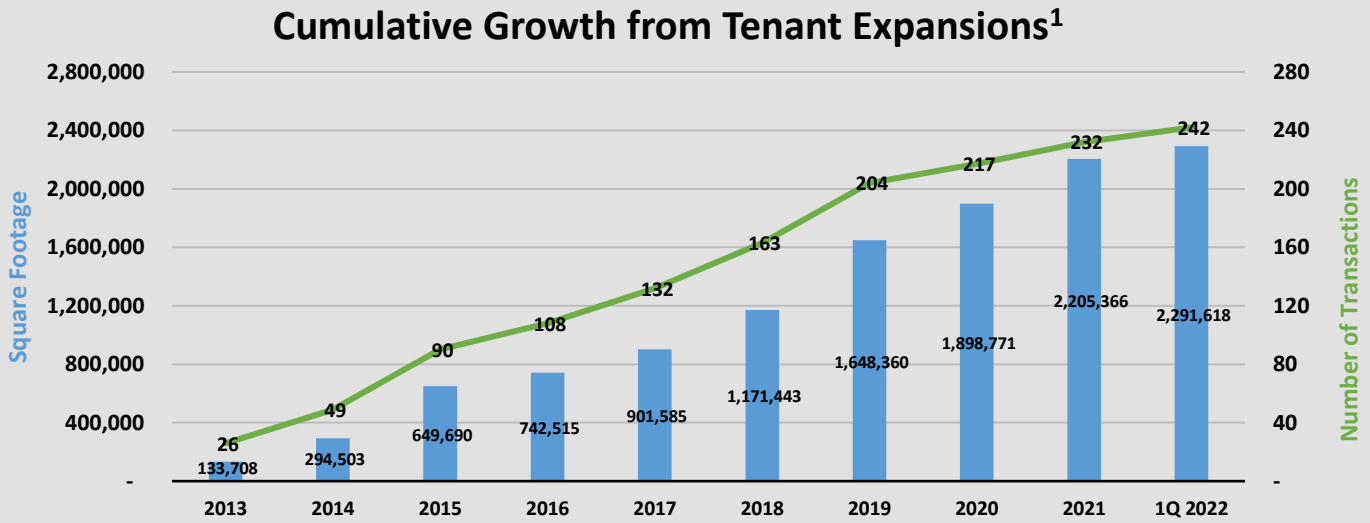
***(1) Signed Leases Not Commenced ("SLNC")***

***(2) Free Rent Burn-Off***

***(3) Existing Tenant Expansion***

| Select SLNC | Building | SF/Term | Commencement |
|---|---|---|---|
| **LinkedIn (expansion)** | ESB | ▪ 53K SF/14.9 years<br>▪ 30K SF/ 14.9 years | ▪ 2022<br>▪ 2023 |
| **Signature Bank (expansion)** | 1400 Broadway | ▪ 168K SF/ 15 years | ▪ 2023 |
| **Institutional Capital Network (expansion)** | One Grand Central Place | ▪ 47k SF/ 12.9 years | ▪ 2023 |
| **Progyny** | 1359 Broadway | ▪ 70k SF/ 10 years | ▪ 2023 |




[1] Since 2013, the year in which we went public, through March 31, 2022.
Company data and filings include office and retail tenants as of March 31, 2022.

COMPETITIVE ADVANTAGES

# Strong & Flexible Balance Sheet

### Metrics[1]

- Net Debt/TEV: 40%. Peers: 52%
- Net Debt/Adj. EBITDA: 6.3x. Peers: 9.4x
- Secured Debt: 41%
- Fixed Rate Debt: 95%

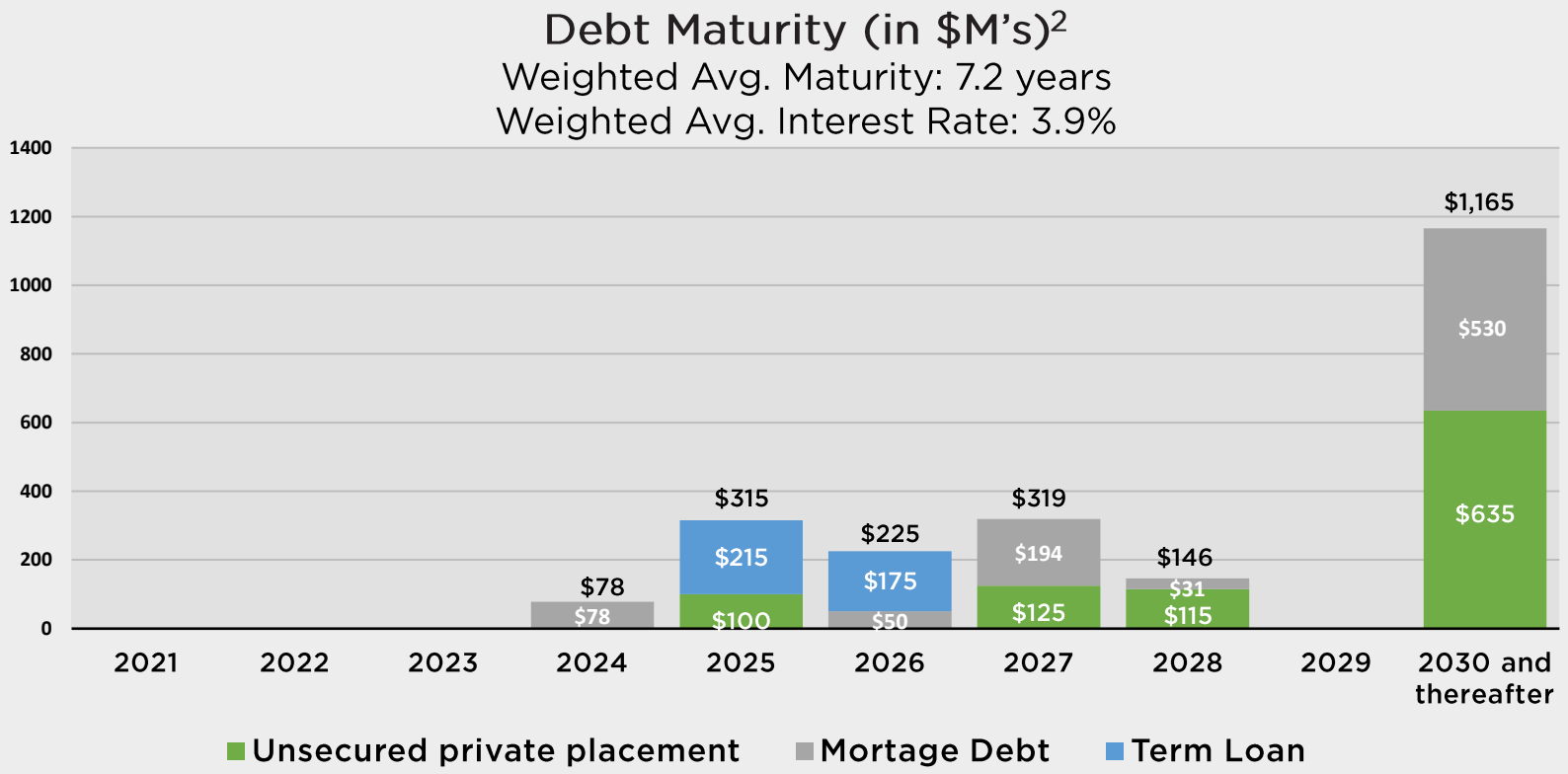
### Liquidity

- Cash: $430M
- Undrawn Credit Facility: $850M
- Unencumbered Office and Retail Portfolio: 74% of SF

### Optionality

- Share repurchases
- External growth
- Capital recycling
- Office portfolio 100% owned

***Flexibility to allocate capital for long term shareholder value creation***




[1] Adjusted EBITDA is calculated on a trailing twelve-month basis. Pro forma for full year contribution from the multifamily acquisition, net debt to adjusted EBITDA would be 6.1x. Peer group includes SLG as of March 31, 2022, and BXP, PGRE and VNO as of December 31, 2021.
[2] Debt maturity profile reflects reflect the Company's debt, at share, and excludes regularly scheduled amortization and revolving credit facility which is currently undrawn.
Company data and filings as of March 31, 2022.

COMPETITIVE ADVANTAGES

# Sustainability Leadership

***ESRT is the sector leader in healthy buildings, indoor environmental quality and energy efficiency, that is important to the best tenants***

- *Read our Sustainability Report HERE*
- Among the first to achieve recertification of WELL Health-Safety Rating on entire commercial portfolio; first portfolio in the Americas to achieve rating
- Alignment with Science Based Targets initiative (SBTi) 1.5-degree scenario
- Commitment to net-zero carbon emissions at the Empire State Building by 2030 and NYC office portfolio by 2035
- #1 Most Energy Efficient REIT in NYC based on kgCO2 PSF, per Green Street[1]
- 100% of portfolio fully powered by renewable wind energy
- Local Law 97 compliant with no fines in 2024-2029
- 2021 Energy Star Partner of the year - 76% of portfolio Energy Star certified
- $5.0 million NYSERDA grant award from Empire Building Challenge
- Sustainability Reporting in alignment with TCFD, SASB, GRI Reporting Standard
- Created the "Empire Building Playbook: A Guide to Low Carbon Retrofits." Co-developed by ESRT and NYSERDA and supported by other NYC-based landlords and the Clinton Global Initiative

First Commercial Portfolio with WELL Health-Safety Rating in The Americas

U.S. Green Building Council Member

Fitwel Champion

2021 Energy Star Partner of the Year

Empire Building Challenge Partner

ULI Tenant Energy Optimization Program

GRESB Five Star Rated

Green Lease Leader Gold

EPA Green Power Partnership

Sustainability Policy Advisory Committee

Better Buildings Challenge

Nation's Largest 100% User of Renewable Power

Bloomberg Gender-Equality Index



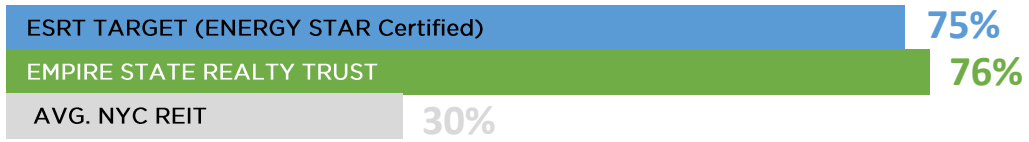
[1] Per Green Street research report: *Office Insights: NYC Local Emissions Regulation Update* dated November 24, 2021

COMPETITIVE ADVANTAGES

# Sustainability Scorecard

## Our Progress vs. Our Targets

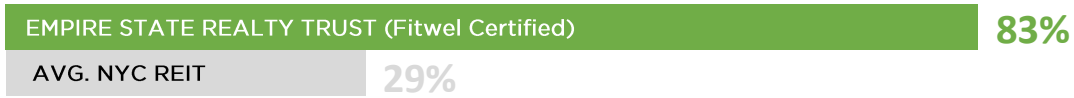
### Energy Efficiency




### Air Quality and HVAC




### Natural Light and Well-Being




## ESRT's Assets Are Centrally Located

Average scores across portfolio

Walk score
93

Transit score
95

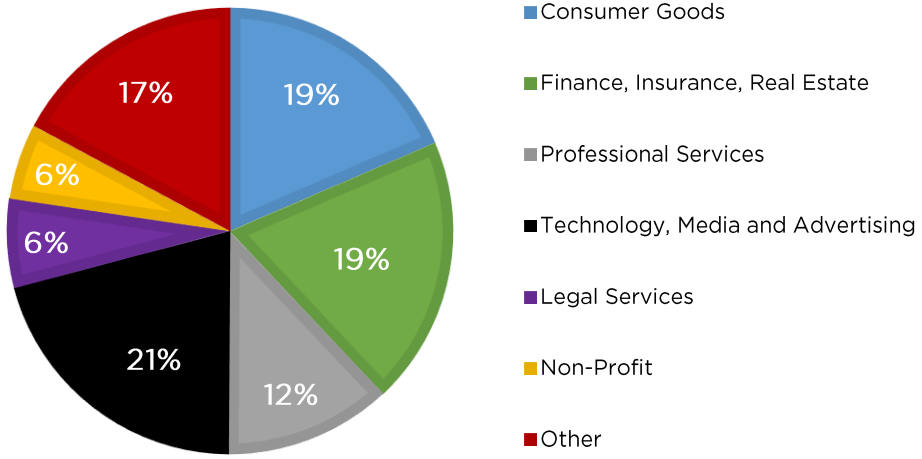
Bike score
83



Source: Annual Sustainability Report from a selection of REITs across NYC

OFFICE

# Strong and Diversified Tenant Mix




## Select Tenants

ascap · Berkley · Burlington · CITIZEN · CLARINS PARIS · COOK FOX · Diligent · EY · FDIC · FRAGOMEN · FRANKLIN TEMPLETON INVESTMENTS · HNTB · iCapital NETWORK · IPG · JCDecaux · LinkedIn · L'OCCITANE EN PROVENCE · NESPRESSO · ODYSSEY RE · PartnerRe · shutterstock · Signature · United Rentals · Allianz · UNIVERSAL MUSIC GROUP · workday · 3i



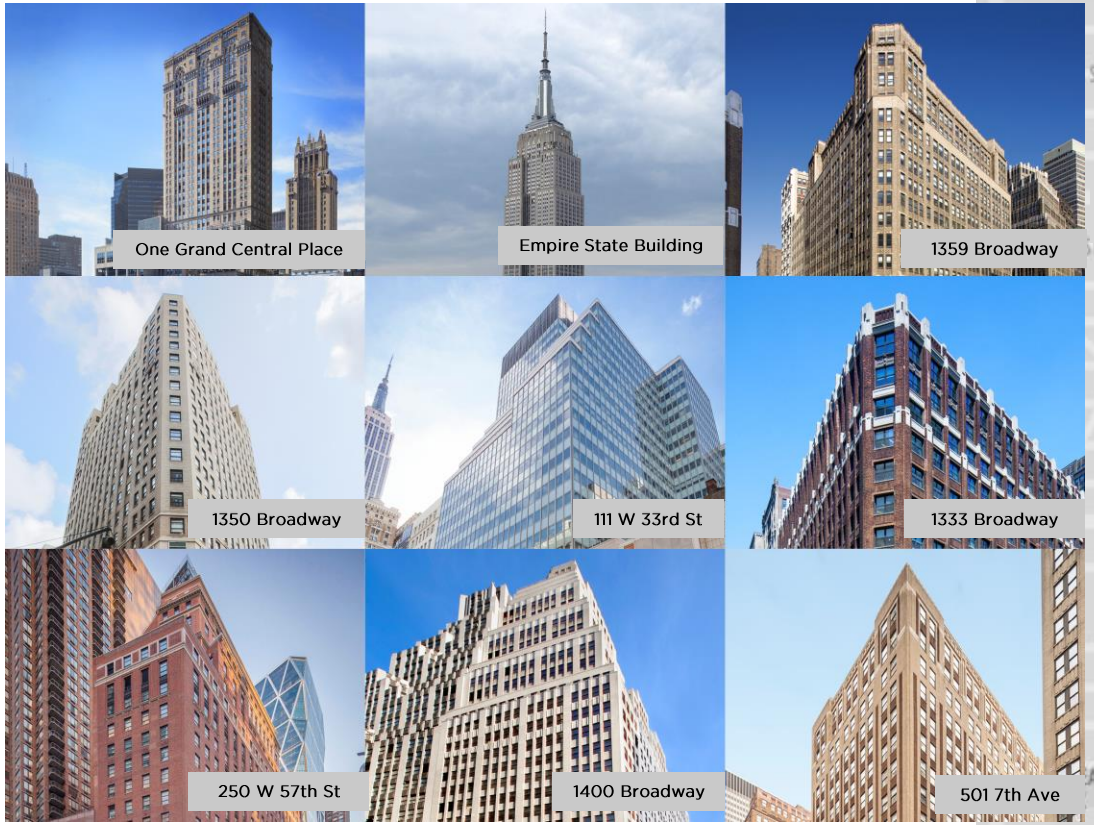
Industry diversification by annualized fully escalated rent.
Company data and filings as of March 31, 2022.

OFFICE

# Prime Locations Near Mass Transit

***The majority of our portfolio is located between the primary transportation hubs of the most valuable U.S. office market***

**9 minutes** is the average walk time to major transportation hubs





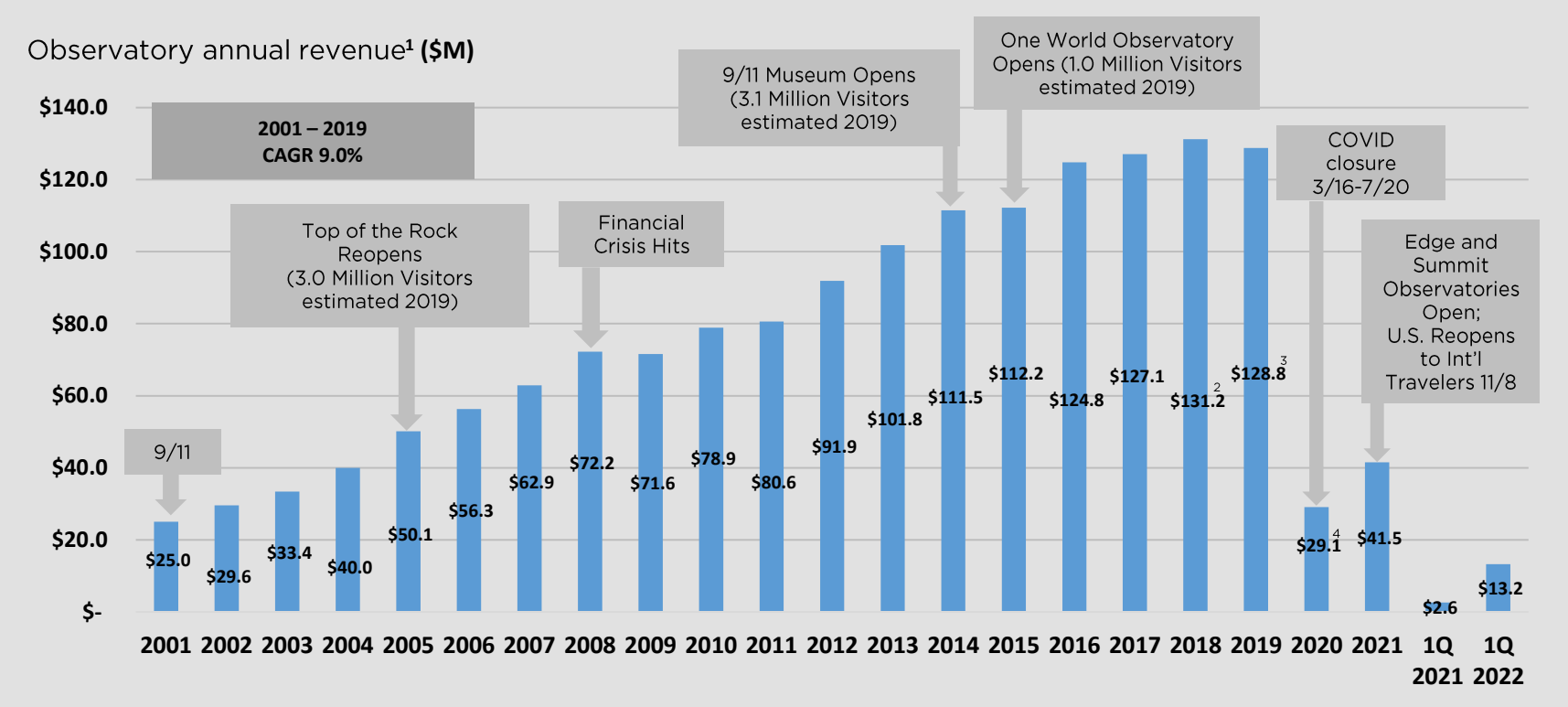

## ESB OBSERVATORY

# Proven Performer

- **New $165M Interactive Experience**
- **Iconic and Authentic**
  - Top Uber tourist attraction in the world[5]
  - Top 10 searched 'Bucket List' travel experiences[6]
- **Institutional Asset Class with Affirmed Valuation**
  - In 2021, KKR bought majority stake in The Edge and One Vanderbilt financing attributed a high valuation to The Summit
- **Timed Ticketing**
  - July 2020: converted to a timed-entry attraction model. Reservations required:
    - Reduced surges in volume, enhanced Guest experience
    - Better customer reviews

## Significant Upside to NYC Tourism Recovery

Consistent performance amid economic cycles and new attractions



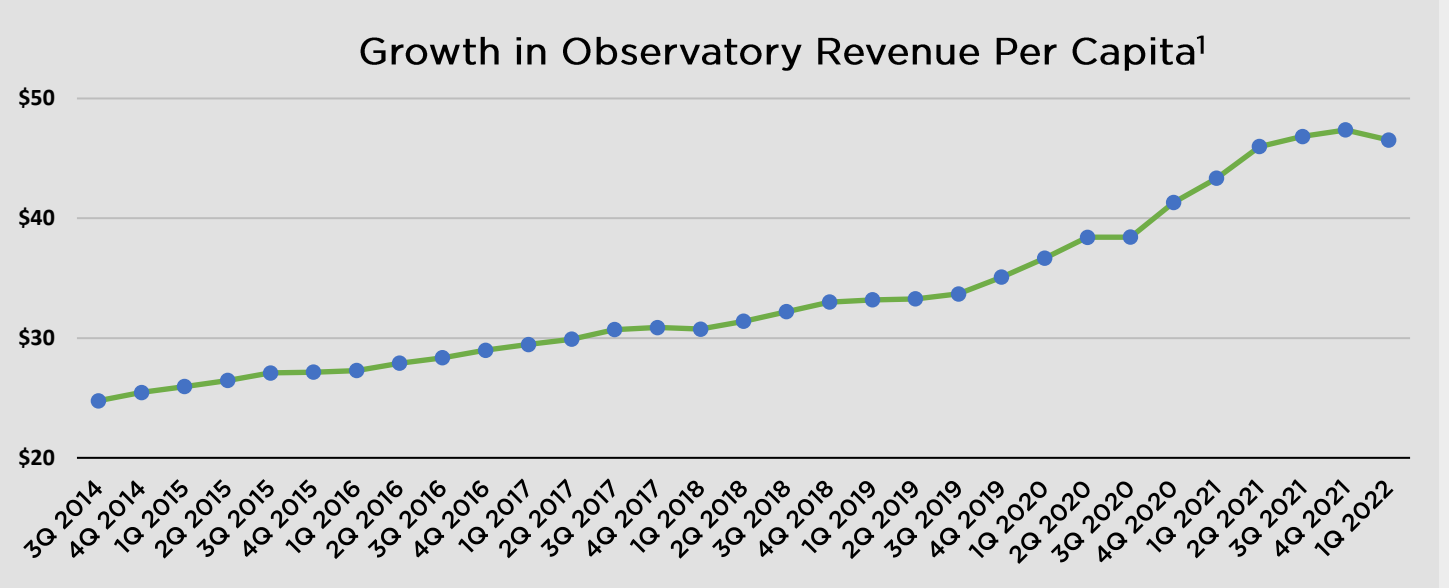

[1] Observatory revenues include the fixed license fee received from WDFG North America, the Observatory gift shop operator.
[2] The 102nd floor was closed for 1Q 2018 to replace elevator. The revenue impact was approximately $3 million dollars.
[3] The 102nd floor was closed for ~9 months in 2019 for redevelopment. The revenue impact was approximately $9 million dollars for those 9 months.
[4] The Observatory experienced a significant decline in visitors from the 2nd week of March and was closed on March 16, 2020 through July 20, 2020.
5 Per Uber Newsroom report titled: A look back at 2021, dated December 9th, 2021. Click here for more information.
[6] Per CNBC article titled: These are the most-searched 'bucket list' travel experiences in the world, dated July 5th 2021. More information here

ESB OBSERVATORY

# World's Most Famous Building

***Observatory has delivered consistent, long-term growth through economic cycles and new attractions.***

***With increased visitorship we see more pass program and tour and travel customers and our revenue per cap declines somewhat***




## Hypothetical Weighted Average Admissions as % of 2019 Levels[2]

| 1Q 2021 (actual) | 2Q 2021 (actual) | 3Q 2021 (actual) | 4Q 2021 (actual) | 1Q 2022 (actual) | 2Q 2022 | 3Q 2022 | 4Q 2022 |
|---|---|---|---|---|---|---|---|
| 9% | 17% | 24% | 40% | 45%<br>• Jan: 37%<br>• Feb: 44%<br>• Mar: 51% | 60% | 70% | 80% |

[1] Revenue per Capita equals: a) Observatory revenue less the fixed license fee received from WDFG North America, the Observatory gift shop operator, divided by b) number of visitors. LTM Revenue calculation includes recognition of deferred revenues for all periods except from 3Q20 and 4Q20 to avoid distortion in the per cap data amidst ramp-up of visitor volume. In 3Q 2020 - 1Q 2021, the calculation is based on company data and filings on a trailing fifteen months excluding 2Q 2020 when the Observatory was closed. Company Data and filings as of March 31, 2022.
[2] Assumptions are subject to pandemic developments, the actions of the authorities, and rebuild of tourism volumes both domestically and internationally.

RETAIL

# Portfolio Highlights

- 743K SF portfolio of **irreplaceable** street retail assets
- 95% of retail FER comprised of **national retailers**
- **High density** and foot traffic
- On or near **mass transit**
- Weighted average lease term of **7.5 years**

| Top 15 Tenants[1] | Expiration Date | Square Feet Occupied | % of Ann. Base Rent[2] |
|---|---|---|---|
| 1. SEPHORA | 1/2029 | 11,334 | 12.2% |
| 2. TARGET | 1/2038 | 81,340 | 10.0% |
| 3. URBAN OUTFITTERS | 9/2029 | 56,730 | 8.5% |
| 4. Foot Locker | 9/2031 | 34,192 | 5.5% |
| 5. T.J.maxx | 11/2030 | 46,644 | 5.4% |
| 6. ETHAN ALLEN | 7/2022 | 34,670 | 3.5% |
| 7. JPMorganChase | 12/2027 | 21,683 | 3.3% |
| 8. DUANE reade | 5/2025 | 15,300 | 3.2% |
| 9. Santander | 7/2034 | 4,000 | 3.0% |
| 10. Walgreens | 9/2027 | 23,842 | 2.7% |
| 11. First Republic Bank It's a privilege to serve you™ | 6/2031 | 14,430 | 2.6% |
| 12. Sprint | 4/2027 | 3,173 | 2.4% |
| 13. BANK OF AMERICA | 12/2026 | 4,432 | 2.0% |
| 14. charles SCHWAB | 6/2031 | 10,70 | 2.0% |
| 15. swatch | 8/2023 | 1,587 | 1.8% |

EMPIRE STATE REALTY TRUST

***In December 2021, we acquired 90% ownership and control of 625 units in two high quality Manhattan multifamily assets***

- **97.6% current occupancy, +120bps q/q**
- **Initial yield on cost ~4%; mid-5% stabilized cap rate by 2025**
- **Annual price adjustment provides inflation protection**
- **Total price: $307mm ($435K per unit[1])**
- **Transaction immediately accretive to FFO**

## The Victory at 561 10th Ave

- Just North of Hudson yards and Manhattan West, 41st Street and 10th Avenue
- 417 Units
- Studio, 1BR, 2BR
- 24-Hour concierge, fitness center with half-court basketball, resident lounge, outdoor terraces, rooftop deck, parking



## 345 E94th Street

- 94th Street and 1st Avenue
- 2nd Avenue Subway Q Line
- 208 Units
- Studio, 1BR, 2BR
- 24-Hour concierge, fitness center, resident lounge, outdoor terrace, parking





[1] Based on 625 total units and $307M total purchase price less assumed value of $35M ($1.58M annual NOI at 4.5% cap rate per Newmark) for the 11,000 square foot retail space at The Victory leased to CVS through 2040.

# Conclusion

***NYC-focused portfolio with multiple sources of NYC upside, including tourism, residential, retail and office demand***

- ***Unique NYC-focused portfolio comprised of modernized office assets; everyday retail in high foot traffic locations; well-located, well-amenitized multifamily assets; iconic Empire State Building Observatory Experience***
- ***Well-positioned balance sheet affords flexibility to pursue capital allocation initiatives that align with ESRT's focus on long term shareholder value creation***
- ***Long standing sustainability leadership; 100% of commercial portfolio WELL Health-Safety rated and fully powered by renewable wind energy***
- ***Aligned management team with extensive experience in NYC real estate and meaningful shareholder ownership***

# Experienced and Aligned Management Team

***Our management team has a long track record at ESRT and within NYC real estate more broadly, which drives our deep understanding and expertise of the markets in which we operate***



**Anthony E. Malkin**
**Chairman, President & Chief Executive Officer**
33 years with ESRT
33 years in industry
A.B. from Harvard College



**Christina Chiu**
**Executive Vice President & Chief Financial Officer**
2 years with ESRT
20 years in industry
B.S. from NYU Stern School of Business



**Thomas P. Durels**
**Executive Vice President, Real Estate**
32 years with ESRT
38 years in industry
B.S. from Lehigh University



**Thomas N. Keltner, Jr.**
**Executive Vice President, General Counsel**
44 years with ESRT
44 years in industry
A.B. from Harvard College and J.D. from Columbia Law School

# Appendix


**Overview**

- Sustainability
- Achievements and Leadership

**Environmental Goals**

- Energy & Emissions
- Waste & Water
- Indoor Environmental Quality & ESG Certification

**Social Responsibility**

**Governance**

**Reconciliation of Non-GAAP Measures**

**Disclaimer**

# Sustainability

## Energy Efficiency

- Alignment with Science Based Targets initiative (SBTi) 1.5-degree scenario
- Commitment to net-zero carbon emissions at the Empire State Building by 2030 and NYC office portfolio by 2035
- 100% of portfolio fully powered by renewable wind energy

## Indoor Environmental Quality (IEQ)

- MERV 13 filters and increased ventilation
- Active bi-polar ionization, in select spaces, neutralizes 99.92% of coronaviruses[1]
- Portfolio-wide low/no VOC materials, no Red List materials
- ASHRAE 62.1 ventilation or better
- Annual air and water testing

## Transparency

- Sustainability Reporting in alignment with TCFD, SASB, GRI Reporting Standard
- ESRT's 2021 Sustainability Report is available on our website
- *Read our Sustainability Report HERE*

## Tenant Engagement

- Custom sustainable and efficient design support
- Utility and ESG data available
- Green Lease Provisions across 100% of portfolio



[1] Click here for more information.

EMPIRE STATE REALTY TRUST




***Learn More***
About ESRT
Sustainability &
ESG Initiatives

# Achievements & Leadership

## Achievements

- #1 Lowest Emissions of all NYC-based REITs, per Green Street[1]

## Policy Leadership at National State and City Levels

- Our Chairman, President and CEO, Anthony E. Malkin is a recognized leader on sustainability initiatives for our local and national community
  - Chairman of the Real Estate Roundtable Sustainability Policy Advisory Committee
  - Sole New York City owner member of NYC Climate Mobilization Local Law 97 Advisory Board
  - Co-Chair of LL97 Technical Pathways for Commercial Buildings Working Group
- Our Director of Energy, Sustainability and ESG, SVP Dana Schneider, serves on the Real Estate Round Table Sustainability Policy Advisory Committee and LL97 Commercial Buildings Working Group in addition to:
  - Urban Green Board of Directors
  - USGBC LEED Steering Committee
  - LEED Fellow
  - REBNY Sustainability Committee
  - The Clean Fight and REBNY PropTech Judge

## Industry Leadership & Engagement

- ✓ WELL Living Lab/Mayo Clinic
- ✓ REBNY Sustainability Committee
- ✓ NAREIT Real Estate Sustainability Committee
- ✓ Urban Green Board of Directors
- ✓ ULI Tenant Energy Optimization Program
- ✓ NYC Mayor's Carbon Challenge
- ✓ The Clean Fight (Final Round Judge)
- ✓ LEED Steering Committee

[1] Per Green Street research report: Office Insights: NYC Local Emissions Regulation Update, dated November 24, 2021.

## ENVIRONMENTAL GOALS

# Energy & Emissions

| Energy Goals | Status | Progress |
|---|---|---|
| 50% reduction in energy use intensity by 2035[1]<br><br>20% reduction of energy use intensity at ESB by 2024[1] | ↑ | 24% reduction in energy use intensity through 2021[1] driven by low building utilization rates throughout COVID-19 pandemic |
| Increase renewable energy usage across the portfolio | ✓ | Entire portfolio is 100% powered by renewable wind energy |

| Emission Goals | Status | Progress |
|---|---|---|
| Achieve net-zero greenhouse gas emissions across the entire portfolio by 2035<br><br>Empire State Building net-zero by 2030 | ↑ | 23% reduction in greenhouse gas emissions intensity through 2020[1]<br><br>ESRT has lowest emissions of all NYC-based REITs[2] |
| Meet the Empire Building Challenge and commit to leadership at a statewide level to achieve 85% local emissions reduction by 2035 | ↑ | Anthony E. Malkin is on the NYC LL97 Advisory Board, Co-Chair of LL97 Technical Pathways for Commercial Buildings Working Group |

[1] Reduction from a 2018 baseline. Energy usage is calculated on a like-for-like basis each year. 2021 energy use outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption at full occupancy.
[2] Per Green Street research report: Office Insights: NYC Local Emissions Regulation Update, dated November 24, 2021 (documenting 2020 data).

## ENVIRONMENTAL GOALS

# Waste & Water

| Waste & Recycling Goals | Status | Progress |
|---|---|---|
| 75% waste diversion rate by 2035[1]<br><br>Reduce waste generation by 5% year over year[1] | ↑ | 2018 baseline: **22%**<br>2021: **36%**<br><br>75% goal for waste diversion rate by 2035 from 2018 baseline |
| Perform waste audits at 100% of buildings annually | ↑ | Unable to conduct audits effectively in 2020 due to COVID-19 precautions and impact on waste diversion measures |

| Water Conservation Goals | Status | Progress |
|---|---|---|
| 30% reduction in water usage by 2035[1]<br><br>Reduce water usage 2% year-over-year | ↑ | 30% reduction goal by 2035 from 2018 baseline<br><br>2021: **297,835**<br>2020: **318,388**<br>2019: **581,193**<br>2018 baseline: **641,312** |
| Implement real-time water metering and software across the portfolio by 2025 | ↑ | |



[1] Reduction from a 2018 baseline. 2020 and 2021 water usage and waste diversion outcomes were impacted by low building utilization rates during the COVID-19 pandemic, and thus are not representative of consumption or waste generation at full occupancy.

# Indoor Environmental Quality & ESG Certification

| IEQ Goals | Status | Progress |
|---|---|---|
| Improve the IEQ in our buildings to improve efficiencies, tenant safety and wellness | ✓ | 1st commercial portfolio in the Americas to achieve WELL Health-Safety Rating and among first to achieve recertification<br><br>Perform comprehensive annual indoor air quality testing at all properties |
| Healthy Buildings & Sustainable Guidelines | ✓ | MERV 13 filters, increased air ventilation and active bipolar ionization air purification system, which we have installed in select spaces, neutralizes more than 99.92% of coronavirus particles[1] |

| ESG Certification Goals | Status | Progress |
|---|---|---|
| Continue to report to GRESB annually | ✓ | Achieved GRESB 5 Star Rating, Green Star Recognition for the second consecutive year with a score of 94<br><br>2nd highest score in the most competitive U.S. peer group<br><br>Achieved WELL Health-Safety rating and recertification<br><br>Fitwel Champion, covering 83% of our Manhattan portfolio<br><br>2021 ENERGY STAR Partner of the Year with 76% of portfolio ENERGY STAR Certified (100% of eligible buildings) |
| Maintain Fitwel Certification and IWBI WELL Health-Safety rating triennially/annually | ✓ | |
| Pursue ENERGY STAR Certification at 100% of eligible buildings | ✓ | |



[1] According to studies performed by Microchem Laboratory, one of the nation's preeminent laboratories for testing EPA- and FDA-registered sanitizing products. Click here for more information.

# Social Responsibility

- **Diversity, Equity and Inclusion (DE&I)**
  - Transparent public reporting of EEOC diversity for all levels (Board, leadership, overall)
  - Employee-led Inclusion Committee in place
  - All executives and employees participate in training on inclusion and communication led by DE&I consultant
  - Included in the 2022 Bloomberg Gender-Equality Index
  - Implemented new hiring process to mandate diversity in candidate pools
- **Investment in Human Capital**
  - Actively engage with our employees on policy and company culture
  - Health and wellness benefits and programs
  - Implemented formal work from home policy
  - Employee-led Employee Manual Committee achieved significant benefit enhancements, such as enhanced parental leave and increased paid time off
  - Overhaul of 401(k) plan with increased company match and financial wellness training
  - Focus on increasing employee training and education opportunities and participation
  - Focus on increasing the gender and ethnic diversity of our workforce and leadership
    - Gender[1]:
      - All Employees – 44.2% female / 55.8% male
      - VP & higher – 27.6% female / 72.4% male
    - Ethnic[1]:
      - All Employees – 60.5% diverse
      - VP & higher – 17.2% diverse
- **Supplier Diversity Initiatives implemented**
- **Vendor Code of Conduct**
- **Tenant partnership and engagement**
- **Healthy Buildings**
- **Community Engagement and Volunteerism**
  - Company-sponsored volunteer events
  - Provide employees with paid time off for volunteerism efforts



[1] Based on company-wide employees, corporate and union, as of December 31, 2021.

# Governance

- **Board Diversity**
  - 22% female / 78% male
  - 22% minority / 78% white
- **Board Practices**
  - Balance of continuity (3 directors since 2013 IPO) and refreshment with 4 new directors since 2017
  - Focused on enhanced diversity and refreshment with 3 independent diverse directors appointed since 2017
  - Board oversight of ESG initiatives and matters with specific committee responsibility outlined in committee charters
  - SVP, Director of Energy, Sustainability & ESG reports to Board quarterly
- **Board Independence**
  - Lead Independent Director, elected annually, with responsibilities outlined in the corporate governance guidelines
  - Independent Board (8 of 9 directors) / All Board committees composed of independent directors
- **Accountability**
  - Proxy access stockholder right
  - Stockholder right to amend bylaws
  - Frequent and robust shareholder engagement efforts
  - Adopted ESG metric as a component of both NEO's annual incentive bonus and performance-based equity
- **Stock Ownership/Compensation**
  - Robust stock ownership guidelines for directors and executive officers
  - Claw back policy in place
  - Double-trigger change in control benefits

# Reconciliation of Non-GAAP Measures

| Reconciliation of Net Income to NOI and Cash NOI | Three Months Ended | | | | | Year Ended |
|---|---|---|---|---|---|---|
| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 | December 31, 2021 |
| Net income (loss) | $ (17,221) | $ (4,074) | $ (10,183) | $ 4,411 | $ (3,191) | $ (13,037) |
| Add: | | | | | | |
| General and administrative expenses | 13,686 | 13,578 | 14,427 | 14,089 | 13,853 | $ 55,947 |
| Depreciation and amortization | 67,106 | 46,467 | 65,794 | 45,088 | 44,457 | 201,806 |
| Interest expense | 25,014 | 23,841 | 23,577 | 23,422 | 23,768 | $ 94,608 |
| Income tax expense (benefit) | (1,596) | 1,537 | 20 | (1,185) | (2,106) | (1,734) |
| Impairment charge | - | 7,723 | - | - | - | $ 7,723 |
| Less: | | | | | | |
| Third-party management and other fees | (310) | (302) | (314) | (327) | (276) | $ (1,219) |
| Interest income | (149) | (207) | (211) | (164) | (122) | (704) |
| Net operating income | 86,530 | 88,563 | 93,110 | 85,334 | 76,383 | $ 343,390 |
| | | | | | | |
| Straight-line rent | (2,595) | (7,881) | (3,087) | (3,763) | (6,347) | $ (21,078) |
| Above/below-market rent revenue amortization | (1,784) | (280) | (4,244) | (717) | (654) | (5,895) |
| Below-market ground lease amortization | 1,958 | 1,958 | 1,957 | 1,958 | 1,958 | $ 7,831 |
| Total cash net operating income | 84,109 | 82,360 | 87,736 | 82,812 | 71,340 | 324,248 |
| | | | | | | |
| Less cash NOI from non-Same Store properties | (3,871) | (268) | (385) | (847) | (652) | (2,152) |
| **Total Same Store cash NOI - including observatory and lease termination income** | 80,238 | 82,092 | 87,351 | 81,965 | 70,688 | 322,096 |
| Less: observatory NOI | (7,026) | (10,736) | (6,426) | (3,091) | 1,985 | (18,268) |
| Less: Lease termination income | (1,173) | (281) | (11,321) | (3,075) | (1,250) | (15,927) |
| **Total Same Store cash NOI - excluding observatory and lease termination income** | $ 72,039 | $ 71,075 | $ 69,604 | $ 75,799 | $ 71,423 | $ 287,901 |



Company data and filings as of March 31, 2022. Amounts in thousands.

# Reconciliation of Non-GAAP Measures

| | Twelve Months to Date | Three Months Ended March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 |
|---|---|---|---|---|---|
| Rental revenue | $ 510,628 | $ 133,689 | $ 126,393 | $ 125,455 | $ 125,091 |
| Tenant expense reimbursement | 56,345 | 13,825 | 12,711 | 14,103 | 15,706 |
| Deduct: | | | | | |
| Straight-line rental revenues | (17,326) | (2,595) | (7,881) | (3,087) | (3,763) |
| Above/below-market rent revenue amortization | (7,025) | (1,784) | (280) | (4,244) | (717) |
| Total cash revenues | $ 542,622 | $ 143,135 | $ 130,943 | $ 132,227 | $ 136,317 |

| | Three Months Ended March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
|---|---|---|---|---|---|
| Net income (loss) | $ (17,221) | $ (4,074) | $ (10,183) | $ 4,411 | $ (3,191) |
| Interest expense | 25,014 | 23,841 | 23,577 | 23,422 | 23,554 |
| Income tax expense (benefit) | (1,596) | 1,537 | 20 | (1,185) | (2,106) |
| Depreciation and amortization | 67,106 | 46,467 | 65,794 | 45,088 | 44,457 |
| **EBITDA** | 73,303 | 67,771 | 79,208 | 71,736 | 62,714 |
| Impairment charges, net of reimbursement | - | 7,723 | - | - | - |
| **Adjusted EBITDA** | $ 73,303 | $ 75,494 | $ 79,208 | $ 71,736 | $ 62,714 |



Company data and filings as of March 31, 2022. Amounts in thousands.

# Disclaimer

This presentation includes "forward looking statements" within the meaning of the federal securities laws. Forward-looking statements may be identified by the use of words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," "contemplates," "aims," "continues," "would" or "anticipates" or the negative of these words and phrases or similar words or phrases.

The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: (i) economic, market, political and social impact of, and uncertainty relating to, the COVID-19 pandemic; (ii) a failure of conditions or performance regarding any event or transaction described above, (iii) resolution of legal proceedings involving the Company; (iv) reduced demand for office, multifamily or retail space, including as a result of the COVID-19 pandemic; (v) changes in our business strategy; (vi) changes in technology and market competition that affect utilization of our office, retail, broadcast or other facilities; (vii) changes in domestic or international tourism, including due to health crises such as the COVID-19 pandemic, geopolitical events, including global hostilities, currency exchange rates, and/or competition from recently opened observatories in New York City, any of all of which may cause a decline in Observatory visitors; (viii) defaults on, early terminations of, or non-renewal of, leases by tenants; (ix) increases in the Company's borrowing costs as a result of changes in interest rates and other factors, including the phasing out of LIBOR after 2021; (x) declining real estate valuations and impairment charges; (xi) termination of our ground leases; (xii) changes in our ability to pay down, refinance, restructure or extend our indebtedness as it becomes due and potential limitations on our ability to borrow additional funds in compliance with drawdown conditions and financial covenants; (xiii) decreased rental rates or increased vacancy rates; (xiv) our failure to execute any newly planned capital project successfully or on the anticipated timeline or at the anticipated costs; (xv) difficulties in identifying and completing acquisitions; (xvi) risks related to our development projects (including our Metro Tower development site); (xvii) impact of changes in governmental regulations, tax laws and rates and similar matters; (xviii) our failure to qualify as a REIT; (xix) environmental uncertainties and risks related to climate change, adverse weather conditions, rising sea levels and natural disasters; and (xx) accuracy of our methodologies and estimates regarding ESG metrics and goals, tenant willingness and ability to collaborate in reporting ESG metrics and meeting ESG goals, and impact of governmental regulation on our ESG efforts.

For a further discussion of these and other factors that could impact the Company's future results, see the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission.

While forward-looking statements reflect the Company's good faith beliefs, they are not guarantees of future performance. The Company disclaims any obligation to update or revise publicly any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events, or other changes after the date of this press release, except as required by applicable law. Prospective investors should not place undue reliance on any forward-looking statements, which are based only on information currently available to the Company (or to third parties making the forward-looking statements).