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CHICAGO, October 24, 2000 - First Industrial Realty Trust, Inc. (NYSE: FR), the nation's largest provider of diversified industrial real estate, announced results for the third quarter ended September 30, 2000. Funds from Operations (FFO) for the quarter were \$0.93 per share/unit on a fully diluted basis totaling \$43.1 million, compared to \$0.85 per share/unit on a fully diluted basis totaling \$38.5 million for the third quarter of 1999, representing a per share increase in FFO of 9.4%.

"We are meeting and exceeding the goals of our 2000 Plan," said Mike Brennan, President and Chief Executive Officer. "With the majority of our Long Island portfolio under contract for sale, we are on our way to completing our geographic reconfiguration ahead of schedule. Integrated Industrial SolutionsTM (IISTM) is producing solid results such as our \$50.8 million build-to-suit for Procter & Gamble. We have continued to maintain our self-funding strategy, and year to date we have grown FFO 10.2%, putting us on track to accomplish our goal of double-digit earnings growth.

"In 2001 we will stay the course with our I-N-D-L strategy and continue to build franchise value through Integrated Industrial SolutionsTM. Additionally, we will maintain our self-funding strategy. Utilizing these strategic foundations, we will focus on achieving sector-leading earnings growth and sector-leading return on assets."

Strong Portfolio Performance

- Same property net operating income (NOI) for the quarter grew 5.1%.
- Same property NOI growth in our core markets was 5.7%, compared to same property NOI growth in our exit markets at 2.4%.
- Actual cash-on-cash rental increases were 8.3% for the quarter.
- Actual cash-on-cash rental increases in our core markets were 9.2%, compared to actual cash-on-cash rental increases in our exit markets of 4.7%.
- Occupancy was 94.9% compared to 94.8% one year ago.

Strengthened Portfolio Quality

- For the quarter, sold 18 properties and a parcel of land for \$56.9 million, including the exit of Cleveland, at a 9.0% capitalization (cap) rate and an 18.6% unleveraged internal rate of return (IRR). Year to date, sold 54 properties and several parcels of land for \$193.5 million at a 9.1% cap rate and a 21.6% unleveraged IRR.
- Entered into an agreement to sell the majority of the Long Island portfolio, which is expected to close by the end of the year. Our anticipated unleveraged IRR from our total investment in Long Island is expected to be approximately 12%.
- Estimates of exit-market sales prices totaled \$450.0 million, with \$63.3 million having been sold to date and \$240.0 million under contract or letter of intent.
- For the quarter, placed in service \$24.3 million of new developments, 98.1% leased, comprising 510,560 square feet, and acquired \$88.6 million of property, comprising 1.4 million square feet, with an aggregate stabilized yield of approximately 10.2%. The largest development completed this quarter was a \$17.1 million, 389,660 square foot facility for General Motors. The largest acquisition this quarter was an \$82.0 million, 1.3 million square foot portfolio in Northern New Jersey.
- Year to date, placed in service \$101.4 million of new developments, 98.3% leased, comprising 2.7 million square feet, and acquired \$165.6 million of property, comprising 3.9 million square feet, with aggregate stabilized yields of approximately 10.6%.
- \$298.8 million in sales under contract or letter of intent.
- Development pipeline today stands at \$361.7 million, \$271.1 million of which is currently under construction.
- \$221.1 in acquisitions under contract or letter of intent.

Enhanced Franchise Value Through Integrated Industrial SolutionsTM (IISTM)

- Awarded \$50.8 million, 1.7 million square foot build-to-suit contract with Procter & Gamble at a 10.3% cap rate.
- Completed \$17.1 million, 389,660 square foot build-to-suit contract with General Motors at a 10.3% cap rate.
- Merchant development pipeline exceeds \$200 million.
- Generated \$5.9 million of IISTM income.

Strengthened Financial Position

- FFO payout ratio improved to 66.3% from 70.5% one year ago.
- Improved fixed-charge coverage to 2.4 times from 2.3 times one year ago.
- Year to date, repurchased 394,300 shares of common stock at a weighted average price per share of \$29.67.
- Continued to execute on the company's self-funding strategy.

Brennan continued, "Looking to the fourth quarter of 2000, we are comfortable with the consensus FFO estimate, which currently is \$0.94. For 2001, we are comfortable with FFO estimates of \$4.05 to \$4.07. These FFO estimates assume fourth quarter 2000 and 2001 same property NOI growth of 4% to 5%. IISTM income assumptions for the fourth quarter of 2000 are similar to the results of recent quarters. IISTM income assumptions for 2001 are in the \$30 million range. Sales volume in the fourth quarter of 2000, the majority of which is from our exit markets, is assumed to be in the \$250-\$350 million range with a 9.5%-10.25% average cap rate. Sales volume in 2001 is assumed to be approximately \$400 million with a 9%-10% average cap rate. Investment volume assumptions for the fourth quarter of 2000, which include both new development and acquisitions, are approximately \$175-\$250 million with a 10.5%-11% average cap rate. To the extent proceeds are available from sales in excess of investment activity, excess is expected to pay down the line of credit. Investment volume assumptions for 2001, which include both new development and acquisitions, are approximately \$400 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 the fourth quarter of 2000 or 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, possesses a competitive advantage over its peers, and offers a solution for Corporate America's diverse industrial real estate needs. We are the only company that has I-N-D-L: a pure Industrial focus, a National platform, Diversified industrial facilities and abilities, and a Local presence in each market. We have created 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, owns, operates and manages 78 million square feet of industrial facilities. The company is committed to creating shareholder value through its I-N-D-L operating strategy, using its pure Industrial focus and its National presence to serve the Diverse facility needs of customers, with 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 to view a schedule of selected financial information.](#)

First Industrial will host a quarter-end conference call at 10 a.m. central time, 11 a.m. eastern time, on Wednesday, October 25, 2000. 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 quarterly supplemental information can be viewed 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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