Alexander's, Inc.

NEWS RELEASE

Alexander's Announces Fourth Quarter Results

2/12/2018

PARAMUS, N.J., Feb. 12, 2018 (GLOBE NEWSWIRE) -- ALEXANDER'S, INC. (NYSE:ALX) filed its Form 10-K for the year ended December 31, 2017 today and reported:

Fourth Quarter 2017 Results

Net income for the quarter ended December 31, 2017 was $17.9 million, or $3.50 per diluted share, compared to $21.7 million, or $4.23 per diluted share for the quarter ended December 31, 2016. Funds from operations ("FFO") (non-GAAP) for the quarter ended December 31, 2017 was $28.1 million, or $5.49 per diluted share, compared to $29.6 million, or $5.78 per diluted share for the quarter ended December 31, 2016. Net income for the quarter ended December 31, 2017 included additional depreciation and amortization of tenant improvements and deferred leasing costs of $2.2 million, or $0.43 per diluted share, resulting from a tenant lease termination in 2017.

Year Ended December 31, 2017 Results

Net income for the year ended December 31, 2017 was $80.5 million, or $15.74 per diluted share, compared to $86.5 million, or $16.91 per diluted share for the year ended December 31, 2016. FFO (non-GAAP) for the year ended December 31, 2017 was $114.9 million, or $22.46 per diluted share, compared to $119.8 million, or $23.42 per diluted share for the year ended December 31, 2016. Net income for the year ended December 31, 2017 included additional depreciation and amortization of tenant improvements and deferred leasing costs of $2.4 million, or $0.48 per diluted share, resulting from a tenant lease termination in 2017. Net income and FFO (non-GAAP) for the year ended December 31, 2016 included rental income of $2.3 million, or $0.44 per diluted share, resulting from a tenant lease termination in 2016. Net income for the year ended December 31, 2016 also included additional depreciation and amortization of tenant improvements and deferred leasing costs of $1.1 million, or $0.21 per diluted share, related to the tenant lease termination in 2016.

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, 2017. Such factors include, among others, risks associated with the timing of and costs associated with property improvements, financing commitments and general competitive factors.

(tables to follow)

ALEXANDER'S, INC.

OPERATING RESULTS FOR THE QUARTERS AND YEARS ENDED
DECEMBER 31, 2017 AND 2016

Below is a table of selected operating results.

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED DECEMBER 31, 2017	2016
Revenues	$ 58,061	$ 57,253
Net income	$ 17,883	$ 21,655
Net income per common share - basic and diluted	$ 3.50	$ 4.23
Weighted average shares outstanding - basic and diluted	5,115,982	5,114,701
FFO (non-GAAP)	$ 28,062	$ 29,582
FFO per diluted share (non-GAAP)	$ 5.49	$ 5.78
Weighted average shares used in computing FFO per diluted share	5,115,982	5,114,701

(Amounts in thousands, except share and per share amounts)	YEAR ENDED DECEMBER 31, 2017	2016
Revenues	$ 230,574	$ 226,936
Net income	$ 80,509	$ 86,477
Net income per common share - basic and diluted	$ 15.74	$ 16.91
Weighted average shares outstanding - basic and diluted	5,115,501	5,114,084
FFO (non-GAAP)	$ 114,908	$ 119,780
FFO per diluted share (non-GAAP)	$ 22.46	$ 23.42
Weighted average shares used in computing FFO per diluted share	5,115,501	5,114,084

ALEXANDER'S, INC.

OPERATING RESULTS FOR THE QUARTERS AND YEARS ENDED

DECEMBER 31, 2017 AND 2016

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

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED DECEMBER 31, 2017	2016
Net income	$ 17,883	$ 21,655
Depreciation and amortization of real property	10,179	7,927
FFO (non-GAAP)	$ 28,062	$ 29,582
FFO per diluted share (non-GAAP)	$ 5.49	$ 5.78
Weighted average shares		

used in computing FFO per diluted share	5,115,982	5,114,701

(Amounts in thousands, except share and per share amounts)	YEAR ENDED DECEMBER 31, 2017	2016
Net income	$ 80,509	$ 86,477
Depreciation and amortization of real property	34,399	33,303
FFO (non-GAAP)	$ 114,908	$ 119,780
FFO per diluted share (non-GAAP)	$ 22.46	$ 23.42
Weighted average shares used in computing FFO per diluted share	5,115,501	5,114,084

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 gains from sales of depreciated real estate assets, real estate impairment losses, depreciation and amortization expense from real estate assets 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 flow 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.

CONTACT:
MATTHEW IOCCO
(201) 587-8541

Source: Alexander's, Inc.