



First Industrial Announces Offering of \$175 Million of Exchangeable Senior Notes

September 19, 2006

CHICAGO, Sept. 19 /PRNewswire-FirstCall/ -- First Industrial Realty Trust, Inc. (the "Company") (NYSE: FR), the nation's largest provider of diversified industrial real estate, today announced that its Operating Partnership, First Industrial, L.P. (the "Operating Partnership"), has commenced an offering of \$175 million aggregate principal amount of exchangeable senior unsecured notes due 2011 (the "notes") through an offering to qualified institutional buyers in accordance with Rule 144A under the Securities Act of 1933, as amended. The notes will be exchangeable for cash up to their principal amount and the Company's common shares in respect of the remainder, if any, of the exchange value in excess of such principal amount. The notes will be guaranteed by the Company on a senior unsecured basis. The interest rate, exchange rate and other terms of the notes will be determined by negotiations between the Company and the initial purchasers of the notes. The Operating Partnership expects to grant to the initial purchasers a 15-day option to purchase up to an additional \$25 million aggregate principal amount of notes to cover over-allotments, if any.

In connection with the offering of the notes, the Operating Partnership expects to enter into a capped call transaction with affiliates of one or more of the initial purchasers (the "option counterparties"). The capped call transaction is expected to reduce the potential dilution with respect to the Company's common stock upon exchange of the notes to the extent the then market value per share of the Company's common stock does not exceed the cap price of the capped call transaction during the observation period relating to an exchange. In connection with hedging the capped call transaction, the option counterparties or affiliates thereof expect to enter into various derivative transactions with respect to the Company's common stock concurrently with or shortly after the pricing of the notes and may enter into or unwind various derivatives and/or purchase or sell the Company's common stock in secondary market transactions following the pricing of the notes (and are likely to do so during any observation period related to an exchange of notes). These activities could have the effect of increasing or preventing a decline in the price of the Company's common stock concurrently with or following the pricing of the notes.

The Operating Partnership intends to use a portion of the net proceeds from the offering of the notes to pay the cost of the capped call transaction described above. If the initial purchasers exercise their over-allotment option, the Operating Partnership intends to use a portion of the net proceeds from the sale of the additional notes to pay the cost of an additional capped call transaction. The Operating Partnership intends to use the remainder of the net proceeds from the offering of the notes for the repayment in full at maturity of \$150.0 million aggregate principal amount of its 7.00% Senior Notes due 2006 and the repayment of a portion of the borrowings under its credit facility (which primarily were incurred to finance acquisition and development activities). Pending repayment of the 7.00% Senior Notes due 2006, which mature on December 1, 2006, the Operating Partnership intends to repay a portion of the borrowings under its credit facility.

This notice does not constitute an offer to sell or a solicitation of an offer to buy securities. Any offers of the securities will be made only by means of a private offering memorandum. The notes and any common stock of the Company issuable upon the exchange of the notes have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold absent registration or an applicable exemption from registration requirements.

First Industrial Realty Trust, Inc., the nation's largest provider of diversified industrial real estate, serves every aspect of Corporate America's industrial real estate needs, including customized supply chain solutions, through its unique I-N-D-L operating platform, which utilizes a pure Industrial focus and National scope to provide Diverse facility types, while offering Local, full-service management and expertise. The Company owns, operates and has under development more than 100 million square feet of industrial real estate in markets throughout the United States. Building, buying, selling, leasing and managing industrial property in major markets nationwide, First Industrial develops long-term relationships with corporate real estate directors, tenants and brokers to better serve customers with creative, flexible industrial real estate solutions.

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: economic conditions generally and the real estate market specifically, legislative/regulatory changes (including changes to laws governing the taxation of real estate investment trusts), availability of financing, interest rate levels, competition, supply and demand for industrial properties in the Company's current and proposed market areas, potential environmental liabilities, slippage in development or lease-up schedules, tenant credit risks, higher-than-expected costs and changes in general accounting principles, policies and guidelines applicable to real estate investment trusts. 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.

SOURCE First Industrial Realty Trust, Inc.

CONTACT: Sean P. O'Neill, SVP, Investor Relations and Corporate Communications, +1-312-344-4401, or Art Harmon, Sr. Manager, Investor Relations and Corporate Communications, +1-312-344-4320, both for First Industrial Realty Trust, Inc.