Alexander's, Inc.

NEWS RELEASE

Alexander's Announces Second Quarter FFO of $4.55 Per Share

8/2/2010

PARAMUS, N.J.--(BUSINESS WIRE)-- ALEXANDER'S, INC. (New York Stock Exchange: ALX) today reported:

Second Quarter 2010 Results

Net income attributable to common stockholders for the quarter ended June 30, 2010 was $15.5 million, or $3.05 per diluted share, compared to $13.0 million, or $2.55 per diluted share, for the quarter ended June 30, 2009. Funds from operations attributable to common stockholders ("FFO") for the quarter ended June 30, 2010 was $23.2 million, or $4.55 per diluted share, compared to $19.7 million, or $3.86 per diluted share, for the quarter ended June 30, 2009.

First Half 2010 Results

Net income attributable to common stockholders for the six months ended June 30, 2010 was $30.7 million, or $6.01 per diluted share, compared to $59.1 million, or $11.57 per diluted share, for the six months ended June 30, 2009. FFO for the six months ended June 30, 2010 was $45.7 million, or $8.94 per diluted share, compared to $71.4 million, or $13.98 per diluted share, for the six months ended June 30, 2009.

Net income attributable to common stockholders and FFO for the six months ended June 30, 2009 include $34.3 million, or $6.71 per diluted share for the reversal of stock appreciation rights compensation expense.

Alexander's, Inc. is a real estate investment trust which has seven 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 QUARTER AND SIX MONTHS ENDED
JUNE 30, 2010 AND 2009

Below is a table of selected operating results.

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED JUNE 30, 2010	2009
Revenues	$ 59,166	$ 54,875
Net income attributable to common stockholders – basic and diluted	$ 15,549	$ 13,005
Net income per common share - basic	$ 3.05	$ 2.55
Net income per common share - diluted	$ 3.05	$ 2.55
Weighted average share and share equivalents outstanding:		
Basic	5,105,936	5,105,936
Diluted	5,105,936	5,105,936

(Amounts in thousands, except share and per share amounts)	SIX MONTHS ENDED JUNE 30, 2010	2009
Revenues	$ 117,710	$ 107,965
Net income attributable to common stockholders – basic and diluted	$ 30,663	$ 59,059

Net income per common share - basic	$ 6.01	$ 11.58
Net income per common share - diluted	$ 6.01	$ 11.57
Weighted average share and share equivalents outstanding:		
Basic	5,105,936	5,101,608
Diluted	5,105,936	5,104,601

ALEXANDER'S, INC.
OPERATING RESULTS FOR THE QUARTER AND SIX MONTHS ENDED
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The following table reconciles our net income to FFO:

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED JUNE 30, 2010	2009
Net income attributable to Alexander's	$ 15,549	$ 13,005
Depreciation and amortization of real property	7,678	6,712
FFO	$ 23,227	$ 19,717
FFO per common share – diluted	$ 4.55	$ 3.86
Weighted average shares used in computing FFO per diluted share	5,105,936	5,105,936

(Amounts in thousands, except share and per share amounts)	SIX MONTHS ENDED JUNE 30, 2010	2009
Net income attributable to Alexander's	$ 30,663	$ 59,059
Depreciation and amortization of real property	15,002	12,301
FFO	$ 45,665	$ 71,360
FFO per common share – diluted	$ 8.94	$ 13.98
Weighted average shares used in		

computing diluted FFO per share	5,105,936	5,104,601

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, depreciation and amortization expense from real estate assets, extraordinary items 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.

Source: Alexander's, Inc.

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