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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 1996

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 No.)
Park 80 West, Plaza II, Saddle Brook, New Jersey	07663
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

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.
YES X NO___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of the common stock held by non-affiliates of the Registrant (based upon the closing price of the stock on the New York Stock Exchange on February 21, 1997) was approximately $160,521,000.

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 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

5,000,850 shares of the Registrant's common stock, par value $1 per share, were outstanding as of February 21, 1997.

Documents Incorporated by Reference

Part III: Proxy Statement for Annual Meeting of Shareholders to be held May 28, 1997.

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(1) These items are omitted because the Registrant will file a definitive Proxy Statement pursuant to Regulation 14A involving the election of directors with the Securities and Exchange Commission not later than 120 days after December 31, 1996, which is incorporated by reference.

PART I

Item 1. Business

GENERAL

Alexander's, Inc. (the "Company") is a real estate investment trust ("REIT") engaged in leasing, managing, developing and redeveloping properties, focusing primarily on the locations where its department stores (which ceased operations in 1992) formerly operated. The Company believes that its properties, which are located in New York City and Bergen County, New Jersey, offer advantageous retail opportunities, principally because of their size and location in areas where comparable store sites are not readily available.

Alexander's has nine properties consisting of:

Operating properties:

(i) the Rego Park I property located on Queens Boulevard and 63rd Road in Rego Park, Queens, New York, which contains a recently redeveloped 351,000 square foot building, of which 96% is leased to Sears, Circuit City, Bed Bath & Beyond and Marshalls;

(ii) the Kings Plaza Shopping Center on Flatbush Avenue in Brooklyn, New York which consists of 427,000 square feet of mall stores (the "Kings Plaza Mall") in which the Company owns a 50% interest;

(iii) the Fordham Road property located at Fordham Road and the Grand Concourse in the Bronx, New York, which contains a 303,000 square foot building leased to Caldor, Inc. ("Caldor");

(iv) the Flushing property located at Roosevelt Avenue and Main Street in Flushing, New York, which contains a 177,000 square foot building sub-leased to Caldor and

(v) the Third Avenue property located at Third Avenue and 152nd Street in the Bronx, New York, which contains a 173,000 square foot building leased to an affiliate of Conway.

Non-operating properties to be redeveloped:

(vi) the Lexington Avenue property which comprises the entire square block bounded by Lexington Avenue, East 59th Street, Third Avenue and East 58th Street in Manhattan, New York in which the Company is the general partner and has a 92% limited partnership interest;

(vii) the Paramus property which consists of 39.3 acres of land located at the intersection of Routes 4 and 17 in Paramus, New Jersey;

(viii) the Kings Plaza Store, a 339,000 square foot store, which was one of the two anchor stores at the Kings Plaza Shopping Center. In January 1997, Sears leased 289,000 square feet at this location for use as a full-line department store expected to open in the last quarter of 1997, and

(ix) the Rego Park II property, which comprises one and one-half square blocks of vacant land adjacent to the Rego Park I property.

See Item 2 "Properties" for additional information.

The following tenants accounted for more than 10% of the Company's consolidated revenues:

	Years Ended December 31, 1996	1995	1994
Caldor	36%	56%	64%
Sears	23%	--	--
Conway	6%	13%	14%

The loss of property rental payments under any of these leases could have a material adverse effect on the financial condition and results of operations of the Company. In September 1995, Caldor filed for relief under Chapter 11 of the United States Bankruptcy Code. On February 11, 1997 Caldor announced that, subject to Bankruptcy Court approval, it expects to close the Fordham Road store in May 1997. The annual base rental revenue under this lease is $3,537,000.

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 the fair market value 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 the proceeds from the condemnation proceeding -- described in Item 2 "Paramus Property" on page 10. 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.

The Company is a Delaware corporation with its principal executive office located at Park 80 West, Plaza II, Saddle Brook, New Jersey 07663, telephone (201) 587-8541.

Relationship with Vornado Realty Trust ("Vornado")

On March 2, 1995, Vornado, which previously owned 2.2% of the Company's Common Stock, purchased 27.1% of the Company's Common Stock owned by Citibank, N.A. In addition, Vornado and a bank lent the Company $75,000,000. The loan has a three-year term and is secured by mortgages on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries. In addition, Vornado agreed to act as manager of the Company for a period of three years commencing March 2, 1995 pursuant to a management and development agreement (the "Management Agreement"). Vornado is a fully integrated REIT with significant experience in the ownership, development, redevelopment, leasing, operation and management of retail and industrial properties. On July 6, 1995, Vornado assigned its Management Agreement to Vornado Management Corp., an affiliate of Vornado.

The annual management fee payable by the Company to Vornado is $3,000,000, plus 6% of development costs with minimum guaranteed fees for the development portion of $1,650,000 in the first year and $750,000 in each of the second and third years. For the year ended December 31, 1996, the Company paid development fees of $2,343,000 to Vornado.

The fee pursuant to the Management Agreement is in addition to the leasing fee the Company pays to Vornado under the leasing agreement (the "Leasing Agreement") which has been in effect since 1992. Subject to the payment of rents by tenants, Vornado is due $5,565,000. Such amount is payable annually in an amount not to exceed $2,500,000, until the present value of such installments (calculated at a discount rate of 9% per annum) equals the amount that would have been paid had it been paid on September 21, 1993, or at the time the transactions which gave rise to the commissions occurred, if later. The term of the Leasing Agreement has been extended to be coterminous with the term of the Management Agreement.

Steven Roth is Chief Executive Officer and a director of the Company, the Managing General Partner of Interstate Properties ("Interstate") and Chairman of the Board and Chief Executive Officer of Vornado. Interstate owns 27.1% of the outstanding common stock of the Company and owns 24.4% of the outstanding common shares of beneficial interest of Vornado. In addition, Mr. Roth owns 3.0% of the outstanding common shares of beneficial interest of Vornado. Mr. Roth, Interstate and the other two general partners of Interstate, David Mandelbaum and Russell B. Wight, Jr. (who are also directors of the Company and trustees of Vornado) own, in the aggregate, 29.1% of the outstanding common shares of beneficial interest of Vornado. On December 2, 1996, Michael D. Fascitelli was elected a director of the Company and received an option for 350,000 shares of the Company's common stock pursuant to the Company's Omnibus Stock Plan. Mr. Fascitelli is President of Vornado Realty Trust and a member of its Board of Trustees.

Effective March 2, 1995, for a three-year period, Vornado and Interstate agreed not to own in excess of two-thirds of the Company's common stock or to enter into certain other transactions with the Company, other than the transactions described above, without the consent of the Company's independent directors.

Emergence From Chapter 11

In May 1992, at a time when the Company's business consisted of retail store operations, the Company and sixteen of its subsidiaries filed petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). In September 1993, the Bankruptcy Court confirmed the Joint Plan of Reorganization (the "Plan"), pursuant to which the Company and its subsidiaries reorganized their business as a real estate company.

In March 1995, the Company paid holders of allowed general unsecured claims in full, together with accrued interest in respect of their claims. Such payments aggregated approximately $24,000,000. The Official Committee of Unsecured Creditors has been dissolved and all secured and unsecured creditors having allowed claims in the Bankruptcy Court cases have received the cash payments or debt instruments contemplated to be delivered to them under the Plan.

ENVIRONMENTAL MATTERS

Compliance with applicable provisions of federal, state and local laws regulating the discharge of materials into the environment or otherwise relating to the protection of the environment have not had, and, although there can be no assurance, are not expected to have, a material effect on the Company's operations, earnings, competitive position or capital expenditures.

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. The study also revealed an underground storage tank which failed an integrity test, although no contamination has been observed to date. The tank failure has been reported to the New York State Department of Environmental Conservation ("DEC") and the tank was repaired in early 1994. In October 1994, independent testing revealed that all of the Center's underground storage tanks (used for storing heating oil) and related distribution lines passed a tank and line leak status test. Such results were furnished to the DEC. 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.

The Company believes that known and potential environmental liabilities will not have a material adverse effect on the Company's business, assets, results of operations or cash flow. However, there can be no assurance that the confirmation of the existence of contamination or the identification of potential new areas of contamination would not be material to the Company.

COMPETITION

The Company conducts its real estate operations in the New York metropolitan area, a highly competitive market. The Company's success depends upon, among other factors, the trends of the national and local economies, the financial condition and operating results of current and prospective tenants, the availability and cost of capital, interest rates, construction and renovation costs, income tax laws, governmental regulations and legislation, population trends, the market for real estate properties in the New York metropolitan area, zoning laws and the ability of the Company to lease, sublease or sell its properties at profitable levels. The Company competes with a large number of real estate property owners. In addition, although the Company believes that it will realize significant value from its properties over time, the Company anticipates that it may take a number of years before all of its properties generate cash flow at or near anticipated levels. Its success is also subject to its ability to finance its development and to refinance its debts as they come due.

EMPLOYEES

The Company currently employs two people.

Item 2. Properties

The following table shows the location, approximate size and leasing status as of December 31, 1996 of each of the Company's properties.

Property	Ownership	Approximate Land Square Footage ("SF") or Acreage	Approximate Building Square Footage/ Number of Floors	Average Annualized Base Rent Per Sq. Foot (1)	Percent Leased
OPERATING PROPERTIES					
Rego Park I Queens Blvd. & 63rd Rd. Rego Park, New York	Owned	4.8 acres	351,000/3 (2)	$27.79	96%
Kings Plaza Shopping Center (Kings Plaza Mall) Flatbush Avenue Brooklyn, New York	50% Owned	24.3 acres	427,000/2 (2) (4)	$31.19	84%
Fordham Road & Grand Concourse Bronx, New York	Owned	92,211 SF	303,000/5	$11.54	100%
Roosevelt Avenue & Main Street Flushing, New York	Leased (5)	44,975 SF	177,000/4 (2)	$16.35	100%
Third Avenue & 152nd Street Bronx, New York	Owned	60,451 SF	173,000/4	$ 4.33	100%
			1,431,000		
REDEVELOPMENT PROPERTIES					
Square block at East 59th Street & Lexington Avenue New York, New York	92% Owned (6)	84,420 SF	591,000/6 (7)		
Routes 4 & 17 Paramus, New Jersey	Owned	39.3 acres (8)	340,000/3 (7)		
Kings Plaza Store Flatbush Avenue Brooklyn, New York	Owned	Included in Shopping Center total above	339,000/4		
Rego Park II Queens, New York	Owned	6.6 acres	--		

Property	Tenants	Square Footage Leased	Lease Expiration/ Option Expiration
OPERATING PROPERTIES			
Rego Park I Queens Blvd. & 63rd Rd. Rego Park, New York	Sears Circuit City Bed Bath & Beyond Marshalls	195,000 50,000 46,000 39,000	2021 (3) (3) 2008/2021
Kings Plaza Shopping Center (Kings Plaza Mall) Flatbush Avenue Brooklyn, New York	120 Tenants	357,000	(See table on page 9)
Fordham Road & Grand Concourse Bronx, New York	Caldor (9)	303,000	2013/2028
Roosevelt Avenue & Main Street Flushing, New York	Caldor	177,000	2027
Third Avenue & 152nd Street Bronx, New York	An affiliate of Conway	173,000	2023

REDEVELOPMENT PROPERTIES

Square block at East 59th Street & Lexington Avenue New York, New York			
Routes 4 & 17 Paramus, New Jersey			
Kings Plaza Store Flatbush Avenue Brooklyn, New York	Sears	289,000	(3)
Rego Park II Queens, New York			

(1) Average annualized base rent per square foot does not include rent for leases which had not commenced as of December 31, 1996.

(2) Excludes parking garages operated for the benefit of the Company.

(3) The Circuit City and Bed Bath & Beyond leases are expected to commence in the first half of 1997. The Sears lease is expected to commence in the last quarter of 1997.

(4) Excludes approximately 150,000 square feet of enclosed, common area space.

(5) Leased to the Company through January 2027. The Company is obligated to pay rent to the landlord as follows: $496,000 per year through January 1997, $331,000 per year from February 1997 through January 2007, $220,000 per year from February 2007 through January 2017, and $147,000 from February 2017 through January 2027.

(6) The Lexington Avenue property is owned by Seven Thirty One Limited Partnership, of which 7.64% is owned by non-affiliated limited partners.

(7) The Company is evaluating redevelopment plans for these sites which may involve razing the existing buildings.

(8) Approximately 9 acres are subject to condemnation described in Item 2 "Paramus Property" on page 10.

(9) On February 11, 1997, Caldor announced that, subject to Bankruptcy Court approval, it expects to close this store in May 1997.

Operating Properties:

Rego Park I

The Rego Park I property encompasses the entire block fronting on Queens Boulevard and bounded by 63rd Road, 62nd Drive, 97th Street and Junction Boulevard, and includes the Company's former three-floor store.

The existing 351,000 square foot building has been redeveloped and 96% of its square footage has been leased to Sears, Circuit City, Bed Bath & Beyond and Marshalls. In addition, a multi-level parking structure has been constructed. The parking structure provides paid parking spaces for approximately 1,200 vehicles. In connection with this redevelopment, the Company has expended approximately $37,200,000 and expects to expend up to an additional $3,400,000 to complete the project. At December 31, 1996 there was $1,700,000 available under a $60,000,000 construction loan to fund these expenditures.

Kings Plaza Shopping Center

The Kings Plaza Shopping Center (the "Center") comprises a two-level mall (the "Kings Plaza Mall"), and two four-level anchor stores. It contains approximately 1.1 million square feet and occupies a 24.3-acre site at the intersection of Flatbush Avenue and Avenue U located in Brooklyn, New York. Among its features are a marina, a five-level parking structure and an energy plant that generates the shopping center's electrical power. The Company owns one anchor store in the shopping center of approximately 339,000 square feet (see "Kings Plaza Store" - Redevelopment Properties), and an undivided one-half interest in the Kings Plaza Mall. The other anchor store is owned and operated as a Macy's store by Federated Department Stores, Inc. ("Federated").

Kings Plaza Mall

The Mall stores contain approximately 427,000 leasable square feet. As of December 31, 1996, 84% of the leasable area was leased to approximately 120 tenants.

The following table shows lease expirations for the tenants in the Mall stores for the next ten years, assuming none of the tenants exercise renewal options:

Year	Number of Leases Expiring	Approximate Leased Area in Square Feet Under Expiring Leases	Annualized Fixed Rent Under Expiring Leases	Annualized Fixed Rent Under Expiring Leases per Square Foot	Percent of Total Leased Square Footage Represented by Expiring Leases	Percent of 1996 Gross Annual Rental Represented by Expiring Leases
1997	7	25,549	$ 498,303	$ 19.50	5.99%	3.73%
1998	5	11,471	281,610	24.55	2.69%	2.11%
1999	4	7,720	446,569	57.85	1.81%	3.35%
2000	13	29,091	1,369,727	47.08	6.82%	10.28%
2001	15	81,018	2,487,507	30.70	18.98%	18.67%
2002	13	42,207	1,591,188	37.70	9.89%	11.94%
2003	12	26,510	1,210,055	45.65	6.21%	9.08%
2004	3	25,819	1,236,055	47.87	6.05%	9.28%
2005	4	27,253	622,400	22.84	6.38%	4.67%
2006	14	53,549	1,819,118	33.97	12.53%	13.65%

The following table shows the occupancy rate and the annual rent per square foot as of:

	Occupancy Rate	Annual Rent Per Square Foot
December 31, 1996	84%	$31.19
December 31, 1995	88%	$27.54
June 30, 1994	88%	$24.91
June 30, 1993	90%	$24.77
June 30, 1992	86%	$21.92

Centercorp, Inc. manages the Mall. Interstate Properties, through Vornado, is the leasing agent.

At December 31, 1996, the Company's share of the $7,890,000 mortgage on the Kings Plaza Mall is $3,945,000. The interest rate is 8.50% and it matures on December 1, 2001. Since the Kings Plaza Mall is an unconsolidated joint venture, the mortgage on the Kings Plaza Mall is not reflected on the Company's books and records.

Fordham Road

The Company owns the Fordham Road property, which is located at the intersection of Fordham Road and the Grand Concourse in the Bronx, New York. The property includes a five-floor building containing approximately 303,000 square feet located in the center of a shopping complex in one of the busiest shopping areas in the Bronx. This property is leased to Caldor. On February 11, 1997, Caldor announced that, subject to Bankruptcy Court approval, it expects to close this store.

Flushing

The Flushing property is located on Roosevelt Avenue and Main Street in the downtown, commercial section of Flushing, Queens. Roosevelt Avenue and Main Street are active shopping districts with many national retailers located in the area. A subway entrance is located directly in front of the property with bus service across the street. It comprises a four-floor building containing 177,000 square feet and a parking garage.

This property is subleased to Caldor (other than the portion currently being used as a parking garage).

Third Avenue

The Company owns the Third Avenue property, a four-floor building and a small surface parking lot located at the intersection of Third Avenue and 152nd Street in the Bronx, New York. The store is located in a densely populated neighborhood. This property is leased to an affiliate of Conway, a New York area discount retailer.

Redevelopment Properties:

Lexington Avenue

As of December 31, 1996, the Company owns an approximately 92% interest in the Seven Thirty One Limited Partnership (the "Partnership"), a limited partnership which owns the Lexington Avenue property. This property comprises the entire square block bounded by Lexington Avenue, East 59th Street, Third Avenue and East 58th Street and is situated in the heart of one of Manhattan's busiest business and shopping districts with convenient access to several subway and bus lines. The property is located directly across the street from Bloomingdale's flagship store and only a few blocks away from both Fifth Avenue and 57th Street. The Company is evaluating redevelopment plans for this property, which may involve razing the existing buildings and developing a large multi-use building requiring capital in excess of $300,000,000 to be expended. No redevelopment decisions have been finalized.

Paramus

The Company owns 39.3 acres of land, including its former store building, located at the intersection of Routes 4 and 17 in Paramus, New Jersey. The Company's property is located directly across from the Garden State Plaza regional shopping mall, within two miles of three other regional shopping malls and within 10 miles of New York City.

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. The Company is considering razing the existing building and developing a two or three level shopping center on the site. The estimated cost of such redevelopment is between $60,000,000 and $70,000,000. No redevelopment decisions have been finalized.

Kings Plaza Store

The Company's anchor store in the Kings Plaza Shopping Center is a four-floor building containing approximately 339,000 square feet. Access to the store is available from entrances on Flatbush Avenue and the parking lot and from entrances on both levels of the Mall.

In January 1997, Sears leased 289,000 square feet at this location for use as a full-line department store expected to open in the last quarter of 1997. The lease has a 25 year term with a ten-year renewal option. Sears has the right to cancel the lease if Alexander's does not commit to make certain improvements to the Kings Plaza Shopping Center estimated to cost approximately $15,000,000. The remaining 50,000 square feet will be leased to other retailers. The Company plans to demise the store space for use by Sears and the other retailers at a cost of approximately $5,000,000 to $10,000,000.

Rego Park II

The Company owns two additional land parcels adjacent to the Rego Park I property. They are the entire square block bounded by the Long Island Expressway, 97th Street, 62nd Drive and Junction Boulevard and a smaller parcel of approximately one-half square block at the intersection of 97th Street and the Long Island Expressway (the "Z Parcel"). Both parcels are currently zoned for residential use with the Z parcel having a commercial zoning overlay. Both parcels are being used for public paid parking. The Company intends to continue to use these properties for paid parking while it evaluates the feasibility of having these properties re-zoned for commercial use.

Insurance

The Company carries comprehensive liability, fire, flood, extended coverage and rental loss insurance with respect to its properties with policy specifications and insured limits customarily carried for similar properties. Management of the Company believes that the Company's insurance coverage conforms to industry norms.

Item 3. Legal Proceedings

Neither the Company nor any of its subsidiaries is a party to, nor is their property the subject of, any material pending legal proceeding other than routine litigation incidental to their businesses. The Company believes that these legal actions will not be material to the Company's financial condition or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders during the fourth quarter of the year ended December 31, 1996.

Executive Officers of the Company

The following is a list of the names, ages, principal occupations and positions with the Company of the executive officers of the Company and the positions held by such officers during the past five years.

Name	Age	Principal Occupation, Position and Office (current and during the past five years with the Company unless otherwise stated)
Stephen Mann	59	Chairman of the Board of Directors since March 2, 1995; Interim Chairman of the Board of Directors from August, 1994 to March 1, 1995; Chairman of the Clifford Companies since 1990; and, prior thereto, counsel to Mudge Rose Guthrie Alexander & Ferdon, attorneys.
Steven Roth	55	Chief Executive Officer of the Company since March 2, 1995; Chairman of the Board and Chief Executive Officer of Vornado since May 1989; Chairman of Vornado's Executive Committee of the Board since April 1988; and the Managing General Partner of Interstate, a developer and operator of shopping centers and an investor in securities and partnerships.
Joseph Macnow	51	Vice President and Chief Financial Officer of the Company since August 1995 and Vice President and Chief Financial Officer of Vornado since 1985.
Brian M. Kurtz	48	Executive Vice President and Chief Administrative Officer from July, 1994 to the present; Senior Vice President and Chief Administrative Officer from March 1993 to July 1994; Senior Vice President and Controller from January 1989 to March, 1993; and Vice President-Controller from December 1985 to January 1989.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

Equity and Related Stockholder Matters

The common stock, par value $1.00 per share, of the Company is traded on the New York Stock Exchange under the symbol "ALX". Set forth below are the high and low sales prices for the Company's common stock for each full quarterly period within the two most recent years:

	High	Low
1st Quarter 1996	$ 69 5/8	$ 65 1/4
2nd Quarter 1996	74	66 1/4
3rd Quarter 1996	73 1/4	67 1/2
4th Quarter 1996	80	69 1/4

	High	Low
1st Quarter 1995	$ 54	$ 49 3/4
2nd Quarter 1995	58 5/8	51 3/8
3rd Quarter 1995	61 3/8	55 1/4
4th Quarter 1995	69 3/4	60

As of December 31, 1996, there were approximately 2,000 holders of record of the Company's common stock. The Company pays dividends only if, as and when declared by its Board of Directors. No dividends were paid in 1996 and 1995. In order to qualify as a REIT, the Company generally is required to distribute as a dividend 95% of its taxable income. At December 31, 1996, the Company had net operating loss carryovers ("NOL's") of approximately $138,000,000. Under the Internal Revenue Code of 1986, as amended, the Company's NOL's generally would be available to offset the amount of the Company's REIT taxable income that otherwise would be required to be distributed as a dividend to stockholders.

Item 6. Selected Financial Data

Summary of Selected Financial Data
(Amounts in thousands, except per share data)

	Year Ended			
	Dec. 31, 1996	Dec. 31, 1995	Dec. 31, 1994	Dec. 31, 1993(1)
Operating data:				
Total revenues	$ 21,833	$ 14,761	$ 13,206	$ 10,150
Gains on sales of real estate leases	--	--	$ 161	$ 7,686
Income/(loss) from continuing operations	$ 13,097(3)	$ (7,696)	$ 4,033	$ 9,644
Income/(loss) from discontinued operations	11,602	10,133	--	(280)
Cumulative effect of change in accounting	--	--	--	--
Net income/(loss)	$ 24,699	$ 2,437	$ 4,033	$ 9,364
Income/(loss) per common share:				
Continuing operations	$ 2.62	$ (1.54)	$ .81	$ 1.93
Discontinued operations	2.32	2.03	--	(.05)
Cumulative effect of change in accounting	--	--	--	--
Net income/(loss) per share	$ 4.94	$ .49	$ .81	$ 1.88
Balance sheet data:				
Total assets	$211,585	$ 198,541	$ 109,419	$ 92,917
Real estate	181,005	150,435	84,658	70,882
Debt	192,347	182,883	52,842	43,520
Stockholders' equity/(deficit)	5,563	(19,136)	(21,573)	(25,606)

	Five Months Ended (1)	Fiscal Year Ended	
	Dec. 31, 1993	July 31, 1993(2)	July 25, 1992
Operating data:			
Total revenues	$ 5,596	$ 5,948	$ 2,207
Gains on sales of real estate leases	--	$ 28,779	--
Income/(loss) from continuing operations	$ 946	$ 27,151	$ (14,630)
Income/(loss) from discontinued operations	--	(477)	(118,198)
Cumulative effect of change in accounting	--	(21,449)	--
Net income/(loss)	$ 946	$ 5,225	$(132,828)
Income/(loss) per common share:			
Continuing operations	$ .19	$ 5.45	$ (2.94)
Discontinued operations	--	(.09)	(23.75)
Cumulative effect of change in accounting	--	(4.31)	--
Net income/(loss) per share	$ .19	$ 1.05	$ (26.69)
Balance sheet data:			
Total assets	$ 92,917	$ 113,572	$ 113,384
Real estate	70,882	71,325	84,906
Debt	43,520	44,359	53,187
Stockholders' equity/(deficit)	(25,606)	(26,552)	(32,980)

1. In November 1993, the Company changed to a calendar year from a fiscal year ending on the last Saturday in July. The amounts for the year ended December 31, 1993 are included for comparative purposes only.

2. Includes 53 weeks.

3. Includes income from the gain on reversal of the Company's postretirement healthcare liability of $14,372,000.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

RESULTS OF OPERATIONS

Continuing Operations - Years Ended December 31, 1996 and December 31, 1995

The Company's revenues, which consist of property rentals, tenant expense reimbursements and equity in income of unconsolidated joint venture were $21,833,000 in 1996, compared to $14,761,000 in 1995, an increase of $7,072,000 or 47.9%.

Property rentals were $15,952,000 in 1996, compared to $10,239,000 in 1995, an increase of $5,713,000 or 55.8%. This increase resulted primarily from the commencement of rents and paid parking at the Rego Park I property in March 1996.

Tenant expense reimbursements were $1,872,000 in 1996, compared to $1,188,000 in 1995, an increase of $684,000 or 57.6%. This increase reflects a corresponding increase in operating expenses passed through to tenants and was largely the result of the commencement of rents and paid parking at the Rego Park I property in March 1996.

Equity in income of unconsolidated joint venture (the Kings Plaza Shopping Center) was $4,009,000 in 1996, compared to $3,334,000 in 1995, an increase of $675,000 or 20.2%. This increase resulted primarily from an increase in rent from mall tenants.

Operating expenses were $5,562,000 in 1996, compared to $3,807,000 in 1995, an increase of $1,755,000. This increase resulted primarily from the commencement of operations at the Rego Park I property as noted above.

General and administrative expenses were $4,402,000 in 1996, compared to $4,820,000 in 1995, a decrease of $418,000. This decrease resulted primarily from lower professional fees.

Depreciation and amortization expense was $2,128,000 in 1996 compared to $1,858,000 in 1995, an increase of $270,000. This increase resulted primarily from the commencement of operations at the Rego Park I property as noted above.

Interest and debt expense was $13,934,000 in 1996, compared to $13,156,000 in 1995, an increase of $778,000. This increase resulted primarily from interest on the Rego Park I debt being charged to income this year (as a result of the property becoming operational), whereas in the prior year such interest was capitalized. The increase in interest expense was partially offset by additional interest capitalized in 1996 on other redevelopment projects.

Interest and other income, net was $2,918,000 in 1996 compared to $1,716,000 in 1995, an increase of $1,202,000. This increase resulted primarily from (i) the amortization of deferred gains of $794,000 in connection with the Company's postretirement healthcare benefits, (ii) workmen's compensation insurance and real estate tax refunds aggregating $351,000 and (iii) a reimbursement of expenses of $764,000 received in 1996 from the Company's partner in the unconsolidated joint venture, partially offset by (iii) a decrease in interest income of $745,000 as a result of a lower average cash invested this year than in the prior year.

Effective October 1, 1996, the Company made significant changes in the manner in which it provides healthcare benefits to its retirees. As a result, the Company has reversed its liability for postretirement healthcare costs resulting in the recognition of a $14,372,000 gain.

Continuing Operations
Years Ended December 31, 1995 and December 31, 1994

The Company's revenues, which consist of property rentals, tenant expense reimbursements, and equity in income of unconsolidated joint venture were $14,761,000 in 1995, compared to $13,206,000 in 1994, an increase of $1,555,000 or 11.8%.

Property rentals and tenant expense reimbursements in 1995 did not change significantly from the prior year.

Equity in income from the Kings Plaza Shopping Center was $3,334,000 in 1995, compared to $1,821,000 in 1994, or increase of $1,153,000. This increase resulted primarily from an increase in rent and tenant expense reimbursements from mall tenants.

Operating expenses were $3,807,000 in 1995, compared to $2,246,000 in 1994, an increase of $1,561,000. Of this increase (i) $714,000 was higher real estate taxes, maintenance and utility expenses, which were primarily passed through to tenants, (ii) $700,000 was fees under the Management Agreement and (iii) $147,000 was bad debt expense.

General and administrative expenses were $4,820,000 in 1995, compared to $2,983,000 in 1994, an increase of $1,837,000. This increase resulted from (i) professional fees of $1,134,000, primarily related to the Company's REIT formation, (ii) non-recurring payroll and other costs of $355,000 related to the Company's closing of its New York City office and (iii) fees under the Management Agreement ($1,800,000) exceeding 1994 expense levels by $348,000.

Depreciation and amortization expense in 1995 did not change significantly from 1994.

Reorganization costs were $1,938,000 in 1995, compared to $3,721,000 in 1994, a decrease of $1,783,000. These expenses were primarily due to professional fees incurred in connection with investigating financing alternatives, becoming a REIT and bankruptcy expenses.

Interest and debt expense was $13,156,000 in 1995, compared to $3,331,000 in 1994, an increase of $9,825,000. Of this increase approximately (i) $6,000,000 was attributable to higher levels of debt, (ii) $200,000 was attributable to higher interest rates, (iii) $1,800,000 was attributable to the amortization of debt issuance costs, and (iv) $2,200,000 resulted primarily from interest and debt expense for 1994 being charged against the accrual for losses from discontinued operations. This increase was partially offset by a $400,000 increase in interest capitalized during development.

Interest and other income, net was $1,716,000 in 1995 compared to $4,929,000 in 1994, a decrease of $3,213,000. This decrease resulted from other income of $4,550,000 recorded in 1994 from the settlement of a zoning-related matter, partially offset by higher interest income earned in 1995 on increased average cash invested due to additional borrowings.

As a result of the Company's election to be taxed as a REIT for the year ended December 31, 1995, the deferred tax balance of $1,406,000 at December 31, 1994 was reversed, resulting in an income tax benefit.

Discontinued Operations - Years Ended December 31, 1996 and December 31, 1995

The Company recorded income from discontinued operations of $11,602,000 in 1996 comprised of (i) $9,602,000 from the settlement of a tax certiorari proceeding against the County of Nassau for overpayment of taxes on its former Valley Stream Store property and (ii) $2,000,000 from the reduction of other liabilities of discontinued operations to amounts estimated to be needed to resolve these liabilities at December 31, 1996.

In 1995, the Company recorded income from discontinued operations of $10,133,000 comprised of (i) $6,133,000 from the settlement of a tax certiorari proceeding with the City of New York regarding the Kings Plaza Shopping Center and (ii) $4,000,000 resulting from the reduction of other liabilities of discontinued operations to amounts considered necessary to cover the remaining estimates of these liabilities at December 31, 1995.

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.

In connection with the redevelopment of the existing building and the construction of a multi-level parking structure on its Rego Park I property, the Company has expended approximately $37,200,000 and expects to expend up to an additional $3,400,000 to complete the project. At December 31, 1996, there was $1,700,000 available under a $60,000,000 construction loan to fund these expenditures. The Company estimates that its capital expenditure requirements for other redevelopment projects will include: (i) 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, (ii) the redevelopment of the Kings Plaza Store property at a cost of approximately $5,000,000 to $10,000,000 and (iii) 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.

On September 18, 1995, Caldor, which leases the Fordham Road and Flushing properties from the Company, filed for relief under Chapter 11 of the United States Bankruptcy Code. Caldor accounted for approximately 36% and 56% of the Company's consolidated revenues for the years ended December 31, 1996 and 1995. The loss of property rental payments under either of these leases could have a material adverse effect on the financial condition and results of operations of the Company. Caldor failed to meet certain financial tests required under the Company's Fordham Road mortgage. As a result, commencing January 1, 1996 the Company was 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 1996 was $590,000. On February 11, 1997 Caldor announced, that subject to Bankruptcy Court approval, it expects to close the Fordham Road store in May 1997. The annual base rental revenue under this lease is $3,537,000.

The $60,000,000 construction loan from a group of banks secured by a mortgage on the Rego Park I property matures on April 1, 1997 (extendable at the Company's option for an additional year). On February 27, 1997, the Company obtained a commitment from one of the existing bank lenders to make a one-year $75,000,000 loan secured by a mortgage on this property and guaranteed by the Company. The proceeds of this loan will be used to repay the existing construction loan and provide the Company with an additional $15,000,000 of working capital. The new loan will bear interest at LIBOR plus 1.00% or Federal Funds Rate plus .50% and provides for a one-time facility fee of .125%. The Company has agreed with the bank to refinance the new loan through the issuance of rated commercial mortgage backed securities later this year.

As at December 31, 1996, a summary of maturities of debt is as follows (amounts in thousands):

Year ending December 31,	
1997	$ 520
1998	169,307
1999	628
2000	21,892
	$192,347

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

Year Ended December 31, 1996

Cash provided by operating activities of $8,574,000 was comprised of net income of $24,699,000 (including income from discontinued operations of $11,602,000), offset by (i) adjustments for non-cash items of $13,890,000 (ii) the payment of liabilities of discontinued operations of $1,175,000, and (iii) the net change in operating assets and liabilities of $1,060,000. The adjustments for non-cash items are comprised of (i) the reversal of the Company's postretirement healthcare liability of $14,372,000, (ii) the change in other liabilities of discontinued operations of $2,000,000, and (iii) the effect of straight-lining of rental income of $1,756,000, offset by (iv) depreciation and amortization of $4,105,000, and (v) equity in income of unconsolidated joint venture of $133,000.

Net cash used in investing activities of $21,029,000 was comprised of capital expenditures of $32,314,000, offset by the release of cash restricted for both operating liabilities ($9,228,000) and construction financing ($2,057,000).

Net cash provided by financing activities of $9,464,000 was comprised of proceeds from the issuance of construction financing of $10,527,000 on the Rego Park I property, offset by repayments of debt of $1,063,000.

Year Ended December 31, 1995

Cash used in operating activities of $33,210,000 was comprised of: (i) the payment of liabilities of discontinued operations of $29,488,000, (ii) adjustments for non-cash items of $5,260,000 and (iii) a net change in operating assets and liabilities of $899,000, offset by net income of $2,437,000 (including income from discontinued operations of $10,133,000). The adjustments for non-cash items are comprised of (i) change in other liabilities of discontinued operations of $4,322,000, (ii) equity in income of unconsolidated joint venture of $4,285,000 and (iii) the effect of straight-lining of rental income of $1,340,000, offset by depreciation and amortization of $4,687,000.

Net cash used in investing activities of $62,838,000 was comprised of (i) capital expenditures of $45,933,000 and (ii) cash restricted for both operating liabilities ($10,724,000) and construction financing ($6,181,000).

Net cash provided by financing activities of $102,156,000 was comprised of proceeds from the issuance of debt of $142,034,000 (net of deferred debt expense), offset by repayments of debt of $39,878,000.

Year Ended December 31, 1994

Cash used in operating activities of $1,631,000 for the year ended December 31, 1994, was comprised of: (i) the payment of liabilities of discontinued operations of $5,229,000 and (ii) adjustments for non-cash items of $590,000, offset by (iii) net income of $4,033,000 and (iv) a net change in operating assets and liabilities of $155,000. The adjustments for non-cash items are comprised of (i) equity in income of unconsolidated joint venture of $1,260,000 and (ii) the effect of straight-lining of rental income of $1,581,000, offset by depreciation and amortization of $2,251,000.

Net cash used in investing activities of $10,395,000 was comprised of additions to real estate of $11,170,000, offset by the use of restricted cash of $775,000.

Net cash provided by financing activities of $7,336,000 was comprised of proceeds from the issuance of debt (net of deferred debt expense) of $8,111,000, offset by $775,000 of debt repayments.

CERTAIN INDEBTEDNESS

As at December 31, 1996, debt consists of:

(1) First mortgage loans are comprised of:

(a) A $23,611,000 five year loan maturing February 24, 2000, secured principally by a mortgage on the Company's Fordham Road property. The loan bears annual interest at 30 day LIBOR plus 4.25% (9.69% at December 31, 1996), capped at LIBOR 9.75% (all-in rate, 14%) and requires amortization based on a 20 year term with an assumed interest rate of 9 1/2%. The weighted average interest rate for 1996 was 9.88%. Beginning in year four, all cash flow of the property, after debt service, will further amortize the loan. The loan is prepayable without penalty. Caldor, who is the tenant at this property, failed to meet certain financial tests under the mortgage. As a result, commencing January 1, 1996 the Company was required to remit the net cash flow of the property into an account of the lender as additional payments under the loan. The amount remitted to the lender for 1996 was $590,000.

(b) A $13,591,000 loan maturing December 31, 1998, secured principally by a mortgage on the Company's Paramus property. The loan bears interest at a floating rate (8.22% at December 31, 1996), fixed annually, equal to 2.5% above the one-year U.S. Treasury bill rate with a floor of 6.5%. The weighted average interest rate for 1996 was 8.11%. The loan contains customary mortgage covenants and events of default. The loan is prepayable at any time.

(2)A $75,000,000 three year loan maturing March 15, 1998, secured by mortgages on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent. The loan bears interest at a blended rate of 13.8% per annum for the first two years and is comprised of two separate notes of $45,000,000 to Vornado and $30,000,000 to a bank. Each note is separately secured by the collateral described above. The Vornado loan is subordinate to that of the bank and bears interest at 16.43% per annum (effective rate 17.54%) for the first two years and at a fixed rate for the third year of 992 basis points over the one-year Treasury bill rate. The bank's loan bears interest at 9.86% for the first two years and at a fixed rate for the third year of 325 basis points over the one-year Treasury bill rate. The Company paid a loan origination fee to Vornado and the bank of $1,500,000 and $375,000, respectively. The loans are prepayable at the end of the second year of their term without penalty. The loans contain customary covenants including, among others, lease approval rights, limitations on additional debt, dividends, acquisitions, mergers, property sales and restrict the Company from developing property without signed leases for more than 50% of such property's leasable space. No dividends can be paid unless required to maintain Real Estate Investment Trust ("REIT") status.

(3)A two year $60,000,000 construction loan and a two year $25,000,000 bridge loan from a group of banks, each secured by a mortgage on the Rego Park I property. The loans mature on April 1, 1997 (extendable at the Company's option for an additional year). As of December 31, 1996, approximately $58,300,000 was funded under such construction loan and there were no borrowings under the $25,000,000 bridge loan. The weighted average interest rate for 1996 was 7.28%. On February 27, 1997, the Company obtained a commitment from one of the existing bank lenders to make a one-year $75,000,000 loan secured by a mortgage on this property and guaranteed by the Company. The proceeds of this loan will be used to repay the existing construction loan and provide the Company with an additional $15,000,000 of working capital. The new loan will bear interest at LIBOR plus 1.00% of Federal Funds Rate plus .50% and provides for a one-time facility fee of .125%. The Company has agreed with the bank to refinance the new loan through the issuance of rated commercial mortgage backed securities later this year.

(4)In January 1995, the Seven Thirty One Limited Partnership ("the Partnership"), redeemed the first portion of the non-affiliated limited partners' interest by giving such limited partners a promissory note due in August 1998 in the amount of $21,812,000 (the "Note"). The Note bears annual interest at Prime plus 1% (9.25% at December 31, 1996) and is secured by a third mortgage on the Lexington Avenue property. The weighted average interest rate for 1996 was 9.25%. The non-affiliated limited partners have the right to put their remaining 7.64% interest to the Partnership until October 1998, in exchange for a five year secured note in the principal amount of $15,000,000, bearing annual interest at Prime plus 1%.

Item 8. Financial Statements and Supplementary Data

Index to Financial Statements

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
of Alexander's, Inc.
Saddle Brook, New Jersey

We have audited the accompanying consolidated balance sheets of Alexander's, Inc. and Subsidiaries (the "Company") as of December 31, 1996 and 1995 and the related consolidated statements of operations, stockholders' equity (deficit) and cash flows for the years ended December 31, 1996, 1995 and 1994. Our audits also included the financial statement schedules listed in the index at Item 14(a)(2). These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 1996, and 1995, and the results of their operations and their cash flows for the years ended December 31, 1996, 1995 and 1994 in conformity with generally accepted accounting principles. Also, in our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP

Parsippany, New Jersey
February 27, 1997

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(amounts in thousands except share amounts)

	December 31, 1996	December 31, 1995
ASSETS:		
Real estate, at cost:		
Land	$ 45,999	$ 46,082
Buildings, leaseholds and leasehold improvements (including $242 and $34,996 of construction in progress at December 31, 1996 and 1995)	114,280	96,238
Capitalized expenses and predevelopment costs	47,488	33,165
Total	207,767	175,485
Less accumulated depreciation and amortization	(39,375)	(37,794)
	168,392	137,691
Investment in unconsolidated joint venture	12,613	12,744
Real estate, net	181,005	150,435
Cash and cash equivalents	5,480	8,471
Restricted cash	5,620	16,905
Accounts receivable, net of allowance for doubtful accounts of $147 in 1996 and 1995	201	180
Receivable arising from the straight-lining of rents, net	5,984	4,228
Deferred lease and other expenses	9,966	10,460
Deferred debt expense	2,364	4,341
Other assets	965	3,521
TOTAL ASSETS	$211,585	$198,541

See notes to consolidated financial statements

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (continued)
(amounts in thousands except share amounts)

	December 31, 1996	December 31, 1995
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT):		
Continuing Operations:		
Debt	$ 192,347	$ 182,883
Amounts due to Vornado Realty Trust and its affiliate	6,207	8,482
Liability for postretirement healthcare benefits	--	15,526
Accounts payable and accrued liabilities	4,246	4,389
Minority interest	600	600
Total continuing operations	203,400	211,880
Discontinued Retail Operations:		
Accounts payable and accrued liabilities	976	2,328
Liabilities subject to settlement under reorganization proceedings	1,646	3,469
Total discontinued retail operations	2,622	5,797
TOTAL LIABILITIES	206,022	217,677
COMMITMENTS AND CONTINGENCIES (Note 10)		
STOCKHOLDERS' EQUITY (DEFICIT):		
Preferred stock: no par value; authorized, 3,000,000 shares; issued, none		
Common stock: $1.00 par value per share; authorized, 10,000,000 shares; issued, 5,173,450 shares	5,174	5,174
Additional capital	24,843	24,843
Deficit	(23,494)	(48,193)
	6,523	(18,176)
Less treasury shares, 172,600 shares at cost	(960)	(960)
Total stockholders' equity (deficit)	5,563	(19,136)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 211,585	$ 198,541

See notes to consolidated financial statements

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands except per share amounts)

	Year Ended Dec. 31, 1996	Year Ended Dec. 31, 1995	Year Ended Dec. 31, 1994
Revenues:			
Property rentals	$15,952	$10,239	$10,283
Expense reimbursements	1,872	1,188	1,102
Equity in income of unconsolidated joint venture	4,009	3,334	1,821
Total revenues	21,833	14,761	13,206
Expenses:			
Operating (including management fee of $840 and $700 to Vornado in 1996 and 1995)	5,562	3,807	2,246
General and administrative (including management fee of $2,160 and $1,800 to Vornado in 1996 and 1995)	4,402	4,820	2,983
Depreciation and amortization	2,128	1,858	1,821
Reorganization costs	--	1,938	3,721
Total expenses	12,092	12,423	10,771
Operating income	9,741	2,338	2,435
Interest and debt expense (including interest on loan from Vornado in 1996 and 1995)	(13,934)	(13,156)	(3,331)
Interest and other income, net	2,918	1,716	4,929
Gain on reversal of liability for post-retirement healthcare benefits	14,372	--	--
Income (loss) before reversal of deferred taxes	13,097	(9,102)	4,033
Reversal of deferred taxes	--	1,406	--
Income (loss) from continuing operations	13,097	(7,696)	4,033
Income from discontinued operations	11,602	10,133	--
NET INCOME	$24,699	$ 2,437	$ 4,033
Net Income (Loss) Per Share:			
Continuing operations	$ 2.62	$(1.54)	$ .81
Discontinued operations	2.32	2.03	--
Net income	$ 4.94	$ .49	$ .81

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(amounts in thousands)

	Common Stock	Additional Capital	Deficit	Treasury Stock	Stockholders' Equity (Deficit)
Balance, January 1, 1994	$5,174	$24,843	$(54,663)	$(960)	$(25,606)
Net income	--	--	4,033	--	4,033
Balance, December 31, 1994	5,174	24,843	(50,630)	(960)	(21,573)
Net income	--	--	2,437	--	2,437
Balance, December 31, 1995	5,174	24,843	(48,193)	(960)	(19,136)
Net income	--	--	24,699	--	24,699
Balance, December 31, 1996	$5,174	$24,843	$(23,494)	$(960)	$ 5,563

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)

	Year Ended Dec. 31, 1996	Year Ended Dec. 31, 1995	Year Ended Dec. 31, 1994
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss) from continuing operations	$ 13,097	$ (7,696)	$ 4,033
Adjustments to reconcile net income/(loss) to net cash provided by (used in) continuing operating activities:			
Depreciation and amortization (including debt issuance costs)	4,105	4,687	2,251
Gain on reversal of postretirement healthcare liability	(14,372)	--	--
Straight-lining of rental income, net	(1,756)	(1,340)	(1,581)
Equity in income of unconsolidated joint venture (net of distributions of $(4,142), $(951) and $(583) for the years ended December 31, 1996, 1995 and 1994, respectively)	133	(4,285)	(1,260)
Change in assets and liabilities:			
Accounts receivable	(21)	(137)	--
Note receivable	--	4,550	(4,550)
Amounts due to Vornado Realty Trust and its affiliate	(2,094)	(2,001)	591
Liability for postretirement healthcare benefits	(1,154)	(356)	--
Accounts payable and accrued liabilities	(143)	(502)	892
Other	2,352	(2,453)	3,222
Net cash provided by (used in) operating activities of continuing operations	147	(9,533)	3,598
Income from discontinued operations	11,602	10,133	--
Payment of liabilities of discontinued operations	(1,175)	(29,488)	(5,229)
Change in other liabilities of discontinued operations	(2,000)	(4,322)	--
Net cash provided by (used in) discontinued operations	8,427	(23,677)	(5,229)
Net cash provided by (used in) operating activities	8,574	(33,210)	(1,631)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Additions to real estate	(32,314)	(45,933)	(11,170)
Cash restricted for construction financing	2,057	(6,181)	775
Cash restricted for operating liabilities	9,228	(10,724)	--
Net cash used in investing activities	(21,029)	(62,838)	(10,395)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of debt	10,527	147,806	10,000
Debt repayments	(1,063)	(39,878)	(775)
Deferred debt expense	--	(5,772)	(1,889)
Net cash provided by financing activities	9,464	102,156	7,336
Net (decrease) increase in cash and cash equivalents	(2,991)	6,108	(4,690)
Cash and cash equivalents at the beginning of the period	8,471	2,363	7,053
Cash and cash equivalents at the end of the period	$ 5,480	$ 8,471	$ 2,363
SUPPLEMENTAL INFORMATION			
Cash payments for interest	$ 20,140	$ 16,352	$ 5,133
Capitalized interest	$ 8,552	$ 6,575	$ 1,718

The 1995 amounts exclude an increase in real estate of $20,838 and debt of $21,812 and a reduction in minority interest of $974 as a result of the Company acquiring a partnership interest (see Note 5).

See notes to consolidated financial statements.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS

Alexander's is a real estate investment trust engaged in the business of leasing, managing, developing and redeveloping real estate properties, focusing on the properties where its department stores (which ceased operations in 1992) formerly operated. The Company's properties are located in mature, densely populated areas in New York City and Paramus, New Jersey.

In May 1992, at a time when the Company's business consisted of retail store operations, the Company and sixteen of its subsidiaries filed petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). In September 1993, the Bankruptcy Court confirmed the Joint Plan of Reorganization (the "Plan"), pursuant to which the Company and its subsidiaries reorganized their business as a real estate company.

In March 1995, the Company paid holders of allowed general unsecured claims in full, together with accrued interest in respect of their claims. Such payments aggregated approximately $24,000,000. The Official Committee of Unsecured Creditors has been dissolved and all secured and unsecured creditors having allowed claims in the Bankruptcy Court cases have received the cash payments or debt instruments contemplated to be delivered to them under the Plan.

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, Kings Plaza Store and Rego Park II) are in various stages of redevelopment. As rents commence from a portion of the development properties, the Company expects that cash flow will become positive. See Note 6 - "Leases" for significant tenants.

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 the proceeds from a condemnation proceeding -- see Note 10 - "Contingencies - -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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation -- The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, and a partnership in which the Company held a majority interest at December 31, 1996. Investments in real estate and other property which are 50% owned joint ventures are accounted for under the equity method. All material intercompany accounts and transactions have been eliminated.

The consolidated financial statements are prepared in conformity with generally accepted accounting principles. Management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Effective January 1, 1995, to be consistent with prevalent real estate industry practice, the Company changed the presentation of its consolidated statements of operations to show tenant reimbursements, previously offset against operating expenses, as part of revenues. Further, operating expenses and general and administrative expenses have been shown separately. Prior period's amounts have been reclassified to conform with the current year's presentation.

Cash and Cash Equivalents -- The Company includes in cash and cash equivalents both cash and short-term highly liquid investments purchased with original maturities of three months or less. Cash and cash equivalents does not include cash restricted for construction financing and operating liabilities which is disclosed separately.

Real Estate and Other Property -- Real estate and other property is carried at cost, net of accumulated depreciation. Depreciation is provided on buildings and improvements on a straight-line basis over their estimated useful lives. When real estate and other property is undergoing development activities, all property operating expenses, including interest expense, are capitalized to the cost of the real property to the extent that management believes such costs are recoverable through the value of the property.

The Company's policy, pursuant to the Financial Accounting Standards Board Statement No. 121, "Accounting For the Impairment of Long-Lived Assets and For Long-Lived Assets to be Disposed Of" (SFAS No. 121), is to annually assess any impairment in value by making a comparison of the current and projected operating cash flows of each of its properties over its remaining useful life on an undiscounted basis, to the carrying amount of such property. Such carrying amount would be adjusted, if necessary, to reflect an impairment in the value of the asset.

Deferred Lease Expense -- The Company capitalizes the costs incurred in connection with obtaining long-term leases. Deferred lease expense is amortized on the straight-line method over the initial terms of the leases.

Deferred Finance and Debt Expense -- The Company capitalizes the costs incurred in connection with obtaining short-term or long-term debt or refinancing existing debt. These costs are amortized on the straight-line method over the initial terms of the debt, which approximates the interest method.

Leases -- All leases are operating leases whereby rents and reimbursements of operating expenses are recorded as real estate operating revenue. The straight-line basis is used to recognize rents under leases entered into which provide for varying rents over the lease terms.

Income Taxes -- The Company elected, with its federal income tax return for 1995, to be taxed as a real estate investment trust ("REIT") under sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). To qualify for taxation as a REIT, the Company must meet various federal income tax law requirements. In general, a REIT that distributes to its stockholders at least 95% of its taxable income as a dividend for a taxable year and that meets certain other conditions will not be taxed on income distributed that year.

The net basis in the Company's assets and liabilities for tax purposes is approximately $53,000,000 lower than the amount reported for financial statement purposes.

Reorganization Costs -- Reorganization costs consist of legal, accounting and other professional fees incurred in connection with consultations on restructuring alternatives of the Company.

Amounts Per Share -- Amounts per share are computed based upon the weighted average number of shares outstanding during the period.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3. INVESTMENT IN UNCONSOLIDATED 50% OWNED JOINT VENTURE (KINGS PLAZA MALL)

The Kings Plaza Shopping Center (the "Center") comprises a two-level mall (the "Kings Plaza Mall"), and two four-level anchor stores. The Company owns one anchor store in the center(leased to Sears for use as a full-line department store expected to open in the last quarter of 1997) and an undivided one-half interest in the Kings Plaza Mall. The other anchor store is owned and operated as a Macy's store by Federated Department Stores, Inc. ("Federated").

Summary financial information for the Kings Plaza Mall is as follows (amounts in thousands):

	Year Ended Dec. 31, 1996	Six Months Ended Dec. 31 1995	Fiscal Year Ended June 30, 1995	1994
Operating revenue	$26,530	$14,571	$24,828	$24,635
Operating costs	16,511	9,035	18,176	17,662
Depreciation and amortization	1,269	593	1,101	1,147
Interest expense	838	465	1,204	1,945
	18,618	10,093	20,481	20,754
Income before taxes	$ 7,912	$ 4,478	$ 4,347	$ 3,881
Assets	$35,400	$40,700	$28,100	$33,800
Liabilities	$16,300	$20,100	$14,900	$19,500

In December 1995, the Company completed a tax certiorari proceeding with the City of New York regarding the Kings Plaza Shopping Center property. The Company and its joint venture partner agreed with the City of New York to a reduction in the assessed values covering the tax years 1988/1989 through 1995/1996, generating tax credits of $28,350,000 (of which $6,050,000 was applied to 1995 taxes). The Company's allocated share of these credits, approximately $8,600,000, net of expenses, was recorded as follows: (i) $6,100,000 as income from discontinued operations and (ii) $2,500,000 as a reduction of previously capitalized real estate taxes. As a result of this settlement, $6,700,000 of the $8,000,000 held in escrow for unpaid real estate taxes was released in 1996 and the balance is expected to be released in the near future.

4. DISCONTINUED OPERATIONS

The Company recorded income from discontinued operations of $11,602,000 in 1996, and $10,133,000 in 1995 of which $9,602,000 and $6,133,000 resulted from the settlement of tax certiorari proceedings and $2,000,000 and $4,000,000 resulted from the reduction of other liabilities of discontinued operations to amounts considered necessary to cover the remaining estimates of these liabilities. Management periodically evaluates the reserves and adjusts them accordingly. A reconciliation of the liabilities from the discontinued retail operations is as follows:

(amounts in thousands)

	Year Ended December 31, 1996	1995	1994
Balance at beginning of period	$ 5,797	$ 43,160	$ 60,991
Adjustments during period	(2,000)	(4,000)	--
Liability for postretirement healthcare benefits reclassified to continuing operations from a separate line in discontinued operations	--	--	(15,882)
Utilized during period	(1,175)	(33,363)	(1,949)
Balance at end of period	$ 2,622	$ 5,797	$ 43,160

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. DEBT

Debt comprises:

(amounts in thousands)	December 31, 1996	December 31, 1995
First mortgage loans, payable to 2000, with interest rates ranging from 8.22% to 9.84% at December 31, 1996 and 8.08% to 10.28% at December 31, 1995(1)	37,202	$ 38,265
Term loans payable to 1998, with interest rates ranging from 9.86% to 16.43% at December 31, 1996 and 1995, respectively(2)	75,000	75,000
Construction loan, payable to 1998, with average interest rates of 7.28% and 7.36% at December 31, 1996 and 1995(3)	58,333	47,806
Secured note, due in 1998, with interest at 9.25% and 9.50% at December 31, 1996 and 1995(4)	21,812	21,812
	$192,347	$182,883

(1) First mortgage loans are comprised of:

(a) A $23,611,000 five year loan maturing February 24, 2000, secured principally by a mortgage on the Company's Fordham Road property. The loan bears annual interest at 30 day LIBOR plus 4.25% (9.69% at December 31, 1996), capped at LIBOR 9.75% (all-in rate, 14%) and requires amortization based on a 20 year term with an assumed interest rate of 9 1/2%. The weighted average interest rate for 1996 was 9.88%. Beginning in year four, all cash flow of the property, after debt service, will further amortize the loan. The loan is prepayable without penalty. Caldor, Inc. ("Caldor"), who is the tenant at this property, failed to meet certain financial tests under the mortgage. As a result, commencing January 1, 1996 the Company was required to remit the net cash flow of the property into an account of the lender as additional payments under the loan. The amount remitted to the lender for 1996 was $590,000.

(b) A $13,591,000 loan maturing December 31, 1998, secured principally by a mortgage on the Company's Paramus property. The loan bears interest at a floating rate (8.22% at December 31, 1996), fixed annually, equal to 2.5% above the one-year U.S. Treasury bill rate with a floor of 6.5%. The weighted average interest rate for 1996 was 8.11%. The loan contains customary mortgage covenants and events of default. The loan is prepayable at any time.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(2)A $75,000,000 three year loan maturing March 15, 1998, secured by mortgages on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent. The loan bears interest at a blended rate of 13.8% per annum for the first two years and is comprised of two separate notes of $45,000,000 to Vornado and $30,000,000 to a bank. Each note is separately secured by the collateral described above. The Vornado loan is subordinate to that of the bank and bears interest at 16.43% per annum (effective rate 17.54%) for the first two years and at a fixed rate for the third year of 992 basis points over the one-year Treasury bill rate. The bank's loan bears interest at 9.86% for the first two years and at a fixed rate for the third year of 325 basis points over the one-year Treasury bill rate. The Company paid a loan origination fee to Vornado and the bank of $1,500,000 and $375,000, respectively. The loans are prepayable at the end of the second year of their term without penalty. The loans contain customary covenants including, among others, lease approval rights, limitations on additional debt, dividends, acquisitions, mergers, property sales and restrict the Company from developing property without signed leases for more than 50% of such property's leasable space. No dividends can be paid unless required to maintain Real Estate Investment Trust ("REIT") status.

(3)A two year $60,000,000 construction loan and a two year $25,000,000 bridge loan from a group of banks, each secured by a mortgage on the Rego Park I property. The loans mature on April 1, 1997 (extendable at the Company's option for an additional year). As of December 31, 1996, approximately $58,300,000 was funded under such construction loan and there were no borrowings under the $25,000,000 bridge loan. The weighted average interest rate for 1996 was 7.28%. On February 27, 1997, the Company obtained a commitment from one of the existing bank lenders to make a one-year $75,000,000 loan secured by a mortgage on this property and guaranteed by the Company. The proceeds of this loan will be used to repay the existing construction loan and provide the Company with an additional $15,000,000 of working capital. The new loan will bear interest at LIBOR plus 1.00% or Federal Funds Rate plus .50% and provides for a one-time facility fee of .125%. The Company has agreed with the bank to refinance the new loan through the issuance of rated commercial mortgage backed securities later this year.

(4)In January 1995, the Seven Thirty One Limited Partnership ("the Partnership"), redeemed the first portion of the non-affiliated limited partners' interest by giving such limited partners a promissory note due in August 1998 in the amount of $21,812,000 (the "Note"). The Note bears annual interest at Prime plus 1% (9.25% at December 31, 1996) and is secured by a third mortgage on the Lexington Avenue property. The weighted average interest rate for 1996 was 9.25%. The non-affiliated limited partners have the right to put their remaining 7.64% interest to the Partnership until October 1998, in exchange for a five year secured note in the principal amount of $15,000,000, bearing annual interest at Prime plus 1%.

As at December 31, 1996, a summary of maturities of debt is as follows (amounts in thousands):

Year ended December 31,	
1997	$ 520
1998	169,307
1999	628
2000	21,892
	$ 192,347

All of the Company's debt is secured by mortgages and/or pledges of the stock of subsidiaries holding the properties. The net carrying value of real estate collateralizing the debt amounted to $168,392,000 at December 31, 1996.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6. LEASES

As Lessor

The Company leases properties to tenants. The rental terms for the properties leased range from 20 years to approximately 34 years. The leases provide for the payment of fixed base rentals payable monthly in advance and for the payment by the lessees of additional rents based on a percentage of the tenants' sales as well as reimbursements of real estate taxes, insurance and maintenance.

As of December 31, 1996, future base rental revenue under these noncancellable operating leases is as follows:

Year Ending December 31,	Total Amounts
1996	$ 13,352,000
1997	13,716,000
1998	13,850,000
1999	13,872,000
2000	14,296,000
Thereafter	289,509,000

The following tenants accounted for more than 10% of the Company's consolidated revenues:

	Years Ended December 31,		
	1996	1995	1994
Caldor	36%	56%	64%
Sears	23%	--	--
Conway	6%	13%	14%

In addition, the Company has entered into leases, which had not commenced as of December 31, 1996, with Circuit City (50,000 square feet) and Bed Bath & Beyond (46,000 square feet) at the Rego Park I location and with Sears (289,000 square feet) at the Kings Plaza location. Sears has the right to cancel the lease, if Alexander's does not commit to make certain improvements to the Kings Plaza Shopping Center.

On September 18, 1995, Caldor, which leases the Company's Fordham Road and Flushing locations, filed for relief under Chapter 11 of the United States Bankruptcy Code. The loss of property rental payments under either of these leases could have a material adverse effect on the financial condition and results of operations of the Company. On February 11, 1997 Caldor announced that, subject to Bankruptcy Court approval, it expects to close the Fordham Road store in May 1997. The annual base rental revenue under this lease is $3,537,000.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As Lessee

The Company is a tenant under a long-term lease for the Flushing property which expires on January 31, 2027. Future minimum lease payments under the operating lease at December 31, 1996 are as follows:

Year Ending December 31,	Total Amounts
1997	$ 344,000
1998	331,000
1999	331,000
2000	331,000
2001	331,000
Thereafter	5,355,000

Rent expense was $496,000 for each of the years ended December 31, 1996, 1995 and 1994.

7. INTEREST AND OTHER INCOME, NET

Interest and other income, net is comprised of (amounts in thousands):

	Year Ended December 31,		
	1996	1995	1994
Interest income	$1,009	$1,601	$ 141
Income from a zoning-related matter	--	--	4,550
Refund of previously paid taxes	199	115	77
Gain on sale of real estate	--	--	161
Amortization of deferred gain on post retirement benefit	794	--	--
Reimbursement of expenses from joint venture partner	764	--	--
Workers compensation insurance refund	152	--	--
	$2,918	$1,716	$4,929

8. INCOME TAXES

The Company elected to be taxed as a real estate investment trust ("REIT") under sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"), effective for the taxable year ended December 31, 1995. Under the Code, the Company's net operating loss ("NOL") carryovers generally would be available to offset the amount of the Company's REIT taxable income that otherwise would be required to be distributed as a dividend to its stockholders. In addition, the Company had a deferred tax liability of approximately $1,406,000 at December 31, 1994, which amount was reversed in 1995 when the Company elected to be taxed as a REIT.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company has reported NOL carryovers for federal tax purposes of approximately $138,000,000 at December 31, 1996, of which $5,000,000, $52,000,000, $22,000,000, $15,000,000, $16,000,000, $20,000,000 and $8,000,000 expire in 2005, 2006, 2007, 2008, 2009, 2010 and 2011, respectively. The Company also had investment tax and targeted jobs tax credits of approximately $3,000,000 expiring in 2002 through 2005.

9. RELATED PARTY TRANSACTIONS

Steven Roth is Chief Executive Officer and a Director of the Company, the Managing General Partner of Interstate Properties ("Interstate") and Chairman of the Board and Chief Executive Officer of Vornado Realty Trust ("Vornado"). Interstate owns 27.1% of the outstanding common stock of the Company and owns 24.4% of the outstanding common shares of beneficial interest of Vornado. In addition, Mr. Roth owns 3.0% of the outstanding common shares of beneficial interest of Vornado. Mr. Roth, Interstate and the other two general partners of Interstate, David Mandelbaum and Russell B. Wight, Jr. (who are also directors of the Company and trustees of Vornado) own, in the aggregate, 29.1% of the outstanding common shares of beneficial interest of Vornado. Vornado owns 29.3% of the outstanding common stock of the Company, including 27.1% purchased in March 1995.

In March 1995, the Company and Vornado entered into a three-year management and development agreement (the "Management Agreement"). The annual management fee payable by the Company to Vornado is $3,000,000, plus 6% of development costs with minimum guaranteed fees for the development portion of $1,650,000 in the first year of the Management Agreement and $750,000 in each of the second and third years. For the year ended December 31, 1996, the Company paid development fees of $2,343,000 to Vornado. On July 6, 1995, Vornado assigned its Management Agreement to Vornado Management Corp., an affiliate of Vornado.

The fee pursuant to the Management Agreement is in addition to the leasing fee the Company pays to Vornado under the leasing agreement (the "Leasing Agreement") which has been in effect since 1992. Subject to the payment of rents by tenants, Vornado is due $5,565,000. Such amount is payable annually in an amount not to exceed $2,500,000, until the present value of such installments (calculated at a discount rate of 9% per annum) equals the amount that would have been paid had it been paid on September 21, 1993, or at the time the transactions which gave rise to the commissions occurred, if later. The term of the Leasing Agreement has been extended to be coterminous with the term of the Management Agreement.

In March 1995, the Company borrowed $45,000,000 from Vornado, the subordinated tranche of a $75,000,000 secured financing (see Note 5(2)). The Company incurred interest on the loan of $7,517,000 and $5,976,000 for the years ended December 31, 1996 and 1995, of which $3,989,000 and $1,294,000 was capitalized.

Effective March 2, 1995, for a three-year period, Vornado and Interstate agreed not to own in excess of two-thirds of the Company's common stock or to enter into certain other transactions with the Company, other than the transactions described above, without the consent of the Company's independent directors.

In September 1994, the Company obtained from Interprop Fordham, Inc., an affiliate of Interstate, and Citibank, N.A. a short-term secured loan of $10,000,000 which enabled the Company to make a $2,600,000 payment to the unsecured creditors and to fund a portion of the Company's working capital and capital expenditure requirements. This loan was repaid during the first quarter of 1995.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

During the years ended December 31, 1996, 1995 and 1994, Vornado through Interstate was paid $1,007,000, $463,000 and $57,000, respectively, by the Kings Plaza Shopping Center for performing leasing services.

10. COMMITMENTS AND CONTINGENCIES

Lexington Avenue

The Company is evaluating redevelopment plans for this 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. No development decisions have been finalized.

Paramus Property

The Paramus property consists of 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 (the "DOT") are negotiating an agreement pursuant to which the DOT will pay approximately $14.7 million for the property subject to condemnation and grant Alexander's 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 is considering razing the existing building (in which case, the carrying cost of approximately $5,400,000 would be written off) and developing a two or three level shopping center on the site. The estimated total cost of such redevelopment is between $60,000,000 and $70,000,000. No development decisions have been finalized.

Environmental

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. The study also revealed an underground storage tank which failed an integrity test, although no contamination has been observed to date. The tank failure has been reported to the New York State Department of Environmental Conservation ("DEC") and the tank was repaired in early 1994. In October 1994, independent testing revealed that all of the Center's underground storage tanks (used for storing heating oil) and related distribution lines passed a tank and line leak status test. Such results were furnished to the DEC. 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.

The Company believes that known and potential environmental liabilities will not have a material adverse effect on the Company's business, assets, results of operations or cash flow. However, there can be no assurance that the confirmation of the existence of contamination or the identification of potential new areas of contamination would not be material to the Company.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Letters of Credit

Approximately $900,000 in standby letters of credit were issued at December 31, 1996.

11. EMPLOYEE BENEFITS PLAN

The Company has a postretirement healthcare benefit plan (the "Plan"). Beginning on October 1, 1996, coverage for retirees and their covered dependents is being provided through a medicare health maintenance organization or other insurance providers. This change reduced the costs to the retirees and eliminated the Company's liability. Accordingly, the Company has reversed the liability for postretirement healthcare costs resulting in the recognition of a $14,372,000 gain.

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The disclosure of the estimated fair value of financial instruments is made in accordance with the requirements of Statement of Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments" which was adopted by the Company on December 31, 1995. The estimated fair value of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses are reflected in the balance sheet. The fair value of debt has been estimated by discounting cash flows at the current rate at which similar loans would be made to borrowers with similar credit ratings for the remaining term. At December 31, 1996 and 1995, the fair value of debt was estimated to be $192,481,000 and $184,883,000, compared to a carrying value of $192,347,000 and $182,883,000, respectively. The fair value estimates presented herein are based on pertinent information available to management as of December 31, 1996 and 1995.

13. STOCK OPTION PLAN

Under the Omnibus Stock Plan (the "Plan"), approved by the Company's stockholders on May 22, 1996, officers, key employees, employees of Vornado Realty Trust and any other person or entity as designated by the Omnibus Stock Plan Committee are eligible to be granted incentive share options and non-qualified options to purchase common shares. Options granted are at prices equal to 100% of the market price of the Company's shares at the date of grant, vest on a graduated basis, becoming fully vested 60 months after grant and expire ten years after grant. The Plan also provides for the award of Stock Appreciation Rights, Performance Shares and Restricted Stock, as defined, none of which have been awarded as of December 31, 1996.

In October 1995, the Financial Accounting Standards Board issued Statement No. 123, "Accounting for Stock-Based Compensation" (SFAS 123). SFAS 123 requires expanded disclosure of stock-based compensation arrangements with employees, and encourages, but does not require compensation cost be measured based on the fair value of the equity instrument awarded. Companies are permitted, however, to continue to apply Accounting Principles Board Opinion No. 25 ("APB 25"), which recognizes compensation cost based on the intrinsic value of the equity instrument awarded. The Company will continue to apply APB 25 to its stock-based compensation awards.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

If compensation cost for Plan awards had been determined based on fair value at the grant dates, net income and income per share would have been reduced to the pro forma amounts below, for the year ended December 31, 1996:

Net income:	
As reported	$24,699,000
Pro-forma	24,495,000
Net income per share:	
As reported	$ 4.94
Pro-forma	$ 4.90

The pro-forma effect of applying SFAS 123 is not necessarily indicative of the effect on reported net income for future years.

The fair value of each option grant is estimated on the date of grant using the Binomial option-pricing model with the following weighted-averages assumptions used for grants in the period ended December 31, 1996.

Expected volatility	19%
Expected life	10 years
Risk-free interest rate	5.9%
Expected dividend yield	0%

A summary of the Plan's status, and changes during the year ended December 31, 1996, is presented below:

	December 31, 1996	
	Shares	Weighted-Average Exercise Price
Outstanding at January 1	--	--
Granted	350,000	$73.88
Exercised	--	--
Outstanding at December 31	350,000	$73.88
Options exercised at December 31	--	
Weighted-average fair value of options granted during the year ended December 31 (per option)	$35.04	

Shares available for future grant at December 31, 1996 were 350,000.

ALEXANDER'S, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. SUMMARY OF QUARTERLY RESULTS (UNAUDITED)
(amounts in thousands except per share amounts)

	Year Ended December 31, 1996				Year Ended December 31, 1995			
	Quarter Ended				Quarter Ended			
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31
Total Revenues	$ 4,684	$ 5,686	$ 5,379	$ 6,084	$ 3,554	$ 2,945	$ 4,121	$ 4,141
(Loss) income from continuing operations	(462)	53	(630)	14,136(2)	(1,444)	(3,260)	(1,926)	(1,066)
Income from discontinued operations	--	11,602(1)	--	--	--	--	--	10,133(3)
Net (loss) income	$ (462)	$11,655	$ (630)	$14,136	$(1,444)	$(3,260)	$(1,926)	$ 9,067
(Loss) income per common share:								
Continuing operations	$ (.09)	$ .01	$ (.13)	$ 2.83	$ (.29)	$ (.65)	$ (.39)	$ (.21)
Discontinued operations	--	2.32	--	--	--	--	--	2.03
Net (loss) income	$ (.09)	$ 2.33	$ (.13)	$ 2.83	$ (.29)	$ (.65)	$ (.39)	$ 1.82

(1) Comprised of (i) $9,602,000 upon completion of a tax certiorari proceeding and (ii) $2,000,000 from the reduction of other liabilities of discontinued operations to amounts considered necessary to cover the remaining estimates of these liabilities.

(2) Includes gain on reversal of postretirement healthcare liability in the amount of $14,372,000.

(3) Comprised of (i) $6,133,000 upon completion of a tax certiorari proceeding and (ii) $4,000,000 from the reduction of other liabilities of discontinued operations to amounts considered necessary to cover the remaining estimates of these liabilities.

PART III

Item 10. Directors and Executive Officers of the Registrant

Information relating to directors and executive officers of the Company will be contained in a definitive Proxy Statement involving the election of directors which the Company will file with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, not later than 120 days after December 31, 1996, and such information is incorporated herein by reference. Information relating to Executive Officers of the Registrant appears on page 12 of this Annual Report on Form 10-K.

Item 11. Executive Compensation

Information relating to executive compensation will be contained in the Proxy Statement referred to above in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Information relating to security ownership of certain beneficial owners and management will be contained in the Proxy Statement referred to in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

Information relating to certain relationships and related transactions will be contained in the Proxy Statement referred to in Item 10, "Directors and Executive Officers of the Registrant", and such information is incorporated herein by reference.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a) Documents filed as part of this Report

1. The consolidated financial statements are set forth in Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules.

The following financial statement schedules should be read in conjunction with the financial statements included in item 8 of this Annual Report on Form 10-K.

All other consolidated financial schedules are omitted because they are inapplicable, not required, or the information is included elsewhere in the consolidated financial statements or the notes thereto.

3. Exhibits

See Exhibit Index on page 53

(b) Reports on Form 8-K

During the last quarter of the period covered by this Annual Report on Form 10-K, Alexander's filed the report on Form 8-K described below:

Period Covered: (Date of Earliest Event Reported)	Items Reported	Date of Report
December 2, 1996	Other events - re: new Director of Company	December 17, 1996

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

By: /s/ Joseph Macnow

Joseph Macnow, Vice President,
Chief Financial Officer

Date: February 27, 1997

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Steven Roth - --------------------------- Steven Roth	Chief Executive Officer and Director (Principal Executive Officer)	February 27, 1997
/s/ Thomas R. DiBenedetto - ------------------------- Thomas R. DiBenedetto	Director	February 27, 1997
/s/ Michael D. Fascitelli - -------------------------	Director	February 27 , 1997
/s/ David Mandelbaum - ------------------------- David Mandelbaum	Director	February 27, 1997
/s/ Stephen Mann - ------------------------- Stephen Mann	Director	February 27, 1997
/s/ Arthur I. Sonnenblick - -------------------------- Arthur I. Sonnenblick	Director	February 27, 1997
/s/ Neil Underberg - ------------------------- Neil Underberg	Director	February 27, 1997
/s/ Richard West - ------------------------- Richard West	Director	February 27, 1997
/s/ Russell B. Wight, Jr. - ------------------------- Russell B. Wight, Jr.	Director	February 27, 1997

ALEXANDER'S, INC. AND SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 1996
(amounts in thousands)

	Column A	Column B	Column C	Column D	Column E	
Description	Encumbrances	Land	Initial Cost to Company (2) Building, Leaseholds and Leasehold Improvements	Cost Capitalized Subsequent to Acquisition(3)	Land	Gross Amount at Which Carried at Close of Period- Buildings, Leasehold and Leasehold Improvements
Commercial Property:						
New York City,						
New York:						
Fordham Rd	$ 23,611	$ 2,301	$ 9,258	--	$ 2,301	$ 9,258
Third Avenue	--	1,201	4,437	--	1,201	4,437
Rego Park I	58,333	1,647	8,953	53,132	1,647	62,085
Rego Park II	--	3,906	1,467	316	3,906	1,566
Flushing	--	--	1,660	--	--	1,660
Lexington Ave	21,812	14,432	12,355	52,164	33,979	13,647
Flatbush Ave and Avenue U		497	9,542	11,302	497	12,638
Total New York		23,984	47,672	116,914	43,531	105,291
New Jersey - Paramus	13,591	1,742	7,185	6,440	1,817	7,185
Other Properties		651	1,804	1,375	651	1,804
Other secured debt	75,000(1)					
TOTAL	$192,347	$26,377	$56,661	$124,729	$45,999	$114,280

	Column F	Column G	Column H	Column I	Column J	
Description	Capitalized Expenses and Pre-development Costs	Total(3)	Accumulated Depreciation and Amortization	Date of Construction	Date Acquired (2)	Life on Which Depreciation in Latest Income Statement is Computed
Commercial Property:						
New York City,						
New York:						
Fordham Rd	--	$ 11,559	$ 6,630	1933	1992	4-40 years
Third Avenue	--	5,638	3,023	1928	1992	13 years
Rego Park I	--	63,732	8,853	1959	1992	6-40 years
Rego Park II	217	5,689	1,439	1965	1992	5-39 years
Flushing	--	1,660	1,483	1975(4)	1992	10-22 years
Lexington Ave	31,325	78,951	3,754	1965	1992	29 years
Flatbush Ave and Avenue U	8,206	21,341	6,130	1970	1992	20-40 years
Total New York	39,748	188,570	31,312			
New Jersey - Paramus	6,365	15,367	6,260	1962	1992	5-40 years
Other Properties	1,375	3,830	1,803	Various	1992	7-25 years
Other secured debt						
TOTAL	$47,488	$207,767	$39,375			

(1) Three-year loan which is secured by mortgages on all of the Company's assets and/or pledges of the stock of subsidiaries owning the assets and/or guarantees of such subsidiaries and the parent.

(2) Initial cost is as of May 15, 1992 (the date on which the Company commenced real estate operations) unless acquired subsequent to that date. See Column I.

(3) Aggregate cost is approximately the same for federal income tax purposes.

(4) Date represents lease acquisition date.

ALEXANDER'S, INC. AND SUBSIDIARIES

SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
(amounts in thousands)

	Dec. 31, 1996	Dec. 31, 1995
REAL ESTATE:		
Balance at beginning of period	$ 175,485	$ 86,311
Additions during the period:		
Land	--	19,622
Buildings, leaseholds and leasehold improvements (including $242 and $34,996 of construction in progress at December 31, 1996 and 1995)	18,136	36,213
Capitalized expenses and predevelopment costs	14,322	33,339
	207,943	175,485
Less: Disposition of property	(176)	--
Balance at end of period	$ 207,767	$175,485
ACCUMULATED DEPRECIATION:		
Balance at beginning of period	$ 37,794	$ 36,365
Additions charged to operating expenses	1,611	1,429
	39,405	37,794
Less: Disposition of property	(30)	--
Balance at end of period	$ 39,375	$ 37,794

INDEPENDENT AUDITORS' REPORT

To the Co-Venturers
Kings Plaza Shopping Center and Marina
Brooklyn, New York

We have audited the accompanying balance sheets of Kings Plaza Shopping Center and Marina (a joint venture) as of December 31, 1996 and 1995, and the related statements of earnings, equity of the co-venturers and cash flows for the year ended December 31, 1996, the six months ended December 31, 1995 and for each of the two years in the period ended June 30, 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Kings Plaza Shopping Center and Marina at December 31, 1996 and 1995, and the results of its operations and its cash flows for the year ended December 31, 1996, the six months ended December 31, 1995 and for each of the two years in the period ended June 30, 1995 in conformity with generally accepted accounting principles.

February 11, 1997

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

BALANCE SHEETS

	DECEMBER 31, 1996	DECEMBER 31, 1995
ASSETS:		
Cash	$ 1,398,813	$ 4,005,829
Amounts due from tenants, less allowance for doubtful accounts of $230,000 and $323,000	1,243,437	1,791,385
Receivable arising from the straight-lining of rental income, net	815,622	665,130
Notes receivable	8,855	8,855
Prepaid expenses and other assets	516,332	689,812
Prepaid real estate tax expense -- tax certiorari proceedings	5,633,679	9,172,175
Property and equipment, at cost:		
Land	4,219,795	4,219,795
Land improvements	1,503,417	1,503,417
Buildings and building equipment	46,690,716	44,105,947
Fixtures and equipment	62,856	140,407
Parking lot toll equipment	2,555,957	2,555,957
	55,032,741	52,525,523
Less accumulated depreciation	31,773,904	30,549,557
	23,258,837	21,975,966
Deferred charges, less accumulated amortization of $3,395,678 and $3,148,219	2,561,783	2,343,416
TOTAL ASSETS	$35,437,358	$40,652,568
LIABILITIES AND EQUITY:		
LIABILITIES:		
Accounts payable	$ 506,788	$ 661,546
Accrued expenses	487,916	1,487,088
Mortgage notes payable	7,890,836	9,166,249
Accrued interest payable	64,179	74,552
Amounts due tenants -- tax certiorari proceedings	7,000,180	8,391,954
Liabilities subject to settlement under reorganization proceeding	346,669	346,669
Total liabilities	16,296,568	20,128,058
COMMITMENTS AND CONTINGENCIES		
Equity of the co-venturers	19,140,790	20,524,510
TOTAL LIABILITIES AND EQUITY	$35,437,358	$40,652,568

See notes to financial statements.

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

STATEMENTS OF EARNINGS

	YEAR ENDED DECEMBER 31, 1996	SIX MONTHS ENDED DECEMBER 31, 1995	YEARS ENDED JUNE 30, 1995	YEARS ENDED JUNE 30, 1994
Revenues:				
Rent	$12,994,912	$ 7,062,404	$11,995,203	$12,199,017
Expense reimbursements:				
Central heating, cooling, air handling and electricity	2,459,496	1,247,501	2,435,660	2,502,758
Real estate taxes	1,599,985	904,312	2,968,046	2,934,114
Common area	5,833,560	2,682,261	3,841,110	3,514,019
Parking lot	1,938,748	1,085,073	2,094,210	2,012,380
Miscellaneous income	1,703,209	1,589,618	1,493,760	1,472,680
	26,529,910	14,571,169	24,827,989	24,634,968
Expenses:				
Central heating, cooling, air handling and electricity	4,736,774	2,215,391	4,779,409	4,551,092
Real estate taxes	1,845,382	915,749	3,152,717	3,074,016
Common area	4,039,642	2,065,609	3,993,106	4,009,608
Parking lot	3,009,643	1,553,262	3,180,002	2,994,078
Insurance and other expenses	1,092,931	1,140,610	1,206,884	1,089,714
Rent	71,156	35,578	71,156	71,156
Management, leasing and publicity	1,714,950	1,108,901	1,792,368	1,953,771
Depreciation	1,226,630	565,482	1,056,038	1,099,273
Amortization	42,609	27,590	44,727	47,310
	17,779,717	9,628,172	19,276,407	18,890,018
Operating income	8,750,193	4,942,997	5,551,582	5,744,950
Interest expense	(838,247)	(464,607)	(1,204,658)	(1,944,657)
Gain on settlement of pre-petition liabilities	--	--	--	80,918
NET EARNINGS	$ 7,911,946	$ 4,478,390	$ 4,346,924	$ 3,881,211

See notes to financial statements.

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

STATEMENTS OF EQUITY OF THE CO-VENTURERS

	YEAR ENDED DECEMBER 31, 1996	SIX MONTHS ENDED DECEMBER 31, 1995	YEARS ENDED JUNE 30, 1995	1994
BALANCE, BEGINNING OF PERIOD	$20,524,510	$13,185,266	$14,297,104	$17,831,957
Payments to the co-venturers	(9,295,666)	(1,442,833)	(6,743,226)	(9,516,064)
Advances from the co-venturers	--	1,442,833	1,284,464	2,100,000
Reversal of previously accrued real estate taxes	--	2,860,854	--	--
Net earnings	7,911,946	4,478,390	4,346,924	3,881,211
BALANCE, END OF PERIOD	$19,140,790	$20,524,510	$13,185,266	$14,297,104

See notes to financial statements.

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

STATEMENTS OF CASH FLOWS

	YEAR ENDED DECEMBER 31, 1996	SIX MONTHS ENDED DECEMBER 31, 1995	YEARS ENDED JUNE 30, 1995	YEARS ENDED JUNE 30, 1994
Cash flows from operating activities				
Net earnings	$ 7,911,946	$ 4,478,390	$ 4,346,924	$ 3,881,211
Adjustments to reconcile net earnings to net cash provided by operating activities:				
Depreciation	1,226,630	565,482	1,056,038	1,099,273
Gain on settlement of pre-petition liabilities	--	--	--	(80,918)
Amortization (including deferred charges)	247,459	171,749	287,752	278,300
Change in assets and liabilities:				
Decrease (increase) in amounts due from tenants	547,948	(948,459)	(2,226)	(58,324)
Increase in straight-lining of rental income	(150,492)	(571,672)	(93,458)	--
Increase in deferred charges	(465,826)	(515,423)	(465,535)	(2,885)
(Decrease) increase in accounts payable and accrued expenses (including accrued real estate taxes)	(1,153,930)	(2,458,065)	1,514,948	(1,931,933)
(Decrease) increase in accrued interest payable	(10,373)	(4,923)	(2,944,727)	124,996
(Decrease) increase in amounts due to tenants	(1,391,774)	8,263,888	--	--
Decrease (increase) in prepaid expenses and other assets	3,711,977	(6,000,925)	290,550	238,126
Net cash provided by operating activities	10,473,565	2,980,042	3,990,266	3,547,846
Cash flows from investing activities:				
Additions to buildings and building equipment	(2,509,501)	(1,135,025)	(1,078,664)	(196,561)
Decrease in note receivable	--	2,132	12,145	11,985
Net cash used in investing activities	(2,509,501)	(1,132,893)	(1,066,519)	(184,576)
Cash flows from financing activities:				
Payments to co-venturers	(9,295,666)	(1,442,833)	(6,743,226)	(9,516,064)
Advances from co-venturers	--	1,442,833	1,284,464	2,100,000
Repayments of mortgage note	(1,275,414)	(605,275)	(3,105,031)	(1,273,711)
Net cash used in financing activities	(10,571,080)	(605,275)	(8,563,793)	(8,689,775)
Net (decrease) increase in cash	(2,607,016)	1,241,874	(5,640,046)	(5,326,505)
Cash, beginning of period	4,005,829	2,763,955	8,404,001	13,730,506
Cash, end of period	$ 1,398,813	$ 4,005,829	$ 2,763,955	$ 8,404,001
Supplemental disclosure of cash flow information:				
Interest paid	$ 848,621	$ 469,531	$ 4,111,697	$ 1,819,695

Supplemental disclosure of noncash financing activities -- see Note 9.

See notes to financial statements.

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

NOTES TO FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31, 1996,
THE SIX MONTHS ENDED DECEMBER 31,1995 AND
YEARS ENDED JUNE 30, 1995 AND 1994

1. ORGANIZATION AND BUSINESS

Kings Plaza Shopping Center of Avenue U, Inc. (a wholly-owned subsidiary of Federated Department Stores, Inc. (formerly R.H. Macy & Co. Inc. ("Macy's")) and Alexander's Department Stores of Brooklyn, Inc. (wholly-owned by Alexander's, Inc. ("Alexander's")), formed a joint venture for the purpose of owning and operating the Kings Plaza Shopping Center and Marina ("Center"), including the energy plant servicing the entire shopping center, but exclusive of the Macy's and Alexander's stores and land thereunder located in the Center. The co-venturers each have an undivided 50% interest as tenants in common in the property and equipment.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation -- The financial statements are prepared in conformity with generally accepted accounting principles. Management has made estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Certain amounts have been reclassified for prior years to conform to 1996 presentation.

b. Property and Equipment -- Property and equipment is stated at cost. Depreciation of property and equipment is provided on a straight-line basis over the following periods:

Land improvements...	10-50 years
Buildings and building equipment................................	20-50 years
Fixtures and equipment..	10 years
Parking lot toll equipment......................................	10 years

Additions and improvements to property and equipment are capitalized and depreciated over their estimated remaining lives. Maintenance and repairs are charged to operations as incurred.

The Center has adopted early the Financial Accounting Standards Board Statement No. 121 (Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of), which did not have a material impact on the financial statements. SFAS No. 121 requires management of the Center to assess any impairment in value by making a comparison of the current and projected operating cash flow of the Center into the foreseeable future on an undiscounted basis, to the carrying amount of such property. Such carrying amount would be adjusted, if necessary, to reflect an impairment in the value of an asset.

c. Deferred Charges -- Deferred charges include lease commissions and other costs paid to tenants to acquire the rights to their leased space. Lease commissions are amortized on a straight-line basis over the life of the applicable leases. Other lease acquisition costs are amortized over the life of the respective replacement leases.

d. Revenue Recognition -- Base rents, additional rent based on tenant's sales volume and reimbursement of the tenant's share of certain operating expenses are generally recognized when due from tenants. The straight-line basis is used to recognize base rents on the leases which provide for varying rents over the lease terms.

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

3. MORTGAGE NOTES PAYABLE

The mortgage notes payable were issued by the co-venturers. The notes are collateralized by a mortgage on all property and equipment, and by assignment of leases and charges due thereunder. Mortgage notes payable consists of the following:

	DECEMBER 31, 1996	DECEMBER 31, 1995
Alexander's note payable in quarterly installments of $235,507 (including interest at 7%) plus additional interest at 1.5% on the outstanding balance, due through December 2001	$3,945,418	$4,583,125
Macy's note payable in quarterly installments of $235,507 (including interest at 7%) plus additional interest at 4.02% on the outstanding balance, due through December 2001	3,945,418	4,583,124
	$7,890,836	$9,166,249

4. COMMITMENTS

a. Joint Venture as Lessor -- The joint venture leases space to tenants in its shopping center for which the Center charges fixed minimum rents. The terms of the leases are generally ten years and provide for fixed minimum rents as follows:

YEAR ENDING DECEMBER 31,	TOTAL AMOUNTS
1997	$12,584,457
1998	12,528,434
1999	12,380,523
2000	11,479,566
2001	9,783,587
Subsequent to 2001	31,601,312
	$90,357,879

In addition to minimum rents, most of the leases provide for percentage rents when the tenants' sales volumes exceed stated amounts per lease agreements and reimbursements for certain of the Center's operating expenses. During the six months ended December 31, 1995, the Center adjusted its billings to tenants for certain reimbursable expenses in accordance with the lease agreements. This adjustment gave rise to an increase of approximately $600,000 in amounts due from tenants and a corresponding increase in other income attributable to the portion of the tenants' lease year included in the Center's year ended June 30, 1995.

b. Joint Venture as Lessee -- On January 27, 1970, U & F Realty Corporation, an affiliate, assigned to the joint venture a lease with the City of New York for certain real property. The lease, which was amended

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

on May 25, 1976 for additional real property, extends for a period of fifty years from the original lease date at annual rentals (payable quarterly in advance) in future periods as follows:

YEAR ENDING DECEMBER 31,	RENTAL COMMITMENT
1997	$ 71,156
1998	78,272
1999	85,387
2000	85,387
2001	85,387
Subsequent to 2001	1,579,655
	$1,985,244

The lessee may extend the lease for a total of another forty-nine years, with individual renewal options and annual rentals of $122,957, $147,548, $177,058, $212,470 and $254,964, for each succeeding ten-year period and the final nine-year period.

5. FEDERAL INCOME TAX

Under the provisions of Section 701 of the Internal Revenue Code, the Center is not subject to Federal income tax. The income or loss of the joint venture is reportable by the co-venturers in proportion to their respective investment in the joint venture. Similar circumstances apply to state and city income taxes. Further, any investment credit realized by the joint venture is passed on to the co-venturers. Accordingly, no provision or liabilities for Federal, state or city income taxes are required to be reflected on the books of the Center.

6. RELATED PARTY TRANSACTIONS

Interstate Properties owns 27.1% of the outstanding common stock of Alexander's, Inc. During the year ended December 31, 1996, for the six months ended December 31, 1995 and for the years ended June 30, 1995 and 1994 Interstate Properties was paid $846,000, $389,000, $165,000 and $445,000, respectively, by the Center for performing leasing services for space located in the Center.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated fair value of cash, accounts receivable, notes receivable, accounts payable, accrued expenses and mortgage notes payable are reflected in the balance sheet. The fair value estimates are based on information available as of December 31, 1996. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, a comprehensive revaluation has not been performed for purposes of this financial statement disclosure and current estimates of fair value may differ significantly from those amounts reflected in the balance sheet.

8. ENVIRONMENTAL INVESTIGATION

In September 1993, the Center had a Phase I environmental study performed on its property. The results of the study show that certain adjacent properties not owned by the Center 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 Center's property. The study also revealed the potential for a release in the vicinity of an underground storage tank which failed an integrity test, although no contamination has been observed to date. The tank failure has been reported to the New York State Department of Environmental Conservation ("DEC"). Such tank was repaired in early 1994, and in October

KINGS PLAZA SHOPPING CENTER AND MARINA
(A JOINT VENTURE)

NOTES TO FINANCIAL STATEMENTS -- (CONTINUED)

1994, independent testing revealed that all of the Center's underground storage tanks (used for storing heating oil) and related distribution lines passed a tank and line leak status test. Such results were furnished to the DEC. 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. No provision has been made in the financial statements for costs, if any, associated with any additional investigations and/or clean-up if required because currently such costs are neither probable nor reasonably estimable.

9. TAX CERTIORARI PROCEEDINGS

In December 1995, the Center completed a tax certiorari proceeding with the City of New York. Each of the co-venturers has agreed with the City of New York to a reduction in the assessed values covering the tax years 1988/1989 through 1995/1996, generating tax credits of $28,350,000, of which $18,836,000 relates to the co-venturer's stores. As a result, real estate taxes previously accrued for each of the co-venturers were reversed. The estimated amounts due to tenants resulting from the tax certiorari proceedings was $7,000,180 and $8,391,954 at December 31, 1996 and 1995, respectively.

* * * * * *

INDEX TO EXHIBITS

The following is a list of all exhibits filed as part of this Report:

- ---------------
* Incorporated by reference

EXHIBIT NO.	DOCUMENT	PAGE
10(i)(D)	Credit Agreement, dated March 15, 1995, among the Company and First Union Bank, National Association. Incorporated herein by reference from Exhibit 10(i)(D) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994.......................................	*
10(i)(E)	Building Loan Agreement, dated as of March 29, 1995, among the Company, Union Bank of Switzerland ("UBS") (New York Branch), as Lender, and UBS (New York Branch), as Agent. Incorporated by reference from Exhibit 10(i)(E) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994................................	*
10(i)(F)	Project Loan Agreement, dated as of March 29,1995, among the Company, UBS (New York Branch), as Lender, and UBS (New York Branch), as Agent. Incorporated herein by reference from Exhibit 10(i)(F) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(i)(G)(1)	Real Estate Retention Agreement dated as of July 20, 1992, between Vornado Realty Trust and Keen Realty Consultants, Inc., each as special real estate consultants, and the Company. Incorporated herein by reference from Exhibit 10(i)(O) to the Registrant's Form 10-K for the fiscal year ended July 25, 1992................................	*
10(i)(G)(2)	Extension Agreement to the Real Estate Retention Agreement, dated as of February 6, 1995, between the Company and Vornado Realty Trust. Incorporated herein by reference from Exhibit 10(i)(G)(2) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(i)(H)	Management and Development Agreement, dated as of February 6, 1995, between Vornado Realty Trust and the Company, on behalf of itself and each subsidiary listed therein. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated February 6, 1995..	*
10(i)(I)	Standstill and Corporate Governance Agreement, dated as of February 6, 1995, by and among Vornado Realty Trust, Interstate Properties and the Company. Incorporated herein by reference from Exhibit 10.2 to the Registrant's Current Report on Form 8-K dated February 6, 1995..	*
10(i)(J)	Commitment letter, dated as of February 6, 1995, between Vornado Realty Trust and the Company. Incorporated herein by reference from Exhibit 10.3 to the Registrant's Current Report on Form 8-K dated February 6, 1995..	*
10(ii)(A)(1)	Agreement of Lease, dated April 22, 1966, between S&E Realty Company and Alexander's Department Stores of Valley Stream, Inc. Incorporated herein by reference from Exhibit 13N to the Registrant's Registration Statement on Form S-1 (Registration No. 2-29780).	

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* Incorporated by reference

EXHIBIT NO.	DOCUMENT	PAGE
10(ii)(A)(2)	Guarantee, dated April 22, 1966, of the Lease described as Exhibit 10(ii)(A)(1) above by Alexander's Department Stores, Inc. Incorporated herein by reference from Exhibit 13N(1) to the Registrant's Registration Statement on Form S-1 (Registration No. 2-29780)..	*
10(ii)(A)(3)	Agreement of Lease for Rego Park, Queens, New York, between Alexander's, Inc. and Sears Roebuck & Co. Incorporated herein by reference from Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 1994................	*
10(ii)(A)(7)(a)	Lease for Fordham Road, Bronx, New York, dated as of December 1, 1992, between the Company, as landlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit 10(ii)(E)(6) to the Registrant's Form 10-K for the fiscal year ended July 25, 1992.......	*
10(ii)(A)(7)(b)	First Amendment to the Lease for Fordham Road, Bronx, New York, dated as of February 22, 1995, between the Company, as landlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit 10(ii)(A)(7)(b) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994...	*
10(ii)(A)(8)(a)	Lease for Roosevelt Avenue, Flushing, New York, dated as of December 1, 1992, between the Company, as landlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit 10(ii)(E)(7) to the Registrant's Form 10-K for the fiscal year ended July 25, 1992.......	*
10(ii)(A)(8)(b)	First Amendment to Sublease for Roosevelt Avenue, Flushing, New York, dated as of February 22, 1995 between the Company, as sublandlord, and Caldor, as tenant. Incorporated herein by reference from Exhibit 10(ii)(A)(8)(b) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994...	*
10(ii)(A)(9)	Lease Agreement, dated March 1, 1993 by and between the Company and Alex Third Avenue Acquisition Associates. Incorporated by reference from Exhibit 10(ii)(F) to the Registrant's Form 10-K for the fiscal year ended July 31, 1993..	*
10(ii)(A)(10)	Agreement of Lease for Rego Park, Queens, New York, between the Company and Marshalls of Richfield, MN., Inc., dated as of March 1, 1995. Incorporated herein by reference from Exhibit 10(ii)(A)(12)(a) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(ii)(A)(11)	Guaranty, dated March 1, 1995, of the Lease described in Exhibit 10(ii)(A)(12)(a) above by the Company. Incorporated herein by reference from Exhibit 10(ii)(A)(12)(b) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..........................	*

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 * Incorporated by reference

EXHIBIT NO.	DOCUMENT	PAGE
10(iii)(A)**	Employment Agreement, dated March 29, 1995, between Brian M. Kurtz and the Company. Incorporated herein by reference from Exhibit 10(iii)(A) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
10(iii)(A)(1)**	Amendment to Employment Agreement dated December 11, 1996, between Brian M. Kurtz and the Company......................................	58
10(iii)(B)**	Employment Agreement, dated February 9, 1995, between the Company and Stephen Mann. Incorporated herein by reference from Exhibit 10(iii)(B) to the Registrant's Form 10-K for the fiscal year ended December 31, 1994..	*
11	Not applicable.	
12	Consolidated Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Stock Dividend Requirements....................	59
13	Not applicable.	
16	Not applicable.	
18	Not applicable.	
19	Not applicable.	
21	Subsidiaries of Registrant..	60
22	Not applicable.	
23	Consent by independent auditors to incorporation by reference........	61
25	Not applicable.	
27	Financial Data Schedule...	62
29	Not applicable.	

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 * Incorporated by reference
** Management contract or compensatory plan

EXHIBIT 10

AMENDMENT NO. 1

ALEXANDER'S, INC. OMNIBUS STOCK PLAN

Alexander's Inc. Omnibus Share Plan (the "Plan") is hereby amended, pursuant to Section 15 of the Plan, as set forth below:

1. Section 6 of the Plan is hereby amended by adding the following sentence to the end of the second paragraph thereof:

"Such reload stock option grants shall not be treated as Shares granted under the Plan in determining the aggregate number of Shares available for the grant of awards pursuant to the first sentence of Section 2."

2. Section 12 of the Plan is hereby amended to read in its entirety as follows:

"Except as may otherwise be determined by the Committee with respect to the transferability of stock options by a Participant to such Participant's immediate family members (or trusts, partnerships, or limited liability companies established for such immediate family members), no award under the Plan shall be assignable or transferable except by will or the laws of descent and distribution, and no right or interest of any Participant shall be subject to any lien, obligation or liability of the Participant. For this purpose, immediate family member means, except as otherwise defined by the Committee, the Participant's children, stepchildren, grandchildren, parents, stepparents, grandparents, spouse, siblings (including half brothers and sisters), in-laws and persons related by reason of legal adoption. Such transferees may transfer a stock option only by will or the laws of descent or distribution. A stock option transferred pursuant to this Section 12 shall remain subject to the provisions of the Plan, and shall be subject to such other other rules as the Committee shall determine. Upon transfer of a stock option, any related stock appreciation right shall be cancelled. Except in the case of a holder's incapacity, an award shall be exercisable only by the holder thereof."

EXHIBIT 10(III)(A)(1)

FIRST AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN ALEXANDER'S, INC.
AND BRIAN M. KURTZ

Amendment agreement, dated as of this the 11th day of December 1996 ("Amendment Date") by and between Alexander's, Inc. and any successor in interest thereto (the "Company") and Brian M. Kurtz (the "Executive").

WITNESSETH:

Whereas, the Company and the Executive are parties to an Employment Agreement, dated March 29, 1995 (the "Current Agreement"); and

Whereas, the Company and the Executive now desire to amend the Current Agreement in accordance with the terms and provisions hereinafter set forth;

Now, therefore, in consideration of these covenants and agreement set forth herein and in the Current Agreement, and for other good and valuable consideration, the parties hereto hereby agree as follows:

Effective January 1, 1997.

1. Salary: Your base salary will be at the rate of $120,000 per annum and shall be paid to you in accordance with the Company's normal payroll practice.

2. Duties: You shall be required to perform your duties for 104 days per year, reduced from 156 days per year.

3. Benefits: You will not be entitled to any paid vacation during this extension period.

4. No other changes: Except for the changes and amendments provided above, the Current Agreement shall remain in full force and effect.

5. Governing Law: This Amendment Agreement shall be governed by and construed in accordance with, the laws of the State of New York.

Alexander's, Inc.

By: /s/ JOSEPH MACNOW

Title: Vice President, Chief Financial Officer

/s/ BRIAN M. KURTZ

Brian M. Kurtz

EXHIBIT 12

ALEXANDER'S, INC.

CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES AND COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDEND

	YEAR ENDED				FIVE MONTHS ENDED	FISCAL YEAR ENDED	
	DECEMBER 31, 1996	DECEMBER 31, 1995	DECEMBER 31, 1994	DECEMBER 31, 1993(1)	DECEMBER 31, 1993(1)	JULY 31, 1993(2)	JULY 25, 1992
Income/(loss) from continuing operations before reversal of deferred taxes	$ 13,097(4)	$ (9,102)	$4,033	$ 9,644	$ 946	$27,151(5)	$ (14,630)
Fixed charges(3)	14,464	13,607	4,228	2,621	633	1,300	1,131
Income/(loss) from continuing operations before income taxes and fixed charges	$ 27,561	$ 4,505	$8,261	$ 12,265	$1,579	$28,451	$ (13,499)
Fixed charges:							
Interest and debt expense	$ 14,299	$ 13,442	$4,063	$ 2,456	$ 468	$ 1,135	$ 966
1/3 of rent expense - interest factor	165	165	165	165	165	165	165
	14,464	13,607	4,228	2,621	633	1,300	1,131
Capitalized interest	8,552	6,575	1,718	753	753	--	--
	$ 23,106	$ 20,182	$5,946	$ 3,374	$1,386	$ 1,300	$ 1,131
Ratio of earnings to fixed charges	1.20(4)	--	1.39	3.64	1.14	21.89(5)	--
Deficiency in earnings available to cover fixed charges	--	$(15,677)	--	--	--	--	$ (14,630)

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(1) In November 1993, the Company changed to a calendar year from a fiscal year ending on the last Saturday in July. The amounts for the year ended December 31, 1993 are included for comparative purposes only.

(2) Includes 53 weeks.

(3) For purposes of this calculation, earnings before fixed charges consist of earnings before income taxes plus fixed charges. Fixed charges consist of interest expense on all indebtedness (including amortization of debt issuance costs) from continuing operations and the portion of operating lease rental expense that is representative of the interest factor (deemed to be one-third of operating lease rentals). Fixed charges does not include any interest paid to unsecured creditors or charged against the reserve from discontinued operations. Fixed charges also does not include any interest expensed or capitalized during the period the Company was in the retail business (prior to 5/15/92) except for its share of the Kings Plaza Mall interest expense.

(4) Includes gain of $14,372 from the reversal of the Company's postretirement healthcare liability without which the Company would have a deficiency in earnings to cover fixed charges of $9,827.

(5) Includes a gain on sales of leases of $28,779 without which the Company would have a deficiency in earnings to cover fixed charges of $1,628.

EXHIBIT 21

ALEXANDER'S, INC.

SUBSIDIARIES OF REGISTRANT

Alexander's of Brooklyn, Inc.
Alexander's of Fordham Road, Inc.
Alexander's of Rego Park, Inc.
Alexander's of Rego Park II, Inc.
Alexander's of Rego Park III, Inc.
Alexander's of Third Avenue, Inc.
Alexander's of Flushing, Inc.
Alexander's Department Stores of New Jersey, Inc.
Alexander's Department Stores of Lexington Avenue, Inc.
Alexander's Department Stores of Brooklyn, Inc.
U & F Realty Corp.
ADMO Realty Corp.
Ownreal Inc.
Sakraf Wine & Liquor Store, Inc.
Alexander's Department Stores of Valley Stream, Inc.
Alexander's Department Stores of Yonkers, Inc.
Alexander's Department Stores of Bruckner Boulevard, Inc.
A.D.S. Bruckner Operating Corporation
Browning Avenue Realty Corp.
ALS Liquors
Alexander's Department Stores of Roosevelt Field, Inc.
Alexander's Department Stores of Menlo Park, Inc.
SKO Realty Corp.
Narrow Corp.
Queens Plaza Shopping Center, Inc.
Harvey Weston Associates, Inc.
Ideal Hanging Corp.
Alexander's Department Stores Fur Vault, Inc.
ZARCO Trading Corp.
Alexander's Department Stores of Florida, Inc.

EXHIBIT 23

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation in Amendment No. 3 to Registration Statement No. 33-62779 on Form S-3 of our report dated February 25, 1997, appearing in this Annual Report on Form 10-K of Alexander's, Inc. for the year ended December 31, 1996 and our report dated February 11, 1997 appearing in this Annual Report on Form 10-K of Kings Plaza Shopping Center and Marina for the year ended December 31, 1996.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
February 27, 1997

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This schedule contains summary financial information extracted from the Company's audited financial statements for the year ended December 31, 1996 and is qualified in its entirety by reference to such financial statements.

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YEAR
DEC-31-1996
JAN-01-1996
DEC-31-1996
5,480
0
348
147
0
0
207,767
39,375
211,585
0
192,347
0
0
5,174
389
211,585
0
21,833
0
12,092
0
0
13,934
13,097
0
13,097
11,602
0
0
24,699
4.94
0