

FIRST QUARTER FACT SHEET 2003

NYSE: FAF



WE PROVIDE BUSINESS **information**
DEVELOPED WITH **insight**
AND DELIVERED WITH **integrity.**

52-WEEK RANGE: \$26.75–\$16.14

MARKET CAPITALIZATION*: \$2.25 BILLION

AVERAGE SHARES OUTSTANDING (DILUTED 1Q03): 85.1 MILLION

DIVIDEND/YIELD*: 1.58%

EPS (DILUTED 1Q03)**: \$1.05

EPS (DILUTED YE02): \$2.92

EPS (CONSENSUS EST. YE03): \$3.09

P/E (CONSENSUS EST. YE03)*: 8.5

BOOK VALUE (1Q03): \$19.62

RETURN ON EQUITY (1Q03): 24.5%

DEBT TO CAPITAL (1Q03): 20%

*Based on \$26.40 stock price. **Includes a pretax gain of \$13.1 million, or 9 cents per diluted share.

INVESTOR CONTACT:

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Director of Investor Relations

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DIRECT STOCK PURCHASE:

Contact a Shareholder Services Representative for information on First American's Direct Purchase and Dividend Reinvestment Plans.

TEL 800.894.4076 ▼ EMAIL shareholderservices.trust@firstam.com



The First American Corporation

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FIRST AMERICAN PROFILE

The First American Corporation (NYSE: FAF) is a FORTUNE 500® company that traces its history to 1889. As the nation's leading diversified provider of business information products and services, the company supplies businesses and consumers with the information resources that affect the major economic events of people's lives, such as getting a job; renting an apartment; buying a car, house, boat, or airplane; securing a mortgage; opening or buying a business; and planning for retirement. The First American Family of Companies, many of which command leading market share positions in their respective industries, operate within seven primary business segments, including: Title Insurance and Services, Specialty Insurance, Trust and Other Services, Mortgage Information, Property Information, Credit Information, and Screening Information. With revenues of \$4.70 billion in 2002, First American has nearly 25,000 employees in approximately 1,400 offices throughout the United States and abroad. More information about the Company and an archive of its press releases can be found at www.firstam.com.

Our first quarter 2003 results were the best in the Company's history. Total revenues for the quarter exceeded \$1.34 billion. Our net income was \$87.6 million and our earnings per diluted share was \$1.05.

While the first quarter is traditionally the weakest in our industry, we were able to achieve net income for the quarter that exceeded our record-setting fourth quarter of 2002. Margin improvement during the quarter led to record income levels on reduced revenue. This margin improvement should yield even stronger income growth through the remainder of 2003 and beyond.

Technology implementation in our Title segment has helped to dramatically improve margins. Our FAST Transaction System, which unifies the title closing,



Parker S. Kennedy, President

title searching, and title policy production processes, is now substantially in place and is working extremely well. By combining our FAST technologies with our production strategies that leverage the FAST system, we achieved a cost savings of \$8.5 million in the first quarter 2003. We expect to save approximately \$50 million in 2003 and realize annualized savings of \$100 million by 2004.

Our Mortgage Information segment's tax service operations recently added several major customers. We anticipate income from these customers will exceed \$2 million a month beginning in the second quarter of 2003. These customers, when fully integrated, will account for more than a 10 percent increase in annualized tax-service revenue.

Our Property Information segment had an especially strong quarter. Acquisitions made over the last two years are now fully integrated and are resulting in strong performance and improving margins.

The recently completed merger between First American's Credit Online operations and the automobile finance services provider, DealerTrack, Inc., gives First American 20 percent ownership in the dominant Internet system that connects auto dealers with auto lenders. Looking ahead two to three years, the DealerTrack connection will add \$25 million in annual credit reporting revenues for this segment.

Our Screening Information segment's merger with US SEARCH.com Inc., which will form the basis of a new publicly traded company, 80 percent owned by First American, is on schedule to close late in the second quarter of 2003. The company will be called First Advantage. Financial performance in each of the business units within our Screening Information segment is strong and bodes well for a good beginning for First Advantage.

Business has been very strong for our real estate-related businesses. The Mortgage Bankers Association predicts an increase of 5 percent over 2002 levels. Mortgage interest rates remain low and transaction volumes were very high during the first quarter, reaching record levels in nearly all of our businesses. With our non-real estate-related businesses also reporting strong order counts, the outlook for 2003 is very good. We look ahead with confidence.

A blue ink cursive signature of Parker S. Kennedy.

Parker S. Kennedy
President



BUSINESS SEGMENTATION

SERVICES OVERVIEW

Beginning in 2002, The First American Corporation created new financial reporting segments to help show our true diversity and unlock our Company's hidden value. The services we offer fall into seven segments, as follows:

FINANCIAL SERVICES

Title Insurance and Services

Residential Title Insurance
National Commercial Services
International Title Insurance
EAGLE 9™ UCC Insurance
National Homebuilder Services
National Relocation Services
Vacation Ownership Services
National Default Title Services
Lender Services
Equity Loan Services
1031 Tax-deferred Exchange Services
Title and Escrow Systems
Transportation Title Services
Vendor and Transaction Management Services
Residential Real Estate Services

Specialty Insurance

Home Warranty
Property and Casualty Insurance

Trust and Other Services

Trust Services
Investment Services
Banking Services

INFORMATION TECHNOLOGY

Mortgage Information

Flood Determination and Compliance
Mortgage Document Services
Default Management Services
Field Inspections
Loss Mitigation Services
Default Account Information Systems
Foreclosure Claims Processing
National Default Outsourcing
Residential Real Estate Tax Reporting
Commercial Tax and Tax Valuation Services
Mortgage Servicing Software Systems

Property Information

Property Ownership and Characteristic Information and Map Image Products
Title Plant and Document Imaging Services
Database Management Services and Document Imaging Systems
Appraisal and Property Valuation Services
Property Disclosure Information

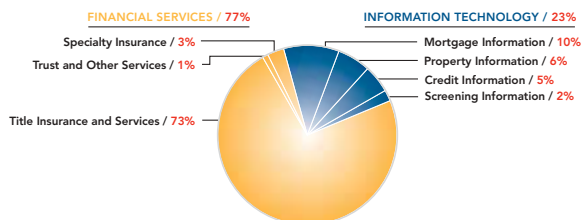
Credit Information

Mortgage Credit Services
Automotive Credit Services
Specialized Credit Reporting
Vehicle Title Insurance
Membership Services
Subprime Consumer Credit Information

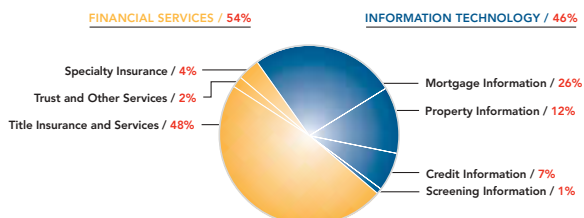
Screening Information

Employment Screening
Substance Abuse Testing and Program Management
Resident Screening
Motor Vehicle Records Reporting

2002 OPERATING REVENUES BY BUSINESS SEGMENT



2002 INCOME BEFORE INCOME TAXES, MINORITY INTERESTS, AND CORPORATE EXPENSES BY BUSINESS SEGMENT



VALUE COMPARISON

Our financial reporting segmentation allows for accurate comparison with other companies in our various industries. With FAF's current price-to-earnings multiple of 8.5, you can see how First American compares to like companies such as:

FINANCIAL SERVICES PEERS

Title Insurance and Services

Fidelity National Financial (FNF),
LandAmerica Financial Group (LFG)
Price-to-earnings multiple: 7-8

Specialty Insurance

American International Group (AIG)
Price-to-earnings multiple: 14

Trust and Other Services

Wells Fargo (WFC)
Price-to-earnings multiple: 13

INFORMATION TECHNOLOGY PEERS

Mortgage Information

Fidelity National Information Solutions (FNIS)
Price-to-earnings multiple: 14

Property Information

Axiom Corporation (ACXM)
Price-to-earnings multiple: 27

Credit Information

Equifax (EFX)
Price-to-earnings multiple: 14

Screening Information

ChoicePoint (CPS)
Price-to-earnings multiple: 23



1st quarter highlights

FORTUNE magazine listed The First American Corporation as #351 on its FORTUNE 500. FORTUNE also named First American as one of America's Most Admired Companies.

Forbes magazine listed First American among its Platinum 400 companies highlighting FAF's 5-year stock price performance, profitability, and sales. Forbes also rated FAF President Parker Kennedy #5 on its list of the nation's Best-Performing CEOs.

CONSOLIDATED SUMMARY STATEMENTS OF INCOME

(Unaudited)

(in thousands, except per share amounts)

	Q1 03	Q4 02	Q3 02	Q2 02	Q1 02
Results of Operations					
Operating revenues					
<i>Financial Services</i>					
Title Insurance and Services	\$ 933,304	\$ 993,469	\$ 857,927	\$ 798,225	\$ 743,971
Specialty Insurance	46,144	42,989	37,426	33,580	29,312
Trust and Other Services	9,905	9,396	9,647	11,538	11,156
Total Financial Services	989,353	1,045,854	905,000	843,343	784,439
<i>Information Technology</i>					
Mortgage Information	139,108	142,910	119,718	108,530	108,130
Property Information	82,280	75,728	71,024	57,453	55,110
Credit Information	62,528	55,148	56,642	50,548	52,999
Screening Information	31,594	26,601	27,730	25,597	22,662
Total Information Technology	315,510	300,387	275,114	242,128	238,901
Total operating revenues	1,304,863	1,346,241	1,180,114	1,085,471	1,023,340
Investment and other income	37,112	28,150	16,970	6,949	18,862
Total revenues	1,341,975	1,374,391	1,197,084	1,092,420	1,042,202
Expenses	1,178,482	1,222,119	1,068,062	1,012,366	953,643
Income before income taxes and minority interests	\$ 163,493	\$ 152,272	\$ 129,022	\$ 80,054	\$ 88,559

Income Before Income Taxes and Minority Interests

<i>Financial Services</i>					
Title Insurance	\$ 86,766	\$ 101,932	\$ 80,026	\$ 50,110	\$ 39,652
Specialty Insurance	5,839	6,610	6,014	6,159	5,682
Trust and Other Services	2,441	2,293	2,443	4,587	4,225
Total Financial Services	95,046	110,835	88,483	60,856	49,559
<i>Information Technology</i>					
Mortgage Information	45,797	46,604	39,188	29,551	31,505
Property Information	23,443	23,389	21,405	15,021	11,645
Credit Information	26,607	8,439	10,943	7,231	12,653
Screening Information	515	(1,409)	1,120	1,966	782
Total Information Technology	96,362	77,023	72,656	53,769	56,585
Total before corporate expenses	191,408	187,858	161,139	114,625	106,144
Corporate expenses	27,915	35,586	32,117	34,571	17,585
Income before income taxes and minority interests	163,493	152,272	129,022	80,054	88,559
Income taxes	56,000	49,800	42,800	26,300	31,000
Minority interests	19,913	19,660	18,863	13,633	13,484
Net income	\$ 87,580	\$ 82,812	\$ 67,359	\$ 40,121	\$ 44,075
Diluted earnings per share	\$ 1.05	\$ 1.01	\$ 0.84	\$ 0.51	\$ 0.57
Average common shares assuming dilution	85,098	83,935	82,679	82,672	80,985

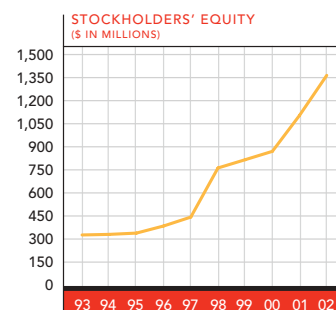
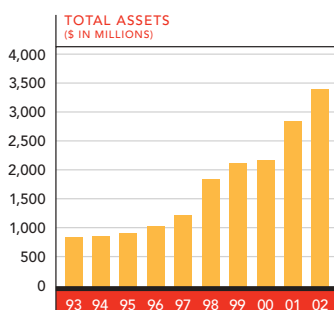
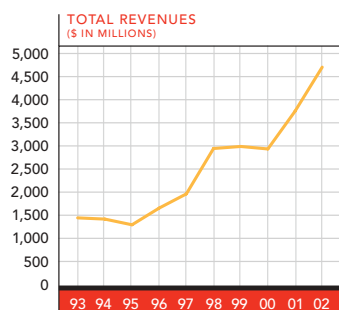
SELECTED FINANCIAL DATA

(Unaudited)

(in thousands, except percentages and per share amounts)

	YE 02	YE 01	YE 00	YE 99*	YE 98
Revenues	\$4,704,209	\$3,750,723	\$2,934,255	\$2,988,169	\$2,943,880
Net income	\$ 234,367	\$ 167,268	\$ 82,223	\$ 88,643	\$ 201,527
Total assets	\$3,398,045	\$2,837,263	\$2,199,737	\$2,116,414	\$1,852,731
Notes and contracts payable	\$ 425,705	\$ 415,341	\$ 219,838	\$ 196,815	\$ 143,466
Stockholders' equity	\$1,364,589	\$1,104,452	\$ 870,237	\$ 815,991	\$ 762,265
Return of average stockholders' equity	19.0%	16.9%	9.8%	10.9%	33.4%
Cash dividends per common share	\$ 0.33	\$ 0.27	\$ 0.24	\$ 0.24	\$ 0.23
Net income per share (diluted)	\$ 2.92	\$ 2.27	\$ 1.24	\$ 1.34	\$ 3.21

*Net income excludes cumulative effect of change in accounting for tax service contracts.



Certain statements made in this fact sheet, including those relating to income growth, cost savings in 2003 and 2004, income and revenue in the Mortgage Information segment, credit reporting revenue from the DealerTrack, Inc. transaction, the closing of the US SEARCH.com Inc. transaction, the outlook for 2003 and PE/EPS estimates are forward-looking. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include: interest rate fluctuations; changes in the performance of the real estate markets; access to public records and other data; general volatility in the capital markets; changes in applicable government regulations; consolidation among the Company's significant customers and competitors; the Company's continued ability to identify businesses to be acquired; changes in the Company's ability to integrate businesses which it acquires; and other factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2002, as filed with the Securities and Exchange Commission. The forward-looking statements speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.