Alexander's, Inc.

NEWS RELEASE

Alexander's Announces First Quarter Results

4/27/2005

PARAMUS, N.J.--(BUSINESS WIRE)--April 27, 2005--ALEXANDER'S, INC. (New York Stock Exchange: ALX) today reported net income for the quarter ended March 31, 2005 of $31,218,000, or $6.15 per diluted share, versus a net loss of $22,992,000, or $4.60 per diluted share, for the quarter ended March 31, 2004. Funds from operations ("FFO") for the quarter ended March 31, 2005 was positive $35,849,000 or $7.06 per diluted share, compared to a negative $19,462,000 or $3.89 per diluted share, for the quarter ended March 31, 2004.

Net income and positive FFO for the quarter ended March 31, 2005 include (i) a gain after taxes of $39,975,000 or $7.88 per diluted share, from the sale of residential condominium units at 731 Lexington Avenue and (ii) an accrual for stock appreciation rights ("SARs") compensation expense of $22,525,000 or $4.44 per diluted share. Net loss and negative FFO for the quarter ended March 31, 2004 include (i) an accrual for SARs compensation expense of $30,039,000 or $6.01 per diluted share, (ii) $3,050,000 or $0.61 per diluted share, write-off of deferred debt expense in connection with the reduction of the principal amount of a construction loan.

Alexander's, Inc. is a real estate investment trust which has six properties in the greater New York City metropolitan area.

Certain statements contained herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

ALEXANDER'S, INC.
OPERATING RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2005 AND 2004

(amounts in thousands, except share and per share amounts)	FOR THE THREE MONTHS ENDED March 31, 2005	March 31, 2004
Revenues	$ 43,676	$ 33,765
Net loss from continuing operations	$ (8,757)	$ (22,992)
Net gain on sale of condominiums	39,975	--
Net income (loss)	$ 31,218	$ (22,992)
FFO	$ 35,849	$ (19,462)
Net income (loss) per common share - basic:		
Net loss from continuing operations	$ (1.75)	$ (4.60)
Net gain on sale of condominiums	7.97	--
Net income (loss) per common share - basic	$ 6.22	$ (4.60)
Net income (loss) per common share - diluted:		
Net loss from continuing operations	$ (1.73)	$ (4.60)
Net gain on sale of condominiums	7.88	--
Net income (loss) per common share - diluted	$ 6.15	$ (4.60)
FFO per common share - diluted	$ 7.06	$ (3.89)
Average number of share and share equivalents outstanding:		
Basic	5,015,827	5,002,169
Diluted	5,075,465	5,002,169

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

	FOR THE THREE MONTHS ENDED	
	March 31, 2005	March 31, 2004
Net income (loss)	$ 31,218	$ (22,992)
Depreciation and amortization of real property	4,631	3,530
FFO	$ 35,849(1)	$(19,462)(2)

(1) Net income and FFO for the quarter ended March 31, 2005 include $39,975,000 or $7.88 per diluted share, from the sale of residential condominium units at 731 Lexington Avenue and $22,525,000 or $4.44 per diluted share for an accrual for stock appreciation rights compensation expense.

(2) Net loss and FFO for the quarter ended March 31, 2004 are after an accrual for stock appreciation rights compensation expense of $30,039,000 or $6.01 per diluted share, and the $3,050,000 or $0.61 per diluted share, write off of deferred debt expense in connection with the reduction of the principal amount of a construction loan

FFO does not represent cash generated from operating activities in accordance with accounting principles generally accepted in the United States of America and is not necessarily indicative of cash available to fund cash needs, which is disclosed in the consolidated statements of cash flows. There are no material legal or functional restrictions on the use of FFO. FFO should not be considered as an alternative to net (loss) income as an indicator of the Company's operating performance. Management considers FFO a relevant supplemental measure of operating performance because it provides a basis for comparison among real estate investments trusts. FFO is computed in accordance with the National Association of Real Estate Investment Trust's ("NAREIT") standards, which may not be comparable to FFO reported by other real estate investment trusts that do not define the term in accordance with NAREIT's definition or that interpret NAREIT's definition differently.

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