



First Industrial Reports 10.1% FFO per Share Increase in 2000 - The Company Accomplishes Year 2000 Goals, Looks Ahead to Sector-Leading Performance in 2001

February 14, 2001

CHICAGO, February 14, 2001 - First Industrial Realty Trust, Inc. (NYSE: FR), the nation's largest provider of diversified industrial real estate, announced results for the year and the fourth quarter ended December 31, 2000. Funds from Operations (FFO) for 2000 were \$3.66 per share/unit on a fully diluted basis totaling \$169.2 million, compared to \$3.33 per share/unit on a fully diluted basis totaling \$151.0 million for 1999, representing a per share increase in FFO of 10.1%. FFO for the fourth quarter was \$0.95 per share/unit on a fully diluted basis totaling \$44.2 million, compared to \$0.87 per share/unit on a fully diluted basis totaling \$39.6 million for the fourth quarter of 1999, representing a per share increase in FFO for the quarter of 9.6%.

"I am proud to announce that we have met the goals of our 2000 Plan," said Mike Brennan, President and Chief Executive Officer. "We've increased the value of our portfolio by investing in the nation's top 25 industrial locations and by selling properties in our designated exit markets. Our corporate real estate service, Integrated Industrial Solutions[™] (IIS[™]), completed projects with many well-known companies such as Procter & Gamble, General Electric, Wal-Mart, Hewlett-Packard, General Motors and USI Inc. We have continued our self-funding strategy, and have accomplished our goal of producing double-digit earnings growth.

"The highlights of our 2000 accomplishments are listed below:"

Strong Portfolio Performance

- Same property net operating income (NOI) for the quarter grew 5.1%.
- Actual cash-on-cash rental increases were 8.0% for the year and 8.3% for the quarter.
- Actual cash-on-cash rental increases in our core markets were 8.3% for the year, compared to actual cash-on-cash rental increases in our exit markets of 6.4%.
- Occupancy was 95.3% and tenant retention, one of the highest in the industry, was 76.2%.

Strengthened Portfolio Quality

- For the year, sold 109 properties and several parcels of land for \$433.7 million, including \$241.8 million in our exit markets, at an average 9.5% capitalization (cap) rate and an average 17.2% unleveraged internal rate of return (IRR). For the quarter, sold 56 properties and one parcel of land for \$240.6 million, at an average 9.9% cap rate and an average 13.8% unleveraged IRR.
- For the year, placed in service \$144.0 million of new developments, 94.0% leased, comprising 3.8 million square feet, and acquired \$263.6 million of property, comprising 5.8 million square feet, with an aggregate stabilized yield of approximately 10.4%. For the quarter, placed in service \$42.7 million of new developments, 82.0% leased, comprising 1.1 million square feet, and acquired \$97.1 million of property, comprising 2.0 million square feet, with an aggregate stabilized yield of approximately 10.5%.
- Development pipeline at year-end stands at \$342.4 million, \$177.7 million of which is currently under construction.
- \$127.2 million in acquisitions under contract or letter of intent at year end.

Enhanced Franchise Value Through Integrated Industrial Solutions[™] (IIS[™])

- Development services, existing-building services and land services pipeline volume exceeds \$400 million.
- Generated IIS[™] income of \$21.5 million for the year, and \$7.3 million for the quarter.
- Named Garry Weiss as Senior Vice President and National Director of IIS[™].

Strengthened Financial Position

- FFO payout ratio improved to 68.3% in 2000 from 72.5% in 1999.
- Improved fixed-charge coverage to 2.4 times from 2.3 times one year ago.
- Achieved return on assets of 10.8%.
- Continued to execute on the company's self-funding strategy.
- For the year, repurchased 394,300 shares of common stock at a weighted average price per share of \$29.67.
- Renewed the company's \$300 million unsecured credit facility, extending the maturity to June 2003.

Outlook for 2001

Brennan continued, "In 2001, we will focus on achieving sector-leading earnings growth and sector-leading return on assets. We intend to achieve these goals through our I-N-D-L strategy, which constitutes a pure Industrial focus, a National platform, Diversified industrial facilities and capabilities, and a Local presence in each market. Additionally, we will continue to build franchise value through Integrated Industrial Solutions[™] and maintain our self-funding strategy.

"We are comfortable with 2001 FFO per share estimates of \$4.05 to \$4.07. These FFO per share estimates assume 2001 same property NOI growth of 4%. Our IIS™ income assumption for the year is \$30 to \$35 million. Sales volume in 2001 is assumed to be approximately \$500 million with a 9% to 10% average cap rate. Investment volume assumptions for 2001, which include both new developments and acquisitions, are approximately \$500 million with a 10%-11% average cap rate. We assume no significant changes in relative G&A or capital expenditures, nor do we assume any significant changes in our balance sheet structure.

"To achieve sector-leading earnings growth and sector-leading return on assets in 2001, First Industrial must outperform on many of the aforementioned 2001 assumptions. That is a challenging task. But we are highly focused on it, and I believe the investing community should know of our aspirations to be the leader in the industrial sector.

"A number of factors could impact our ability to deliver results in line with our assumptions, such as interest rates, the overall economy, the supply and demand of industrial real estate, the timing and yields for divestment and investment, and numerous other variables. There can be no assurance that First Industrial can achieve such results for 2001, or meet its aspirations for sector-leading performance. However, I strongly believe that First Industrial has the proper strategic and tactical design to deliver such results."

Brennan concluded, "First Industrial has proven itself in every aspect of its business. We possess a competitive advantage over our peers, offer a solution for Corporate America's diverse industrial real estate needs, and are the only company that has I-N-D-L. We see a very bright future for the company and our shareholders."

Company Information

First Industrial Realty Trust, Inc., the nation's largest provider of diversified industrial real estate, currently owns, operates and manages 84 million square feet of industrial facilities, including developments in progress. First Industrial is committed to creating shareholder value through its I-N-D-L operating strategy, using its pure Industrial focus and its National platform to serve the Diverse facility needs of customers, while offering the expertise of full-service, Local management.

Forward-Looking Information

This press release contains forward-looking information about the Company. A number of factors could cause the Company's actual results to differ materially from those anticipated, including changes in the general economic climate, the supply of and demand for industrial properties in the Company's markets, potential environmental liabilities, interest rate levels, the availability of financing, slippage in development or lease-up schedules, tenant credit risks and higher-than-expected costs. For further information on these and other factors that could impact the Company and the statements contained herein, reference should be made to the Company's filings with the Securities and Exchange Commission.

[Click here to view the schedule of selected financial information.](#)

First Industrial will host a year-end conference call at 10 a.m. central time, 11 a.m. eastern time, on Thursday, February 15, 2001. The call-in number is (888) 868-9080 and the passcode is "First Industrial." The conference call will also be available live on First Industrial's web site, www.firstindustrial.com, under the "Investor Relations" tab. Replay will also be available on the web site.

The company's fourth quarter supplemental information can be viewed by the end of this week on First Industrial's website, www.firstindustrial.com, under the "Financials" tab. For a hard copy of the company's quarterly supplemental information report or other investor materials, please contact:

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