

RELEASE: IMMEDIATE

**GETTY REALTY CORP. ANNOUNCES
FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS
ENDED JUNE 30, 2006**

JERICHO, NY, August 1, 2006 --- Getty Realty Corp. (NYSE-GTY) today reported its financial results for the quarter and six months ended June 30, 2006.

Net earnings for the quarter ended June 30, 2006 increased by \$0.9 million, or 9.0%, to \$11.1 million as compared to \$10.2 million reported for the prior year period. Net earnings were \$21.6 million for the six months ended June 30, 2006 as compared to \$21.7 million reported for the prior year period.

The increase in net earnings for the quarter resulted from additional rental income from the properties acquired in February 2006 and rent escalations, lower operating expenses and higher other income from gains on dispositions of real estate, partially offset by higher interest expense. Net earnings for the six months reflect additional rental income from the properties acquired in February 2006 and March 2005, rent escalations and higher other income from gains on dispositions of real estate, offset by higher environmental and interest expenses resulting in a slight decrease in net earnings as compared to the prior year period.

FFO increased by \$0.4 million, or 3.3%, to \$12.7 million for the quarter ended June 30, 2006 and AFFO increased by \$0.6 million, or 5.5%, to \$11.9 million as compared to the prior year period. FFO decreased by \$0.5 million, or 1.9%, to \$25.1 million for the six months ended June 30, 2006 and AFFO decreased by \$0.2 million, or 1.0% to \$23.5 million as compared to the prior year period.

The increase in FFO and AFFO for the quarter and the decrease in FFO and AFFO for the six month period were primarily due to the changes in net earnings described above but exclude the improvement in earnings due to higher gains on dispositions of properties of \$0.4 million for both the quarter and the six month periods. AFFO increased more than FFO for the quarter and decreased less than FFO for the six month period, on both a dollar and percentage basis, due to decreases in deferred rental revenues (which are included in net earnings and FFO but are excluded from AFFO) of \$0.2 million for the quarter and \$0.3 million for the six months ended June 30, 2006, as compared to the prior year periods. FFO and AFFO are supplemental non-GAAP measures of the performance of real estate investment trusts and are defined and reconciled to net earnings in the financial tables at the end of this release.

Diluted earnings per share increased by \$0.04 per share, or 9.8%, to \$0.45 per share for the three months ended June 30, 2006 as compared to the three months ended June 30, 2005. Diluted FFO per share increased by \$0.01 per share, or 2.0%, to \$0.51 per share as compared to the three months ended June 30, 2005. Diluted AFFO per share increased by \$0.02 per share, or 4.3%, to \$0.48 per share for the three months ended June 30, 2006 as compared to the three months ended June 30, 2005.

Diluted earnings per share decreased by \$0.01 per share, or 1.0 %, to \$0.87 per share for the six months ended June 30, 2006 compared to the six months ended June 30, 2005. Diluted FFO per share decreased \$0.03 per share or, 2.9% to \$1.01 per share as compared to the six months ended June 30, 2005 and diluted AFFO per share for the six months ended June 30, 2006 decreased \$0.01 per share, or 1.0% to \$0.95 per share as compared to the six months ended June 30, 2005.

Revenues from rental properties increased by \$0.3 million to \$18.2 million for the quarter and by \$1.0 million to \$36.2 million for the six months ended June 30, 2006, as compared to \$17.9 million and \$35.3 million for the respective prior year periods. Rent received was \$17.4 million for the quarter and \$34.7 million for the six months ended June 30, 2006, as compared with \$16.9 million for the quarter and \$33.4 million for the six months period ended in 2005. The increases in rent received were primarily due to rental income from property acquisitions and rent escalations. In addition to rent received, revenues from rental properties include deferred rental revenues accrued due to recognition of rental income on a straight-line basis of \$0.8 million for the quarter and \$1.6 million for the six months ended June 30, 2006, as compared to \$1.0 million and \$1.9 million for the respective prior year periods.

Environmental expenses, net for the quarter ended June 30, 2006 decreased by \$0.5 million to \$0.8 million as compared to \$1.3 million for the quarter ended June 30, 2005. The decrease was primarily due to a \$0.7 million decrease in the change in estimated environmental costs. Environmental expenses, net for the six months ended June 30, 2006 increased by \$0.5 million to \$1.9 million as compared to \$1.4 million for the six months ended June 30, 2005. The increase was primarily due to a \$0.9 million increase in legal fees and litigation related expenses, offset by a \$0.5 million decrease in the change in estimated environmental costs.

Interest expense increased by \$0.5 million to \$0.9 million for the quarter and by \$1.0 million to \$1.6 million for the six months ended June 30, 2006 as compared to \$0.5 million and \$0.6 million for the respective prior year periods. Interest expense increased primarily due to borrowings used to finance the acquisition of properties. Interest expense also increased due to increased interest rates that averaged 6.13% for the six months ended June 30, 2006, as compared to 4.14% for the six months ended June 30, 2005. Getty Realty Corp. entered into a five year interest rate swap which effectively fixed the interest rate on \$45.0 million of its borrowings at 6.69% effective May 1, 2006.

Getty Realty Corp.'s Second Quarter Earnings Conference Call is scheduled for tomorrow, Wednesday, August 2, 2006 at 9:00 a.m. Eastern Time. To participate in the conference call, please dial 719-457-2734 five to ten minutes before the scheduled start time and reference pass code 7581458. If you cannot participate in the live event, a replay will be available beginning on August 2, 2006 at noon through midnight, August 4, 2006. To access the replay, please dial 719-457-0820 and reference pass code 7581458.

Getty Realty Corp. is the largest publicly-traded real estate investment trust in the United States specializing in ownership and leasing of motor fuel/convenience store properties and petroleum distribution terminals. The Company owns and leases over 1,060 properties in the Eastern United States.

CERTAIN STATEMENTS IN THIS NEWS RELEASE MAY CONSTITUTE "FORWARD LOOKING STATEMENTS" WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN THE WORDS "BELIEVES", "EXPECTS", "PLANS", "PROJECTS", "ESTIMATES" AND SIMILAR EXPRESSIONS ARE USED IN THIS RELEASE, THEY IDENTIFY FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON MANAGEMENT'S CURRENT BELIEFS AND ASSUMPTIONS AND INFORMATION CURRENTLY AVAILABLE TO MANAGEMENT AND INVOLVE KNOWN AND UNKNOWN RISKS (INCLUDING THE RISKS THAT ARE DESCRIBED FROM TIME TO TIME IN THE COMPANY'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION), UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THESE FORWARD-LOOKING STATEMENTS. GETTY UNDERTAKES NO OBLIGATION TO PUBLICLY RELEASE REVISIONS TO THESE FORWARD-LOOKING STATEMENTS THAT REFLECT FUTURE EVENTS OR CIRCUMSTANCES OR THE OCCURRENCE OF UNANTICIPATED EVENTS.

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GETTY REALTY CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
(unaudited)

	<i>June 30,</i>	<i>December 31,</i>
Assets:	2006	2005
Real Estate:		
Land	\$180,602	\$171,839
Buildings and improvements	204,340	198,656
	384,942	370,495
Less – accumulated depreciation and amortization	(113,170)	(109,800)
Real estate, net	271,772	260,695
Deferred rent receivable	30,883	29,287
Cash and equivalents	862	1,247
Recoveries from state underground storage tank funds, net	4,010	4,264
Mortgages and accounts receivable, net	3,908	3,129
Prepaid expenses and other assets	1,307	1,359
Total assets	\$312,742	\$299,981
Liabilities and Shareholders' Equity:		
Debt	\$48,509	\$34,224
Environmental remediation costs	16,751	17,350
Dividends payable	11,269	11,009
Accounts payable and accrued expenses	8,724	9,515
Total liabilities	85,253	72,098
Commitments and contingencies		
Shareholders' equity:		
Common stock, par value \$.01 per share; authorized 50,000,000 shares; issued 24,731,465 at June 30, 2006 and 24,716,614 at December 31, 2005	247	247
Paid-in capital	258,085	257,766
Dividends paid in excess of earnings	(31,020)	(30,130)
Accumulated other comprehensive income	177	-
Total shareholders' equity	227,489	227,883
Total liabilities and shareholders' equity	\$312,742	\$299,981

GETTY REALTY CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	<i>Three months ended June 30,</i>		<i>Six months ended June 30,</i>	
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
Revenues from rental properties	\$18,180	\$17,872	\$36,247	\$35,268
Operating expenses:				
Rental property expenses	2,488	2,560	4,972	5,184
Environmental expenses, net	810	1,348	1,911	1,411
General and administrative expenses	1,333	1,289	2,740	2,600
Depreciation and amortization expense	1,996	2,065	3,912	4,014
Total operating expenses	<u>6,627</u>	<u>7,262</u>	<u>13,535</u>	<u>13,209</u>
Operating income	11,553	10,610	22,712	22,059
Other income, net	477	55	559	191
Interest expense	<u>(918)</u>	<u>(451)</u>	<u>(1,628)</u>	<u>(600)</u>
Net earnings	<u>\$11,112</u>	<u>\$10,214</u>	<u>\$21,643</u>	<u>\$21,650</u>
Net earnings per common share:				
Basic	\$.45	\$.41	\$.88	\$.88
Diluted	\$.45	\$.41	\$.87	\$.88
Weighted average shares outstanding:				
Basic	24,725	24,714	24,721	24,707
Stock options and restricted stock units	<u>22</u>	<u>14</u>	<u>25</u>	<u>14</u>
Diluted	<u>24,747</u>	<u>24,728</u>	<u>24,746</u>	<u>24,721</u>
Dividends declared per share	\$.455	\$.435	\$.910	\$.870

GETTY REALTY CORP. AND SUBSIDIARIES
 RECONCILIATION OF NET EARNINGS TO
 FUNDS FROM OPERATIONS AND
 ADJUSTED FUNDS FROM OPERATIONS
 (in thousands, except per share amounts)
 (unaudited)

	Three months ended June 30		Six months ended June 30,	
	2006	2005	2006	2005
Net earnings	\$11,112	\$10,214	\$21,643	\$21,650
Depreciation and amortization of real estate assets	1,996	2,065	3,912	4,014
Gains on dispositions of real estate	(423)	-	(457)	(72)
Funds from operations	12,685	12,279	25,098	25,592
Deferred rental revenue (straight-line rental revenue)	(773)	(985)	(1,596)	(1,885)
Adjusted funds from operations	\$11,912	\$11,294	\$23,502	\$23,707
Diluted per share amounts :				
Earnings per share	\$.45	\$.41	\$.87	\$.88
Funds from operations per share	\$.51	\$.50	\$ 1.01	\$ 1.04
Adjusted funds from operations per share	\$.48	\$.46	\$.95	\$.96
Diluted weighted average shares outstanding	24,747	24,728	24,746	24,721

In addition to measurements defined by generally accepted accounting principles (“GAAP”), Getty also focuses on funds from operations (“FFO”) and adjusted funds from operations (“AFFO”) to measure its performance. FFO is generally considered to be an appropriate supplemental non-GAAP measure of the performance of REITs. FFO is defined by the National Association of Real Estate Investment Trusts as net earnings before depreciation and amortization of real estate assets, gains or losses on dispositions of real estate, non-FFO items reported in discontinued operations and extraordinary items. Other REITs may use definitions of FFO and/or AFFO that are different than Getty’s and, accordingly, may not be comparable.

Getty believes that FFO is helpful to investors in measuring its performance because FFO excludes various items included in GAAP net earnings that do not relate to, or are not indicative of, Getty’s fundamental operating performance such as gains or losses from property dispositions and depreciation and amortization of real estate assets. In Getty’s case, however, GAAP net earnings and FFO include the significant impact of deferred rental revenue (straight-line rental revenue) on its recognition of revenues from rental properties, which primarily results from fixed rental increases scheduled under certain leases with its tenants. In accordance with GAAP, the aggregate minimum rent due over the initial term of these leases is recognized on a straight-line basis rather than when due. GAAP net earnings and FFO may also include an income tax provision or benefit recognized due to adjustments in amounts accrued for uncertain tax positions related to being taxed as a C-corp., rather than as a REIT, prior to 2001. As a result, Getty pays particular attention to AFFO, a supplemental non-GAAP performance measure that Getty defines as FFO less straight-line rental revenue and income taxes. Income taxes did not have a significant impact on Getty’s earnings for the periods presented, and accordingly, do not appear as a separate item in its statement of operations or reconciliation of AFFO from net earnings. In Getty’s view, AFFO provides a more accurate depiction than FFO of the impact of scheduled rent increases under these leases and Getty’s election to be taxed as a REIT beginning in 2001. Neither FFO nor AFFO represent cash generated from operating activities calculated in accordance with GAAP and therefore these measures should not be considered an alternative for GAAP net earnings or as a measure of liquidity.

Contact Thomas J. Stirnweis
 (516) 478-5403