



First Industrial Adopts GAAP EPS as a Primary Measure

August 23, 2001

CHICAGO, August 23, 2001 - First Industrial Realty Trust, Inc. (NYSE: FR) announced today that, beginning with its third quarter reporting period, it will adopt GAAP Earnings Per Share (EPS) as one of the three primary measures of its business performance.

The Company views three primary measures as key in analyzing a REIT's performance and value: GAAP EPS, Funds From Operations (FFO) and Net Asset Value (NAV).

"By now bringing GAAP EPS to the forefront alongside FFO and NAV, we further our objective to provide the highest quality of information to the investing public," said Mike Brennan, President and Chief Executive Officer. "Furthermore, we believe that the more comprehensive view of performance and value encompassed by these three primary measures will enhance investors' understanding of the information we provide."

GAAP EPS is an established measure that is audited and provides our industry with the uniformity, consistency and objectivity the investment community seeks.

FFO remains a widely used and traditional benchmark within the industry, as it reflects characteristics unique to real estate. According to Brennan, "While not uniformly calculated across the industry, FFO does promote additional understanding of the operational performance of real estate companies."

First Industrial also considers NAV essential to the understanding of the intrinsic value of a real estate company and recently began providing a detailed calculation of NAV in its supplemental information package.

FFO and NAV, while appropriate measurements, do lend themselves to interpretations and subjectivity. Thus, it is critical that every REIT provide a high level of disclosure with respect to the components that comprise FFO and NAV. Recently, the Company added expanded information in its supplemental information package regarding the calculation and components that comprise FFO and NAV.

Brennan stated, "First Industrial is committed to providing industry-leading public disclosure to investors. Because no single measure of earnings or performance is perfect by itself, we have always provided a tremendous quantity and quality of information to the investing public. Our quarterly supplemental information package was one of the first developed in our industry and is one of the most comprehensive packages in the business, providing thousands of pieces of information and analyses in over 60 pages.

"By adding EPS as one of our three primary measures, we will enhance uniformity, consistency and objectivity. With FFO and NAV, we capture our real estate cash flows and intrinsic value. Taken together, the "Big Three" primary measurements result in a clearer and more consistent picture of our Company.

"While we've always been a leader in disclosing comprehensive information, our goal here is to ensure comprehensive understanding. We believe a focus on the Big Three - EPS, FFO and NAV - can lead us toward that goal."

First Industrial Realty Trust, Inc., the nation's largest provider of diversified industrial real estate, currently owns, operates and manages 80 million square feet of industrial facilities, including developments in progress. First Industrial's I-N-D-L operating strategy uses 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.

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.