Alexander's, Inc.

NEWS RELEASE

Alexander's Announces Second Quarter Financial Results

7/29/2019

PARAMUS, N.J., July 29, 2019 (GLOBE NEWSWIRE) -- ALEXANDER'S, INC. (New York Stock Exchange: ALX) filed its Form 10-Q for the quarter ended June 30, 2019 today and reported:

Second Quarter 2019 Financial Results

Net income for the quarter ended June 30, 2019 was $11.3 million, or $2.20 per diluted share, compared to $17.6 million, or $3.43 per diluted share for the quarter ended June 30, 2018.

Funds from operations ("FFO") (non-GAAP) for the quarter ended June 30, 2019 was $24.3 million, or $4.75 per diluted share, compared to $25.7 million, or $5.02 per diluted share for the quarter ended June 30, 2018.

First Half 2019 Financial Results

Net income for the six months ended June 30, 2019 was $29.1 million, or $5.70 per diluted share, compared to $7.9 million, or $1.54 per diluted share for the six months ended June 30, 2018. Net income for the six months ended June 30, 2018 included $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"). Adjusting net income for this item, "net income, as adjusted" (non-GAAP) for the six months ended June 30, 2018 was $31.7 million, or $6.19 per diluted share.

FFO (non-GAAP) for the six months ended June 30, 2019 was $49.8 million, or $9.74 per diluted share, compared to $29.3 million, or $5.73 per diluted share for the six months ended June 30, 2018. FFO (non-GAAP) for the six months ended June 30, 2018 included $23.8 million, or $4.65 per diluted share, of expense for the Kings Plaza transfer

taxes. Adjusting FFO (non-GAAP) for this item, “FFO, as adjusted” (non-GAAP) for the six months ended June 30, 2018 was $53.1 million, or $10.38 per diluted share.

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.

(tables to follow)

ALEXANDER'S, INC.

FINANCIAL RESULTS FOR THE QUARTERS ENDED
JUNE 30, 2019 AND 2018

Below is a table of selected financial results.

(Amounts in thousands, except share and per share amounts)	QUARTER ENDED JUNE 30, 2019	2018
Revenues	$ 55,932	$ 58,253

Net income	$	11,283	$	17,570
Net income per common share – basic and diluted	$	2.20	$	3.43
Weighted average shares outstanding - basic and diluted		5,118,030		5,116,657
FFO (non-GAAP)	$	24,305	$	25,705
FFO per diluted share (non-GAAP)	$	4.75	$	5.02
Weighted average shares used in computing FFO per diluted share		5,118,030		5,116,657

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

	QUARTER ENDED JUNE 30,			
(Amounts in thousands, except share and per share amounts)		2019		2018
Net income	$	11,283	$	17,570
Depreciation and amortization of real property		7,744		8,568
Change in fair value of marketable securities		5,278		(433)
FFO (non-GAAP)	$	24,305	$	25,705
FFO per diluted share (non-GAAP)	$	4.75	$	5.02
Weighted average shares used in computing FFO per diluted share		5,118,030		5,116,657

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED

JUNE 30, 2019 AND 2018

Below is a table of selected financial results.

(Amounts in thousands, except share and per share amounts)	SIX MONTHS ENDED JUNE 30, 2019	2018
Revenues	$ 112,710	$ 116,133
Income from continuing operations	$ 29,148	$ 31,667
Loss from discontinued operations (Kings Plaza transfer taxes)	-	(23,797)
Net income	$ 29,148	$ 7,870
Income per common share – basic and diluted		
Income from continuing operations	$ 5.70	$ 6.19
Loss from discontinued operations (Kings Plaza transfer taxes)	-	(4.65)
Net income per common share	$ 5.70	$ 1.54
Weighted average shares outstanding - basic and diluted	5,117,690	5,116,321
FFO (non-GAAP)	$ 49,836	$ 29,326
FFO per diluted share (non-GAAP)	$ 9.74	$ 5.73
FFO, as adjusted (non-GAAP)	$ 49,836	$ 53,123
FFO, as adjusted per diluted share (non-GAAP)	$ 9.74	$ 10.38
Weighted average shares used in computing FFO per diluted share and FFO, as adjusted per diluted share	5,117,690	5,116,321

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

(Amounts in thousands, except share and per share amounts)	SIX MONTHS ENDED JUNE 30, 2019	2018
Net income	$ 29,148	$ 7,870
Loss from discontinued operations (Kings Plaza transfer taxes)	-	23,797
Net income, as adjusted (non-GAAP)	$ 29,148	$ 31,667
Net income, as adjusted per diluted share (non-GAAP)	$ 5.70	$ 6.19
Weighted average shares used in computing net income, as adjusted per diluted share	5,117,690	5,116,321

ALEXANDER'S, INC.

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED

JUNE 30, 2019 AND 2018

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

(Amounts in thousands, except share and per share amounts)	SIX MONTHS ENDED JUNE 30, 2019	2018
Net income	$ 29,148	$ 7,870
Depreciation and amortization of real property	15,448	16,719
Change in fair value of marketable securities	5,240	4,737
FFO (non-GAAP)	$ 49,836	$ 29,326

FFO per diluted share (non-GAAP)	$ 9.74	$ 5.73
Weighted average shares used in computing FFO per diluted share	5,117,690	5,116,321

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

	SIX MONTHS ENDED JUNE 30,	
(Amounts in thousands, except share and per share amounts)	2019	2018
FFO (non-GAAP)	$ 49,836	$ 29,326
Loss from discontinued operations (Kings Plaza transfer taxes)	-	23,797
FFO, as adjusted (non-GAAP)	$ 49,836	$ 53,123
FFO, as adjusted per diluted share (non-GAAP)	$ 9.74	$ 10.38
Weighted average shares used in computing FFO, as adjusted per diluted share	5,117,690	5,116,321

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 three and six months ended June 30, 2018 has been adjusted to exclude $0.4 million, or $0.08 per diluted share, of income and $4.7 million, or $0.93 per diluted share, of expense, respectively, from the change in fair value of marketable securities previously reported.

Source: Alexander's, Inc.