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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[XX] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: MARCH 31, 1997

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________________ to ______________________

Commission File Number: 1-6064

ALEXANDER'S, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	51-0100517
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
PARK 80 WEST, PLAZA II, SADDLE BROOK, NEW JERSEY	07663
(Address of principal executive offices)	(Zip Code)

(201)587-8541
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[X] Yes [ ] No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Indicate by check mark whether the registrant has filed all reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

[ ] Yes [ ] No

As of May 2, 1997 there were 5,000,850 common shares outstanding.

ALEXANDER'S, INC.

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PART I. FINANCIAL INFORMATION

ALEXANDER'S, INC.
AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(AMOUNTS IN THOUSANDS EXCEPT SHARE AMOUNTS)

	MARCH 31, 1997	DECEMBER 31, 1996
ASSETS:		
Real estate, at cost:		
Land	$ 45,999	$ 45,999
Buildings, leaseholds and improvements (including $366 and $242 of construction in progress at March 31, 1997 and December 31, 1996)	114,646	114,280
Capitalized expenses and predevelopment costs	51,520	47,488
Total	212,165	207,767
Less accumulated depreciation and amortization	(39,809)	(39,375)
	172,356	168,392
Investment in unconsolidated joint venture	11,550	12,613
Real estate, net	183,906	181,005
Cash and cash equivalents	17,354	5,480
Restricted cash	5,039	5,620
Accounts receivable, net of allowance for doubtful accounts of $147 in each period	265	201
Receivable arising from the straight-lining of rents, net	6,496	5,984
Deferred lease and other expenses	13,125	9,966
Deferred debt expense	2,046	2,364
Other assets	2,517	965
TOTAL ASSETS	$ 230,748	$ 211,585

	MARCH 31, 1997	DECEMBER 31, 1996
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Liabilities:		
Debt	$ 208,685	$ 192,347
Amounts due to Vornado Realty Trust and its affiliate	8,962	6,207
Accounts payable and accrued liabilities	4,773	4,246
Other liabilities from discontinued operations	2,373	2,622
Minority interest	600	600
TOTAL LIABILITIES	225,393	206,022
Commitments and contingencies		
Stockholders' Equity:		
Common stock; $1.00 par value per share; authorized, 10,000,000 shares;		

issued 5,173,450	5,174	5,174
Additional capital	24,843	24,843
Deficit	(23,702)	(23,494)
	6,315	6,523
Less treasury shares, 172,600 shares at cost	(960)	(960)
Total stockholders' equity	5,355	5,563
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 230,748	$ 211,585

See notes to consolidated financial statements.

ALEXANDER'S, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(amounts in thousands except share amounts)

	FOR THE THREE MONTHS ENDED	
	MARCH 31, 1997	MARCH 31, 1996
Revenues:		
Property rentals	$ 4,220	$ 3,127
Expense reimbursements	491	290
Equity in income of unconsolidated joint venture	1,287	1,267
Total revenues	5,998	4,684
Expenses:		
Operating (including management fee to Vornado of $210 in 1997 and 1996)	1,612	1,024
General and administrative (including management fee to Vornado of $540 in 1997 and 1996)	981	1,160
Depreciation and amortization	571	267
Total expenses	3,164	2,451
Operating income	2,834	2,233
Interest and debt expense (including interest on loan from Vornado)	(3,294)	(3,317)
Interest and other income, net	252	622
Net loss	$ (208)	$ (462)
Net loss per share	$ (.04)	$ (.09)
Weighted average number of common shares outstanding during period	5,000,850	5,000,850

See notes to consolidated financial statements.

ALEXANDER'S, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(amounts in thousands)

	FOR THE THREE MONTHS ENDED	
	MARCH 31, 1997	MARCH 31, 1996
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (208)	$ (462)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization (including debt issuance costs)	1,057	776
Straight-lining of rental income	(512)	(384)
Equity in income of unconsolidated joint venture (net of distributions of $2,350 and $2,634 in 1997 and 1996)	1,063	1,367
Change in assets and liabilities:		
Accounts receivable	(64)	(264)
Amounts due to Vornado Realty Trust and its affiliate	(542)	(532)
Liability for postretirement healthcare benefits	--	(504)
Accounts payable and accrued liabilities	527	(21)
Other liabilities from discontinued operations	(249)	(109)
Other	(1,552)	1,181
Net cash (used in) provided by operating activities	(480)	1,048
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to real estate	(4,398)	(9,394)
Cash restricted for construction financing	2	(72)
Cash restricted for operating liabilities	579	3,262
Net cash used in investing activities	(3,817)	(6,204)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Issuance of debt	16,667	5,056
Debt repayments	(329)	(215)
Deferred debt expense	(167)	--
Net cash provided by financing activities	16,171	4,841
Net increase (decrease) cash and cash equivalents	11,874	(315)
Cash and cash equivalents at beginning of period	5,480	8,471
Cash and cash equivalents at end of period	$ 17,354	$ 8,156
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash payments for interest (including capitalized interest of $2,254 and $2,240)	$ 5,063	$ 5,048

See notes to consolidated financial statements.

ALEXANDER'S, INC.
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated balance sheet as of March 31, 1997, the consolidated statements of operations for the three months ended March 31, 1997, and the consolidated statements of cash flows for the three months ended March 31, 1997 are unaudited. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in cash flows have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's 1996 Annual Report to Shareholders. The results of operations for the three months ended March 31, 1997 are not necessarily indicative of the operating results for the full year.

2. RELATED PARTY TRANSACTIONS

Under a three-year management and development agreement (the "Management Agreement") with Vornado Realty Trust ("Vornado"), which commenced March 2, 1995, Alexander's incurred fees of $938,000 and $1,088,000 in the three months ended March 31, 1997 and 1996.

In addition to the fee payable pursuant to the Management Agreement, the Company pays Vornado a leasing fee under the terms of its leasing agreement. Alexander's incurred leasing fees of $625,000 in the three months ended March 31, 1997 and 1996. Vornado is due $8,318,000 at March 31, 1997 under such agreement, subject to the payment of rents by tenants.

In March 1995, the Company borrowed $45,000,000 from Vornado, the subordinated tranche of a $75,000,000 secured financing. The loan has a three-year term and presently bears interest at 15.60% (previously bore interest at 16.43% through March 1997). The Company incurred interest on its loan from Vornado of $1,830,000 and $1,869,000 in the three months ended March 31, 1997 and 1996, of which $1,216,000 was capitalized this year and $614,000 was capitalized last year.

3. CONTINGENCIES

Paramus Property

The Company owns 39.3 acres of land, including its former store building, located in Paramus, New Jersey. Approximately 9 acres located on the property's periphery are subject to condemnation by the State of New Jersey. Alexander's and the New Jersey Department of Transportation ("DOT") are negotiating an agreement, pursuant to which the DOT will pay approximately $14,700,000 for the property subject to condemnation and grant the Company the right to develop up to 550,000 square feet on the remaining acreage. The agreement with the DOT is subject to negotiation of final documentation and to certain municipal approvals.

ALEXANDER'S, INC.
AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Environmental Matters

The results of a 1993 Phase I environmental study at the Kings Plaza Shopping Center's ("Center") property show that certain adjacent properties owned by third parties have experienced petroleum hydrocarbon contamination. Based on this study and preliminary investigation of the Center's property and its history, there is potential for contamination on the property. If contamination is found on the property, the Center may be required to engage in remediation activities; management is unable to estimate the financial impact of potential contamination if any is discovered in the future. If further investigations reveal that there is contamination on its site, since the Center believes such contamination would have resulted from activities of third parties, the Center intends to pursue all available remedies against any of these third parties.

The Company is aware of the presence of asbestos-containing materials at several of its properties and believes that it manages such asbestos in accordance with applicable laws. The Company plans to abate or remove such asbestos as appropriate.

Caldor Corporation ("Caldor")

Property rentals from Caldor, which filed for relief under Chapter 11 of the United States Bankruptcy Code in September 1995, represented approximately 36% of the Company's consolidated revenues for the three months ended March 31, 1997 and the year ended December 31, 1996. On April 17, 1997, Caldor filed for Bankruptcy Court approval to reject its Fordham Road lease effective June 20, 1997. After the Bankruptcy Court's approval, Caldor would no longer have any obligation to pay rent under this lease. Alexander's will file a claim for damages based on such rejection. The annual base rental under this lease is $3,537,000 (approximately 19% of the Company's consolidated revenues). The loss of property rental payments under the Caldor leases (for the Flushing and Fordham Road Properties) could have a material adverse effect on the financial condition and results of operations of the Company.

ALEXANDER'S, INC.
AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The Company's revenues, which consist of property rentals, tenant expense reimbursements and equity in income of unconsolidated joint venture were $5,998,000 in the quarter ended March 31, 1997, compared to $4,684,000 in the prior year's quarter, an increase of $1,314,000.

Property rentals were $4,220,000 in the quarter ended March 31, 1997, compared to $3,127,000 in the prior year's quarter, an increase of $1,093,000. This increase resulted primarily from a full quarter this year of rents and paid parking at the Company's Rego Park I property compared to one month in 1996. The Company expects its property rentals to be adversely affected by the rejection of Caldor's Fordham Road lease - see Liquidity and Capital Resources.

Tenant expense reimbursements were $491,000 in the quarter ended March 31, 1997 compared to $290,000 in the prior year's quarter, an increase of $201,000. This increase reflects a corresponding increase in operating expenses passed through to tenants and was largely the result of a full quarter of operations at the Company's Rego Park I property this year compared to one month in 1996.

Equity in income of unconsolidated joint venture ("the Kings Plaza Shopping Center") in the quarter ended March 31, 1997 did not change significantly from the prior year's quarter.

Operating expenses were $1,612,000 in the quarter ended March 31, 1997, compared to $1,024,000 in the prior year's quarter, an increase of $588,000. This increase resulted primarily from a full quarter of operations at the Rego Park I property this year compared to one month in 1996.

General and administrative expenses were $981,000 in the quarter ended March 31, 1997, compared to $1,160,000 in the prior year's quarter, a decrease of $179,000. This decrease resulted primarily from lower professional fees.

Interest and debt expense was $3,294,000 for the quarter ended March 31, 1997 compared to $3,317,000 for the prior year's quarter, a decrease of $23,000. This decrease resulted primarily from more interest expense being capitalized on other redevelopment projects in the quarter ended March 31, 1997, offset by interest on the Rego Park I debt being charged to income this year whereas in the prior year's quarter such interest was capitalized through mid-March at which time the property became operational.

Interest and other income, net was $252,000 in the quarter ended March 31, 1997, compared to $622,000 in the prior year's quarter, a decrease of $370,000. This decrease resulted primarily from (i) lower average cash invested this year than in the prior year, and (ii) the amortization of deferred gains in connection with the Company's postretirement healthcare benefits and refunds in the prior year.

ALEXANDER'S, INC.
AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

LIQUIDITY AND CAPITAL RESOURCES

Alexander's current operating properties (five of its nine properties) do not generate sufficient cash flow to pay all of its expenses. The Company's four non-operating properties (Lexington Avenue, Paramus, the Kings Plaza Store and Rego Park II) are in various stages of redevelopment. As rents commence from a portion of the redevelopment properties, the Company expects that cash flow will become positive.

The Company estimates that its capital expenditure requirements for redevelopment projects will include: (i) approximately $3,000,000 to complete the Rego Park I project, (ii) the redevelopment of the Paramus property, which may include razing the existing building (in which case, the carrying cost of approximately $5,400,000 would be written-off), at a cost of approximately $60,000,000 to $70,000,000, (iii) the redevelopment of the Kings Plaza Store property at a cost of approximately $5,000,000 to $10,000,000 and (iv) improvements to the Kings Plaza Shopping Center at a cost of approximately $15,000,000. Further, the Company is evaluating redevelopment plans for the Lexington Avenue site, which may involve razing the existing buildings (in which case, the carrying cost of approximately $15,000,000 would be written-off) and developing a large multi-use building requiring capital in excess of $300,000,000 to be expended. While the Company anticipates that financing will be available after tenants have been obtained for these redevelopment projects, there can be no assurance that such financing will be obtained or if obtained, that such financings will be on terms that are acceptable to the Company. In addition, it is uncertain as to when these projects will commence.

Property rentals from Caldor, which filed for relief under Chapter ll of the United States Bankruptcy Code in September 1995, represented approximately 36% of the Company's consolidated revenues for the three months ended March 31, 1997 and the year ended December 31, 1996. On April 17, 1997, Caldor filed for Bankruptcy Court approval to reject its Fordham Road lease effective June 20, 1997. After the Bankruptcy Court's approval, Caldor would no longer have any obligation to pay rent under this lease. Alexander's will file a claim for damages based on such rejection. The annual base rental revenue under this lease is $3,537,000 (approximately 19% of the Company's consolidated revenues). The loss of property rental payments under the Caldor leases (for the Flushing and Fordham Road Properties) could have a material adverse effect on the financial condition and results of operations of the Company. In addition, Caldor failed to meet certain financial tests required under the Company's Fordham Road mortgage. As a result, the Company is required to remit the net cash flow from the Fordham Road Property into an account of the lender as additional payments under the loan. The amount remitted to the lender for the three months ended March 31, 1997 was $204,000.

The Company's leases with Circuit City, Bed Bath & Beyond and Old Navy for the remaining 112,000 square feet at its Rego Park I property are expected to commence during the second quarter of 1997. In addition, Sears, which leased 289,000 square feet of the Company's Kings Plaza Store property for use as a full-line department store, is expected to commence in the last quarter of 1997.

During the quarter, the Company extended its Rego Park construction loan for one year maturing on March 30, 1998. As of March 31, 1997, $75,000,000 was funded under such construction loan (approximately $16,667,000 was borrowed in the quarter ended March 31, 1997). The loan bears interest at LIBOR plus 1.00% (6.30% at March 31, 1997). The Company has also agreed with the bank to refinance the existing loan through the issuance of rated commercial mortgage backed securities later this year.

ALEXANDER'S, INC.
AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company estimates that the fair market values of its assets are substantially in excess of their historical cost and that there is additional borrowing capacity. Alexander's continues to evaluate its needs for capital which may be raised through (a) property specific or corporate borrowing, (b) the sale of securities and (c) asset sales.

In addition, the Company may receive proceeds from condemnation proceedings of a portion of its Paramus property.

Although there can be no assurance, the Company believes that these cash sources will be adequate to fund cash requirements until its operations generate adequate cash flow.

CASH FLOWS

Three Months Ended March 31, 1997

Cash used in operating activities of $480,000 was comprised of (i) a net loss of $208,000, (ii) the payment of liabilities of discontinued operations of $249,000 and (iii) the net change in operating assets and liabilities of $1,631,000, offset by adjustments for non-cash items of $1,608,000. The adjustments for non-cash items are comprised of (i) depreciation and amortization of $1,057,000 and (ii) equity in income of unconsolidated joint venture of $1,063,000, offset by the effect of straight-lining of rental income of $512,000.

Net cash used in investing activities of $3,817,000 was comprised of capital expenditures of $4,398,000, offset by the release of cash restricted for both operating liabilities and construction financing of $581,000.

Net cash provided by financing activities of $16,171,000 was comprised of proceeds from the issuance of debt (net of deferred debt expense) of $16,500,000 on the Rego Park I property, offset by repayments of debt of $329,000.

Three Months Ended March 31, 1996

Cash provided by operating activities of $1,048,000 was comprised of $1,297,000 from results of operations (net loss of $462,000 offset by non-cash items of $1,759,000), offset by a net change in operating assets and liabilities of $249,000.

Net cash used in investing activities of $6,204,000 was comprised primarily of capital expenditures of $9,394,000, offset by the release of cash restricted for operating liabilities of $3,262,000.

Net cash provided by financing activities of $4,841,000 was comprised of proceeds from the issuance of debt of $5,056,000 (net of deferred debt expense), offset by repayments of debt of $215,000.

RECENTLY ISSUED ACCOUNTING STANDARD

In February 1997, the Financial Accounting Standards Board adopted Statement No. 128 "Earnings Per Share". The statement is effective for fiscal years ending after December 15, 1997. The Company believes that this pronouncement will not have a material effect on its net income (loss) per share.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits: The following exhibits are filed with this Quarterly Report on Form 10-Q.

27 Financial Data Schedule

(b) Reports on Form 8-K

None

ALEXANDER'S, INC.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALEXANDER'S, INC.

(Registrant)

Date: May 8, 1997

/s/ Joseph Macnow

JOSEPH MACNOW
Vice President - Chief Financial
Officer and Chief Accounting Officer

ALEXANDER'S, INC.

EXHIBIT INDEX

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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DEC-31-1997
MAR-31-1997
17,354
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