



First Industrial Reports Strong Q2 Results; FFO of \$0.81 per Share Represents 10% Year-Over-Year Increase

July 21, 1999

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Third Consecutive Quarter of Record Rental Increases Drives Strong Same Store Performance \$84 million from Portfolio Dispositions to be Reinvested in High-Quality New Developments

• Q2 FFO of \$0.81 per fully diluted share up 10% from \$0.74 in Q2 98 • Eleven consecutive quarters of double-digit FFO growth • Same-store NOI grew 4% • Third consecutive quarter of record rental rate increases, with cash-on-cash rental increases averaging 8.2% • Sold \$60 million of properties in Q2; for the first six months, sales totaled \$84 million representing an 8.95% cap rate, producing an unleveraged internal rate of return of 15.7% and generating over \$8 million in gain • Total development activity in progress is \$233 million, which includes \$167 million of projects under construction pre-leased at 77% and \$66 million of additional approved projects; in Q2, placed in service \$13 million of development using funds generated from property sales • New developments underscore FR's leadership in providing e-commerce and supply chain management solutions

CHICAGO, July 21, 1999 – First Industrial Realty Trust, Inc. (NYSE: FR), a leading industrial real estate investment trust (REIT), today announced results for the second quarter ended June 30, 1999. Funds from Operations (FFO) for the second quarter 1999 were \$0.81 per share on a fully diluted basis, totaling \$36.7 million, up 10% from \$0.74 per share or a total of \$32.6 million for the second quarter of 1998. Revenues for second quarter 1999 increased 7.7% to \$94.0 million, compared to \$87.3 million for the same period in 1998. Net operating income (NOI) grew 10.7% to \$68.9 million compared to \$62.2 million for the same period in the previous year. Second quarter same store NOI was up 4%.

Occupancy in the second quarter was 95%. During the second quarter, leasing activity resulted in record rent increases for new leases and tenant renewals averaging 8.2%, totaling 2.8 million square feet. This is the Company's third consecutive quarter of record rent increases. Rent increases for new leases averaged 10.6%, representing 1.2 million square feet, and rent increases for tenant renewals averaged 6.9% for the second quarter, representing 1.6 million square feet. Leasing activity for the first six months resulted in rent increases for new leases and tenant renewals averaging 8.1% totaling 6.0 million square feet.

First Industrial is on target to achieve its stated sales goal of at least \$150 million in 1999. The Company sold \$84 million of properties in the first six months at an 8.95% cap rate, producing an unleveraged internal rate of return of 15.7% and generating over \$8 million in gain. Of these total sales, \$60 million were completed in the second quarter. Currently, \$100 million is under contract or letter of intent and another \$121 million is on the market, bringing the total sales pipeline to \$221 million.

First Industrial President and CEO Michael W. Brennan said, "Our strong performance in the first half of this year clearly demonstrates the effectiveness of our highly disciplined strategies to streamline operations and maximize our investments. Our portfolio performance is at a record high, our internal growth is solid and we have not raised a dime of new capital. We intend to continue funding development entirely by recycling capital from property sales and cash on hand."

Noting that First Industrial is the only REIT that can provide corporate America with comprehensive solutions to complete supply chain management facility reconfiguration, Brennan continued: "Our strong performance also illustrates the soundness of our decision to make meeting and anticipating supply chain management and e-commerce demands the core elements of our growth strategy. As evidenced by the major build-to-suit development projects for Amazon.com, Tenneco and Tractor Supply we announced earlier this quarter, e-commerce and supply chain management have been key factors in First Industrial's increased activity year to date, and we expect they will significantly enhance our future growth."

The Company placed in service \$13 million of development comprising 295,306 square feet in the second quarter. Development placed in service for the first six months was \$26 million comprising 633,106 square feet. Total development activity in progress is \$233 million, which includes \$167 million of projects under construction preleased at 77% and \$66 million of additional approved projects. Yields continue to average approximately 11%.

Total acquisition activity for the second quarter was \$10 million, with an NOI yield of 9.8%. Acquisition activity for the first six months was \$25 million comprising 663,245 square feet with an NOI yield of 10.0% and an average age of 5.4 years.

G&A costs as a percent of revenue decreased to 3.7% in the second quarter compared to 4.2% in the same year-ago period.

First Services – the Company's program aimed at lowering the cost of business for its tenants by providing access to competitively priced, quality services and products through a national network of business partners -- generated revenues and expense savings of \$933,000 in the second quarter and \$1.5 million in the first six months.

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.

Company Information

First Industrial Realty Trust, Inc., one of the nation's largest, fully integrated providers of industrial real estate, owns and operates 67 million square feet of industrial facilities and manages an additional eight million square feet. The Company's strategy is to create shareholder value through the efficient operation of its national franchise, which is diversified across facility type, geographic location and customer base. First Industrial focuses on superior localized customer service and value-added investments including development and redevelopment.

A schedule of selected financial information is attached.

First Industrial will host a quarter-end conference call on Thursday, July 22nd, 1999, at 12:00 p.m. EDT, 11:00 a.m. CDT. The call-in number is (973) 633-1010 and the passcode is "First Industrial." The conference call will also be available live on First Industrial's web site under the "investor relations" section. Replay will also be available on the web site.

For a copy of the Company's second quarter 1999 supplemental information report, please contact: Cynthia Standley, Senior Administrative Assistant - Investor Relations, First Industrial Realty Trust, Inc., 311 South Wacker Drive, Suite 4000, Chicago, IL 60606, Phone: (312) 344-4339, Facsimile: (312) 922-9851.