Alexander's, Inc.

NEWS RELEASE

Alexander's Board of Directors Declares a $7.00 Special Dividend

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PARAMUS, N.J.--(BUSINESS WIRE)--

Alexander's, Inc. (NYSE: ALX) today announced that its Board of Directors has declared a special dividend of $7.00 per share payable on October 30, 2008 to stockholders of record on October 14, 2008. Substantially all of the dividend is expected to be taxed at the qualified dividend tax rate of 15% for Federal income tax purposes. The dividend is attributable to the liquidation into Alexander's of its wholly-owned taxable REIT subsidiary, 731 Residential Holdings LLC, which developed and sold the residential condominiums at its 731 Lexington Avenue property.

Alexander's, Inc. is a real estate investment trust that 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.

Source: Alexander's, Inc.

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