



First Industrial Reports 17.4% Increase in EPS and 8.5% Increase in FFO per Share in 2001

February 14, 2002

CHICAGO, Feb 13, 2002 /PRNewswire-FirstCall via COMTEX/ -- First Industrial Realty Trust, Inc. (NYSE: FR), the nation's largest provider of diversified industrial real estate, announced results for the year and fourth quarter ended December 31, 2001. Earnings per share before extraordinary items (EPS) were \$2.56 on a fully diluted basis totaling \$101.1 million for 2001, compared to \$2.18 on a fully diluted basis totaling \$85.0 million for 2000, representing an increase in EPS of 17.4%. Funds from operations (FFO) were \$3.97 per share/unit on a fully diluted basis totaling \$185.1 million for 2001, compared to \$3.66 per share/unit on a fully diluted basis totaling 169.2 million for 2000, representing a per share/unit increase in FFO of 8.5%.

EPS were \$0.31 on a fully diluted basis totaling \$12.1 million for the fourth quarter 2001, compared to \$0.51 on a fully diluted basis totaling \$19.8 million for the fourth quarter 2000, representing a decrease in EPS of 39.2%. FFO were \$0.96 per share/unit on a fully diluted basis totaling \$44.2 million for the fourth quarter 2001, compared to \$0.95 per share/unit on a fully diluted basis totaling \$44.2 million for the fourth quarter 2000, representing a per share/unit increase in FFO of 1.1%.

"Our 2001 results demonstrate three things", said Mike Brennan, President and Chief Executive Officer. "First, it reaffirms the soundness of our strategic direction as we delivered strong FFO growth and strong return on assets under difficult economic conditions. Second, our results show the benefits of disciplined investing - investing only within our circle of competence and only in our chosen twenty-five domestic markets. Third, our results show the vast potential of the corporate real estate market and how important our national infrastructure is to customers seeking integrated industrial solutions."

The highlights of the Company's full year and fourth quarter are listed below:

Portfolio Performance

- Same property net operating income (NOI) growth averaged 2.3% for the year and .7% for the fourth quarter.
- Actual cash-on-cash rental increases were 8.0% for the year and 7.7% for the fourth quarter.
- Occupancy was 91.4% at year-end.
- Tenant retention was 66.6% for the year and 50.4% for the fourth quarter.

Profitable Capital Recycling and Strategic Reinvestment

- For the year, sold 128 properties and several parcels of land for \$386.9 million at an average 9.25% capitalization (cap) rate and an average 16.4% unleveraged internal rate of return (IRR). For the quarter, sold 25 properties and two parcels of land for \$67.7 million at an average 8.81% cap rate and an average 22.0% unleveraged IRR.
- For the year acquired \$212.0 million of property, comprising 4.4 million square feet, and placed in service \$48.0 million of new developments comprising 1.1 million square feet, with aggregate first-year stabilized yields of approximately 10.3%. For the quarter, acquired \$50.7 million of property, comprising 1.2 million square feet, and placed in service \$7.5 million of new developments comprising .1 million square feet, with expected aggregate first-year stabilized yields of approximately 10.2%.
- Development under construction at the end of the year stood at \$232.6 million with an expected aggregate first-year stabilized yield of 10.7%.

Successfully Expanded the Company's Corporate Services Program

- Increased Integrated Industrial Solutions (IIS(TM)) profits by 75.1% in 2001 compared to 2000.
- For the year, generated Integrated Industrial Solutions (IIS(TM)) income of \$37.7 million, composed of \$18.7 million from single tenant/user sales, \$16.9 million from merchant development and \$2.1 million from land sales. Generated IIS(TM) income of \$9.3 million in the fourth quarter, composed of \$1.4 million from single tenant/user sales, \$7.5 million from merchant development and \$.4 million from land sales.
- For the year, IIS(TM) sales constituted \$262.7 million and generated a 20.5% unleveraged IRR.
- The IIS(TM) pipeline volume, which includes merchant development, single tenant/user sales and land sales, exceeds \$500 million.

Strengthened Financial Position

- Closed the Kuwait Finance House/First Industrial joint venture (the "Fund"), establishing more certainty regarding the pricing and timing of merchant development activities through the Fund's forward purchase commitment totaling approximately \$300 million.
- FFO payout ratio improved to 66.4% in 2001 from 68.3% in 2000.
- Improved fixed-charge coverage in 2001 to 2.6 times from 2.4 times in 2000, and improved interest coverage in 2001 to

3.6 times from 3.4 times in 2000.

- In 2001, repurchased \$28.4 million of stock representing 1,003,300 shares at an average price of \$28.30. In the fourth quarter, repurchased \$23.3 million of stock representing 825,700 shares at an average price of \$28.17.
- Achieved return on assets of 10.8% for the year.
- Executed on the company's self-funding strategy, completely funding new investments with internally generated funds.

Outlook for 2002

Brennan continued, "Due to the significant softening in the overall economy, we are lowering our 2002 FFO and EPS estimates. We are currently comfortable with 2002 FFO per share estimates of \$3.95 to \$4.05. We anticipate the quarterly FFO per share to be as follows: \$0.91 to \$0.93 first quarter, \$0.94 to \$0.97 second quarter, \$1.03 to \$1.06 third quarter and \$1.07 to \$1.09 fourth quarter. These revised estimates assume 2002 same property NOI growth is flat. Our IIS(TM) income assumption for the year is \$40 million to \$45 million. Sales volume in 2002 is assumed to be approximately \$500 million to \$600 million with a 9% to 10% average cap rate. Investment volume assumptions for 2001, which include both new developments and acquisitions, are approximately \$500 million to \$600 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. Assuming between \$55 million and \$60 million in book gains from property sales, we anticipate EPS to be between \$2.40 and \$2.50 for 2002.

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."

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.

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 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.

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, February 14. 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 fourth 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:

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FIRST INDUSTRIAL REALTY TRUST, INC.

Selected Financial Data

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

(Unaudited)

Three Months Ended		Twelve Months Ended	
December 31, 2001	December 31, 2000	December 31, 2001	December 31, 2000

Statement of Operations and

FFO Data:

Total Operating Revenues	\$93,948	\$98,205	\$384,477	\$384,170
Property Expenses	(27,123)	(26,880)	(106,529)	(104,817)
Net Operating Income	66,825	71,325	277,948	279,353
Equity in FFO of Joint Ventures (a)	66	369	1,043	1,285
IIS Services Income	9,303	7,342	37,679	21,515
Write-Off of Technology Investment	-	-	(666)	-
General & Administrative Expense	(4,138)	(3,379)	(15,241)	(13,318)
EBITDA	72,056	75,657	300,763	288,835
Interest Expense	(19,858)	(22,500)	(82,580)	(83,925)
Dividends on Preferred Stock	(7,231)	(8,211)	(30,001)	(32,844)
Amortization of Deferred Financing Costs	(452)	(427)	(1,809)	(1,750)
Depreciation and Other Amortization	(24,168)	(16,954)	(76,266)	(66,989)
Equity in Depreciation and Other Amortization of Joint Ventures (a)	(1,608)	(199)	(1,834)	(926)
IIS Services Income	(9,303)	(7,342)	(37,679)	(21,515)
Operating Earnings	9,436	20,024	70,594	80,886
Gain on Sale of Property	5,015	(434)	20,614	1,914
Valuation Allowance (b)	(9,500)	(2,900)	(9,500)	(2,900)
Extraordinary Loss (c)	-	-	(10,309)	-
IIS Services Income	9,303	7,342	37,679	21,515
Income Allocated to Minority Interest	(2,113)	(4,245)	(16,715)	(16,395)
Net Income Available to Common Stockholders	12,141	19,787	92,363	85,020
Add: Extraordinary Loss (c), net of Minority Interest	-	-	8,712	-
Net Income Available to Common Stockholders Before Extraordinary Loss (c)	12,141	19,787	101,075	85,020
Add: Real Estate Depreciation and Other Amortization	23,853	16,663	75,042	65,861
Add: Valuation Allowance (b)	9,500	2,900	9,500	2,900
Less: Gain on Sale of Property	(5,015)	434	(20,614)	(1,914)
Add: Equity in Depreciation and Other Amortization of Joint Ventures (a)	1,608	199	1,834	926
Add: Income Allocated to Minority Interest	2,113	4,245	16,715	16,395
Add: Minority Interest Allocable to Extraordinary Loss (c)	-	-	1,597	-
Funds From Operations ("FFO")	\$44,200	\$44,228	\$185,149	\$169,188

Additional Information for
Funds Available for
Distribution ("FAD"):

Straight-Line Rental Income	\$804	\$607	\$3,548	\$1,517
Non-Incremental Capital Expenditures	\$6,798	\$7,166	\$25,105	\$29,362

Weighted Avg. Number of Shares/Units Outstanding- Basic	46,022	45,958	46,382	45,928
Weighted Avg. Number of Shares/Units Outstanding- Diluted	46,171	46,362	46,660	46,184
Weighted Avg. Number of Shares Outstanding- Basic	39,037	38,706	39,274	38,661
Weighted Avg. Number of Shares Outstanding- Diluted	39,186	39,110	39,552	38,917

FIRST INDUSTRIAL REALTY TRUST, INC.

Selected Financial Data

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

(Unaudited)

Per Share/Unit Data:

FFO :

- Basic	\$0.96	\$0.96	\$3.99	\$3.68
- Diluted	\$0.96	\$0.95	\$3.97	\$3.66

Net Income Available to
Common Stockholders
Before Extraordinary
Loss (c)

Per Weighted
Average Common
Share

Outstanding:

- Basic	\$0.31	\$0.51	\$2.57	\$2.20
- Diluted	\$0.31	\$0.51	\$2.56	\$2.18

Net Income Available to
Common Stockholders
per Weighted Average
Common Share

Outstanding:

- Basic	\$0.31	\$0.51	\$2.35	\$2.20
- Diluted	\$0.31	\$0.51	\$2.34	\$2.18

Operating Earnings Per
Weighted Average
Common Share

Outstanding:

- Basic	\$0.21	\$0.44	\$1.52	\$1.76
- Diluted	\$0.20	\$0.43	\$1.51	\$1.75

Dividends/Distributions	\$0.6800	\$0.6575	\$2.6525	\$2.5175
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FFO Payout Ratio	70.8%	68.3%	66.4%	68.3%
FAD Payout Ratio	83.8%	81.3%	77.1%	81.9%

Balance Sheet Data (end of
period):

Real Estate Before
Accumulated

Depreciation	\$2,748,835	\$2,698,763
Total Assets	2,621,400	2,618,493
Debt	1,318,450	1,221,356
Total Liabilities	1,447,361	1,373,288
Stockholders' Equity and Minority Interest	\$1,174,039	\$1,245,205

Property Data (end of

period):

Total Properties	918	969
Total Gross Leasable		
Area (in sq ft)	64,002,809	68,242,713
Occupancy	91.4%	95.3%

(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) Represents a valuation allowance primarily on certain exit market properties.

(c) Represents an extraordinary loss from the early retirement of debt (the \$100 million "Drs." and \$11 million of mortgage debt).

SOURCE First Industrial Realty Trust, Inc.

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