NEWS RELEASE

Alexander's Announces Fourth Quarter Financial Results

2/11/2019

PARAMUS, N.J., Feb. 11, 2019 (GLOBE NEWSWIRE) -- ALEXANDER'S, INC. (New York Stock Exchange: ALX) filed its Form 10-K for the year ended December 31, 2018 today and reported:

Fourth Quarter 2018 Financial Results

Net income for the quarter ended December 31, 2018 was $10.0 million, or $1.95 per diluted share, compared to $17.9 million, or $3.50 per diluted share for the quarter ended December 31, 2017. Net income for the quarter ended December 31, 2018 included $6.4 million, or $1.26 per diluted share, from the decrease in the fair value of marketable securities resulting from a new GAAP accounting standard effective January 1, 2018. Previously, changes in the fair value of marketable securities were recognized through "accumulated other comprehensive income" on Alexander's, Inc.'s consolidated balance sheets and did not impact its consolidated statements of income. Adjusting net income for this item, "net income, as adjusted" (non-GAAP) for the quarter ended December 31, 2018 was $16.4 million, or $3.20 per diluted share, compared to $17.9 million, or $3.50 per diluted share for the quarter ended December 31, 2017.

Funds from operations ("FFO") (non-GAAP) for the quarter ended December 31, 2018 was $24.2 million, or $4.72 per diluted share, compared to $28.1 million, or $5.49 per diluted share for the quarter ended December 31, 2017.

Year Ended December 31, 2018 Financial Results

Net income for the year ended December 31, 2018 was $32.8 million or $6.42 per diluted share, compared to $80.5 million, or $15.74 per diluted share for the year ended December 31, 2017. Net income for the year ended December 31, 2018 included (i) $23.8 million, or $4.65 per diluted share, of expense for potential additional New

York City real property transfer taxes on the 2012 sale of Kings Plaza Regional Shopping Center ("Kings Plaza") which is being contested and (ii) $12.0 million, or $2.34 per diluted share, from the decrease in the fair value of marketable securities. Adjusting net income for these items, "net income, as adjusted" (non-GAAP) for the year ended December 31, 2018 was $68.6 million, or $13.41 per diluted share, compared to $80.5 million, or $15.74 per diluted share for the year ended December 31, 2017.

FFO (non-GAAP) for the year ended December 31, 2018 was $77.4 million, or $15.13 per diluted share, compared to $114.9 million, or $22.46 per diluted share for the year ended December 31, 2017. FFO (non-GAAP) for the year ended December 31, 2018 included $23.8 million, or $4.65 per diluted share, of expense for the contested Kings Plaza transfer taxes. Adjusting FFO (non-GAAP) for this item, "FFO, as adjusted" (non-GAAP) for the year ended December 31, 2018 was $101.2 million, or $19.78 per diluted share, compared to $114.9 million, or $22.46 per diluted share for the year ended December 31, 2017.

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

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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. For a discussion of factors that could materially affect the outcome of our forward-looking statements and our future results and financial condition, see "Risk Factors" in Part I, Item 1A, of our Annual Report on Form 10-K for the year ended December 31, 2018. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments, the financial condition of our tenants and general competitive factors.

ALEXANDER'S, INC.

FINANCIAL RESULTS FOR THE QUARTERS ENDED
DECEMBER 31, 2018 AND 2017

Below is a table of selected financial results.

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED DECEMBER 31, 2018	2017
Revenues	$ 57,567	$ 58,061
Net income	$ 9,971	$ 17,883
Net income per common share – basic and diluted	$ 1.95	$ 3.50
Weighted average shares outstanding - basic and diluted	5,117,347	5,115,982
FFO (non-GAAP)	$ 24,158	$ 28,062
FFO per diluted share (non-GAAP)	$ 4.72	$ 5.49
Weighted average shares used in computing FFO per diluted share	5,117,347	5,115,982

The following table reconciles net income to net income, as adjusted (non-GAAP):

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED DECEMBER 31, 2018	2017
Net income	$ 9,971	$ 17,883
Change in fair value of marketable securities	6,429	-
Net income, as adjusted (non-GAAP)	$ 16,400	$ 17,883
Net income, as adjusted per diluted share (non-GAAP)	$ 3.20	$ 3.50
Weighted average shares used in computing net income, as adjusted per diluted share	5,117,347	5,115,982

The following table reconciles net income to FFO (non-GAAP):

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED DECEMBER 31, 2018	2017
Net income	$ 9,971	$ 17,883
Depreciation and amortization of real property	7,758	10,179
Change in fair value of marketable securities	6,429	-
FFO (non-GAAP)	$ 24,158	$ 28,062
FFO per diluted share (non-GAAP)	$ 4.72	$ 5.49
Weighted average shares used in computing FFO per diluted share	5,117,347	5,115,982

ALEXANDER'S, INC.

FINANCIAL RESULTS FOR THE YEARS ENDED

DECEMBER 31, 2018 AND 2017

Below is a table of selected financial results.

(Amounts in thousands, except share and per share amounts)	YEAR ENDED DECEMBER 31, 2018	2017
Revenues	$ 232,825	$ 230,574
Income from continuing operations	$ 56,641	$ 80,509
Loss from discontinued operations (Kings Plaza transfer taxes)	(23,797)	-

Net income	$ 32,844	$ 80,509
Income per common share – basic and diluted		
Income from continuing operations	$ 11.07	$ 15.74
Loss from discontinued operations (Kings Plaza transfer taxes)	(4.65)	-
Net income per common share	$ 6.42	$ 15.74
Weighted average shares outstanding - basic and diluted	5,116,838	5,115,501
FFO (non-GAAP)	$ 77,429	$ 114,908
FFO per diluted share (non-GAAP)	$ 15.13	$ 22.46
FFO, as adjusted (non-GAAP)	$ 101,226	$ 114,908
FFO, as adjusted per diluted share (non-GAAP)	$ 19.78	$ 22.46
Weighted average shares used in computing FFO per diluted share and FFO, as adjusted per diluted share	5,116,838	5,115,501

The following table reconciles net income to net income, as adjusted (non-GAAP):

	YEAR ENDED DECEMBER 31,	
(Amounts in thousands, except share and per share amounts)	2018	2017
Net income	$ 32,844	$ 80,509
Loss from discontinued operations (Kings Plaza transfer taxes)	23,797	-
Change in fair value of marketable securities	11,990	-
Net income, as adjusted (non-GAAP)	$ 68,631	$ 80,509
Net income, as adjusted per diluted share (non-GAAP)	$ 13.41	$ 15.74
Weighted average shares used in computing net income, as adjusted per diluted share	5,116,838	5,115,501

ALEXANDER'S, INC.

FINANCIAL RESULTS FOR THE YEARS ENDED

DECEMBER 31, 2018 AND 2017

The following table reconciles net income to FFO (non-GAAP):

(Amounts in thousands, except share and per share amounts)	YEAR ENDED DECEMBER 31, 2018	2017
Net income	$ 32,844	$ 80,509
Depreciation and amortization of real property	32,595	34,399
Change in fair value of marketable securities	11,990	-
FFO (non-GAAP)	$ 77,429	$ 114,908
FFO per diluted share (non-GAAP)	$ 15.13	$ 22.46
Weighted average shares used in computing FFO per diluted share	5,116,838	5,115,501

The following table reconciles FFO (non-GAAP) to FFO, as adjusted (non-GAAP):

(Amounts in thousands, except share and per share amounts)	YEAR ENDED DECEMBER 31, 2018	2017
FFO (non-GAAP)	$ 77,429	$ 114,908

FFO (non-GAAP)	$ 77,429	$ 114,908
Loss from discontinued operations (Kings Plaza transfer taxes)	23,797	-
FFO, as adjusted (non-GAAP)	$ 101,226	$ 114,908
FFO, as adjusted per diluted share (non-GAAP)	$ 19.78	$ 22.46
Weighted average shares used in computing FFO, as adjusted per diluted share	5,116,838	5,115,501

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FFO is computed in accordance with the December 2018 restated 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 gains from sales of depreciable real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets and other specified 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 flow as a liquidity measure. FFO may not be comparable to similarly titled measures employed by other companies. A reconciliation of net income to FFO is provided above.

In accordance with the NAREIT December 2018 restated definition of FFO, Alexander's has elected to exclude the mark-to-market adjustments of marketable securities from the calculation of FFO. Alexander's FFO for the nine months ended September 30, 2018 has been adjusted to exclude the $5.6 million, or $1.08 per diluted share, from the decrease in fair value of marketable securities previously reported. Net income for the quarter and year ended December 31, 2018 included $6.4 million, or $1.26 per diluted share, and $12.0 million, or $2.34 per diluted share, respectively, from the decrease in fair value of marketable securities (not included in "net income, as adjusted" (non-GAAP)).

Source: Alexander's, Inc.