

SECOND QUARTER FACT SHEET 2003

NYSE: FAF

www.firstam.com/investor



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

52-WEEK RANGE: \$28.04-\$17.53

MARKET CAPITALIZATION* (2Q03): \$2.32 BILLION

AVERAGE SHARES OUTSTANDING (DILUTED 2Q03): 87.9 MILLION

DIVIDEND/YIELD*: \$0.40/1.6%

EPS (DILUTED 2Q03): \$1.47

EPS (DILUTED YE02): \$2.92

EPS (CONSENSUS EST. YE03): \$4.99

P/E (CONSENSUS EST. YE03)*: 5.3

BOOK VALUE (2Q03): \$21.20

RETURN ON EQUITY (2Q03): 28.6%

DEBT TO CAPITAL (2Q03): 17.8%

*Based on \$26.35 stock price.

INVESTOR CONTACT:

Denise M. Warren

Director of Investor Relations

TEL 800.854.3643, ext. 3915

EMAIL dwarren@firstam.com

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

1 First American Way, Santa Ana, CA 92707
800.854.3643 ▼ www.firstam.com ▼ NYSE: FAF

FROM THE PRESIDENT

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 in connection with 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.

I am proud to share that during the second quarter of 2003, First American set earnings and revenue records in every category. First American earned nearly \$240 million in the quarter on revenues of \$1.54 billion, up 47 percent from the previous quarter's record. We made \$1.47 per share for the quarter, and are on track to meet 2003 earnings estimates of \$4.99 per share.

Over the past year, First American has capitalized on a robust real estate market and has substantially completed the implementation of a new production technology that gives us a strong advantage over our competitors. Thanks to efficiencies from our technology, effective management throughout our Company, and cost containment measures, First American is well positioned to succeed in any economic environment.



Parker S. Kennedy, President

The second quarter was our Title Insurance and Services segment's strongest ever. Productivity improvement efforts, enabled by our FAST Transaction System, resulted in savings of \$15 million for the quarter. We continue to progress to our goal of \$100 million in annualized savings by the end of the year. The improved margins created by the incredible power of the FAST system will grow throughout this year and at least another year thereafter.

Our Specialty Insurance segment had a solid quarter returning margins of 15.2 percent, while our Trust segment achieved an excellent pretax margin of 29 percent.

Low interest rates and a favorable real estate environment led to record order counts in our title business; and our Mortgage Information segment, which includes our tax service, flood certification, and default divisions, had a sharp increase in transaction volume, which led to earnings growth of 112 percent over the same quarter last year. Our Mortgage Information segment added a number of new and large accounts this year and earned \$62.7 million this past quarter with margins of nearly 40 percent.

Our Property Information segment achieved earnings growth of more than 100 percent over the same quarter last year, thanks in part to excellent acquisitions and aggressive cost controls.

Our Credit Information segment also more than doubled earnings quarter over quarter. The group continues to hold strong number-one market-share positions providing credit information to both the mortgage and automobile industries. With new systems and an aggressive sales force, we look forward to continued growth in this segment.

During the quarter, our purchase of US SEARCH.com Inc. was completed. That company was merged with the other operations in our Screening Information segment to create a new company that is 80-percent owned by First American. The new company, First Advantage Corporation, began trading on the NASDAQ as FADV in June. We are very excited about the benefits and opportunities this new public company will provide First American as the screening services industry continues to expand.

While interest rates have started to increase from their historic lows, transaction volumes continue to be above normal levels. First American's counter-cyclical businesses, such as the foreclosure and subprime credit operations, should benefit from the higher interest rate environment. The Company's growing non-real estate businesses, such as auto credit and screening information, are less sensitive to interest rate changes and should continue to perform well if interest rates climb.

We at First American are working very hard to maximize long-term shareholder value, and I am very pleased with our results. We look forward to continued growth and success throughout the rest of the year and into 2004.



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

VALUE COMPARISON

Our financial reporting segmentation allows for more accurate comparison with other companies in our various industries. With FAF's current price-to-earnings multiple of 4.7, you can see how First American compares to companies such as:

FINANCIAL SERVICES PEERS

Title Insurance and Services

Fidelity National Financial (FNF),
LandAmerica Financial Group (LFG)
Price-to-earnings multiple: 4-5

Specialty Insurance

American International Group (AIG)
Price-to-earnings multiple: 15.6

Trust and Other Services

Wells Fargo (WFC)
Price-to-earnings multiple: 13.5

INFORMATION TECHNOLOGY PEERS

Mortgage Information

Fidelity National Information Solutions (FNIS)
Price-to-earnings multiple: 17.4

Property Information

Axiom Corporation (ACXM)
Price-to-earnings multiple: 31.1

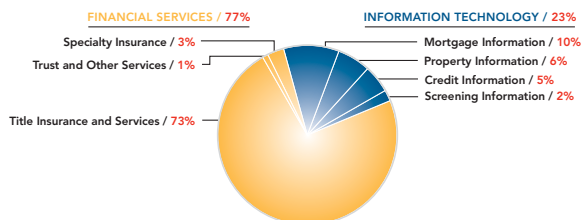
Credit Information

Equifax (EFX)
Price-to-earnings multiple: 15.1

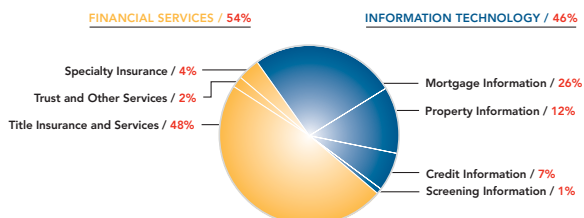
Screening Information

ChoicePoint (CPS)
Price-to-earnings multiple: 26

2002 OPERATING REVENUES BY BUSINESS SEGMENT



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



2nd quarter highlights

- First American merged its screening information operations into a new public company, First Advantage Corporation (NASDAQ: FADV). First Advantage is 80-percent owned by First American and is rapidly growing to take advantage of opportunities in the background screening marketplace.
- BARRON'S annual report card to investors ranked First American number eight out of the top 500 companies for stock performance, cash flow return on investment (CFROI) for the past three years, and forecasts for current year CFROI growth and sales growth.

CONSOLIDATED SUMMARY STATEMENTS OF INCOME

(Unaudited)

(in thousands, except per share amounts)

	Q2 03	Q1 03	Q4 02	Q3 02	Q2 02
Results of Operations					
Operating revenues					
<i>Financial Services</i>					
Title Insurance and Services	\$1,090,723	\$ 933,304	\$ 993,469	\$ 857,927	\$ 798,225
Specialty Insurance	50,889	46,144	42,989	37,426	33,580
Trust and Other Services	10,202	9,905	9,396	9,647	11,538
Total Financial Services	1,151,814	989,353	1,045,854	905,000	843,343
<i>Information Technology</i>					
Mortgage Information	157,256	139,108	142,910	119,718	108,530
Property Information	98,022	82,280	75,728	71,024	57,453
Credit Information	69,116	62,528	55,148	56,642	50,548
Screening Information	37,346	31,594	26,601	27,730	25,597
Total Information Technology	361,740	315,510	300,387	275,114	242,128
Total operating revenues	1,513,554	1,304,863	1,346,241	1,180,114	1,085,471
Investment and other income	29,377	37,112	28,150	16,970	6,949
Total revenues	1,542,931	1,341,975	1,374,391	1,197,084	1,092,420
Expenses	1,303,178	1,178,482	1,222,119	1,068,062	1,012,366
Income before income taxes and minority interests	\$ 239,753	\$ 163,493	\$ 152,272	\$ 129,022	\$ 80,054

Income Before Income Taxes and Minority Interests

<i>Financial Services</i>					
Title Insurance	\$ 140,035	\$ 86,766	\$ 101,932	\$ 80,026	\$ 50,110
Specialty Insurance	8,241	5,839	6,610	6,014	6,159
Trust and Other Services	3,002	2,441	2,293	2,443	4,587
Total Financial Services	151,278	95,046	110,835	88,483	60,856
<i>Information Technology</i>					
Mortgage Information	62,653	45,797	46,604	39,188	29,551
Property Information	32,390	23,443	23,389	21,405	15,021
Credit Information	17,971	26,607	8,439	10,943	7,231
Screening Information	3,218	515	(1,409)	1,120	1,966
Total Information Technology	116,232	96,362	77,023	72,656	53,769
Total before corporate expenses	267,510	191,408	187,858	161,139	114,625
Corporate expenses	27,757	27,915	35,586	32,117	34,571
Income before income taxes and minority interests	239,753	163,493	152,272	129,022	80,054
Income taxes	83,100	56,000	49,800	42,800	26,300
Minority interests	29,177	19,913	19,660	18,863	13,633
Net income	\$ 127,476	\$ 87,580	\$ 82,812	\$ 67,359	\$ 40,121
Diluted earnings per share	\$ 1.47	\$ 1.05	\$ 1.01	\$ 0.84	\$ 0.51
Average common shares assuming dilution	87,915	85,098	83,935	82,679	82,672

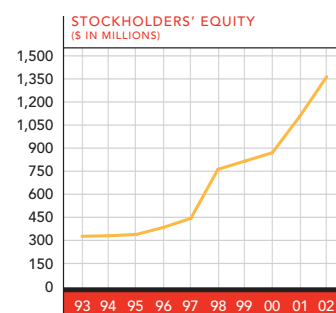
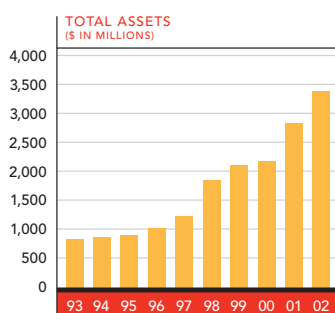
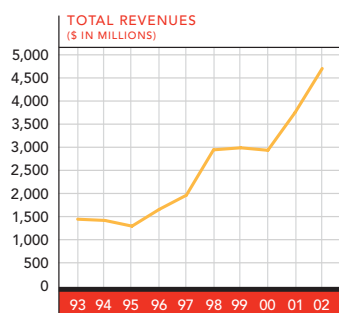
SELECTED FINANCIAL DATA

(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 2003 earnings estimates, annualized savings goals, margin growth, growth in the Credit Information segment, benefits, and opportunities from First Advantage Corporation and the performance of counter-cyclical and non-real estate businesses 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.