



First Industrial Reports First Quarter Results

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Meets First Quarter Expectations

First Industrial Realty Trust, Inc. (NYSE: FR), the nation's largest provider of diversified industrial real estate, announced results for the quarter ended March 31, 2002. Earnings per share including income from discontinued operations (EPS) was \$0.60 on a fully diluted basis, compared to \$0.69 per share, for the same quarter last year, representing a decrease of 13.0 percent. Earnings in the quarter were \$23.5 million compared to \$27.0 million last year, representing a decrease of 12.8 percent year over year.

"We continue to manage our business for the long-term best interests of our shareholders and have delivered results that met our first quarter expectations, despite operating in an economic environment that remains challenging," said Mike Brennan, President and Chief Executive Officer. "Our business is solid and we are encouraged by the heightened level of leasing interest in our portfolio. We continue to believe our I-N-D-L operating platform and our Integrated Industrial Solutions (IIS(TM)) corporate real estate program provide significant long-term opportunity for us to strengthen our business, as corporations increase investment spending and leasing activity during the anticipated economic recovery."

The highlights of the Company's first quarter are listed below:

Portfolio Performance

- Actual cash-on-cash rental increases were 6.2%
- Same property net operating income (NOI) declined 0.7%
- Occupancy was 90.8% and tenant retention was 68.3%

Profitable Capital Recycling and Strategic Reinvestment

- For the quarter, sold 22 properties and 2 parcels of land for \$96.9 million at an average 9.2% capitalization (cap) rate and an average 15.9% unleveraged internal rate of return (IRR)
- For the quarter acquired \$41.7 million of property, comprising 815,539 square feet and placed in service \$24.2 million of new developments comprising 782,792 square feet, with aggregate first-year stabilized yields of approximately 10.5%
- Development under construction at the end of the quarter stood at \$209.2 million with an expected aggregate first-year stabilized yield of 10.8%

Successfully Expanded the Company's Corporate Services Program

- Integrated Industrial Solutions (IIS(TM)) profits increased by 20.8% in the first quarter
- For the quarter, generated Integrated Industrial Solutions (IIS(TM)) income of \$10.3 million, composed of \$1.7 million from single tenant/user sales, \$8.4 million from merchant development/redevelopment and \$0.2 million from land sales
- For the quarter, IIS(TM) sales constituted \$86.8 million and generated a 16.9% unleveraged IRR

Strengthening Financial Position

- Improved fixed-charge coverage to 2.6 times from 2.5 times in the same quarter last year, and interest coverage remained strong at 3.6 times
- Achieved return on assets of 10.0% for the quarter
- Executed on the Company's self-funding strategy, completely funding new investments with internally generated funds
- In April 2002, issued \$200 million of 6 7/8% notes with a 10-year maturity and \$50 million of 7 3/4% notes with a 30-year maturity. The proceeds will be used to redeem a portion of the Company's 7.15% notes on May 15, 2002, to redeem the Company's \$100 million 8 3/4% Series B Cumulative Preferred Stock on May 14, 2002 and to reduce other outstanding debt.

Supplemental Reporting Measure

FFO per share decreased 6.1 percent to \$0.92 per share/unit on a fully diluted basis, compared to \$0.98 per share/unit on a fully diluted basis for the same quarter last year. FFO totaled \$42.6 million for the quarter compared to \$45.6 million for the first quarter 2001. The Company calculates FFO to be equal to net income, excluding gains/losses from debt restructuring and sales of depreciated property (other than net economic gains/losses from sales of properties related to the Company's Integrated Industrial Solutions(TM) activities), plus depreciation and amortization (other than amortization of deferred financing costs and interest rate protection agreements), and after adjustments for unconsolidated partnerships and joint ventures.

Outlook for 2002

Brennan continued, "The market for investing in industrial properties is both strong and very competitive. While this benefits our sales program, which is performing very well, it makes more difficult our efforts to reinvest our sale proceeds at levels we deem prudent. In addition, due to delays we are experiencing in the lease up and sale of our merchant development projects, capital recycling out of our development pipeline has slowed. As a result, we are lowering our 2002 EPS estimate to a range of \$2.20 to \$2.40. This estimate assumes flat same property NOI growth in 2002. Sales volume in 2002 is assumed to be approximately \$500 million to \$600 million with a 9% to 10% average cap rate, with book gains from property sales of between \$50 million and \$60 million. Investment volume assumptions for 2002, which include both new developments and acquisitions, are approximately \$450 million to \$550 million with a 10% to 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. We are also lowering our FFO per share estimate to a range of \$3.75 to \$3.95 for 2002, with estimate ranges of: \$0.83 to \$0.86 for the second quarter, \$1.00 to \$1.03 for the third quarter and \$1.04 to \$1.07 for the fourth quarter. Our estimate for IIS(TM) income for 2002 is between \$40 million and \$45 million.

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 2002. However, I strongly believe that First Industrial has the proper strategic and tactical design to deliver such results. We believe our I-N-D-L infrastructure - with its offensive and defensive characteristics - will continue to support our efforts and prove its value."

Company Information

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 strategy, which utilizes a pure Industrial focus and National platform to provide Diverse facility types, while offering Local, full-service management and expertise. 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.

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: 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.

A schedule of selected financial information is attached.

First Industrial will host a quarterly conference call at 10 a.m. Central time, 11 a.m. Eastern time, on Thursday, April 25, 2002. The call-in number is (800) 865-4460 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 first 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:

FIRST INDUSTRIAL REALTY TRUST, INC.

Selected Financial Data

(In thousands, except for per share/unit and property data)

(Unaudited)

	Three Months Ended	
	March 31, 2002	March 31, 2001
Statement of Operations and FFO		
Data:		
Total Operating Revenues	\$91,585	\$101,082
Property Expenses	(27,311)	(30,295)
Net Operating Income	64,274	70,787
Equity in FFO of Joint Ventures (A)	356	327
IIS Services Income	10,297	8,522
General & Administrative Expense	(4,487)	(3,848)
EBITDA	70,440	75,788
Interest Expense	(19,784)	(21,202)
Dividends on Preferred Stock	(7,231)	(8,211)
Amortization of Deferred		
Financing Costs	(462)	(442)
Depreciation and Other		
Amortization	(18,967)	(17,354)
Equity in Depreciation and Other		
Amortization of Joint Ventures (A)	(134)	(141)
Gain on Sale of Property	3,857	3,584

Income Allocable to Minority Interest	(4,177)	(5,034)
Net Income Available to Common Stockholders	23,542	26,988
Add: Real Estate Depreciation and Other Amortization	18,559	17,056
Less: Gain on Sale of Property	(3,857)	(3,584)
Add: Equity in Depreciation and Other Amortization of Joint Ventures (A)	134	141
Add: Income Allocable to Minority Interest	4,177	5,034
Funds From Operations ("FFO")	\$42,555	\$45,635
Net Income Available to Common Stockholders	23,542	26,988
Less: Gain on Sale of Property from Discontinued Operations	(15,028)	-
Less: Net Operating Income from Discontinued Operations	(1,492)	(1,531)
Add: Depreciation and Amortization from Discontinued Operations	246	273
Add: Minority Interest Allocable to Discontinued Operations	2,470	197
Net Income Available to Common Stockholders Before Discontinued Operations (B)	9,738	25,927
Additional Information for Funds Available for Distribution ("FAD"):		
Straight-Line Rental Income	\$681	\$314
Non-Incremental Capital Expenditures	\$5,527	\$6,667
Weighted Avg. Number of Shares/Units Outstanding- Basic	45,948	46,184
Weighted Avg. Number of Shares/Units Outstanding- Diluted	46,228	46,601
Weighted Avg. Number of Shares Outstanding- Basic	38,978	38,951
Weighted Avg. Number of Shares Outstanding- Diluted	39,258	39,368
Per Share/Unit Data:		
FFO :		
- Basic	\$0.93	\$0.99
- Diluted	\$0.92	\$0.98
Net Income Available to Common Stockholders Before Discontinued Operations		
Per Weighted Average Common Share Outstanding:		
- Basic	\$0.25	\$0.67
- Diluted	\$0.25	\$0.66
Net Income Available to Common Stockholders per Weighted Average		
Common Share Outstanding:		
- Basic	\$0.60	\$0.69
- Diluted	\$0.60	\$0.69
Dividends/Distributions	\$0.6800	\$0.6575
FFO Payout Ratio	73.4%	66.5%

FAD Payout Ratio	81.4%	74.1%
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Balance Sheet Data (end of period):

Real Estate Before Accumulated		
Depreciation	\$2,738,374	\$2,758,313
Total Assets	2,660,208	2,641,699
Debt	1,354,949	1,258,432
Total Liabilities	1,476,217	1,402,402
Stockholders' Equity and		
Minority Interest	\$1,183,991	\$1,239,297

Property Data (end of period):

Total Properties	914	968
Total Gross Leasable Area (in sq ft)	63,123,561	68,175,786
Occupancy	90.8%	93.7%

- (A) Represents the Company's share of FFO and depreciation and other amortization from three real estate joint ventures in which it owns minority equity interests.
- (B) In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 144 "Accounting for the Impairment or Disposal of Long-Lives Assets" ("FAS 144"). FAS 144 requires that the operations and gain (loss) on sale of all properties sold subsequent to December 31, 2001 that were not held for sale at December 31, 2001 and properties that were classified as held for sale subsequent to December 31, 2001 be presented in discontinued operations. FAS 144 also requires that prior periods be restated.

SOURCE First Industrial Realty Trust, Inc.

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