

THIRD QUARTER 2004 FACT SHEET ▼ NYSE: FAF

CONTINUED GROWTH DRIVEN BY A STRONG FOCUS ON SHAREHOLDER VALUE

FINANCIAL STATISTICS

52-week range:	\$32.35-\$24.29
Market capitalization* (3Q04):	\$2.87 billion
Average shares outstanding (diluted 3Q04):	91.6 million
Dividend/yield*:	\$0.60/2%
EPS (diluted 3Q04):	\$1.17
EPS (diluted YE03):	\$5.22
EPS (consensus est. YE04):	\$4.03
P/E (consensus est. YE04)*:	7.8
Book value (3Q04):	\$26.79

*Based on \$31.31 stock price.

MANAGEMENT GOALS

- ▼ Sustain earnings
- ▼ Grow national market share
- ▼ Improve margins with data and technology solutions that enable centralized, offshore production
- ▼ Sustain 10% margins in title insurance despite a weaker mortgage application market
- ▼ Maintain favorable debt-to-capital ratio
- ▼ Deliver 12% return on equity
- ▼ Use cash to maximize shareholder value through stock repurchases and key acquisitions
- ▼ Increase recognition and valuation of data services



Parker S. Kennedy
Chairman of the Board
and Chief Executive Officer

From The Chairman

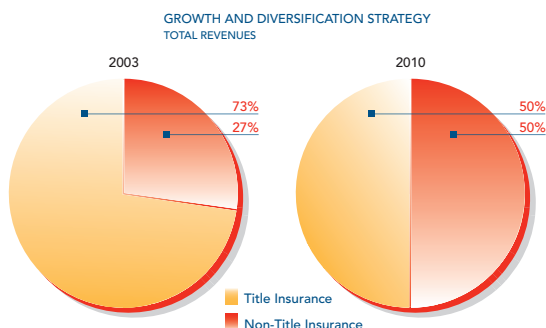
Our earnings in the third quarter were strong in spite of a shift in our business mix predominantly from refinance transactions to a more balanced level. Our goal is to continue margin expansion despite a challenging economic climate and to stay focused on key initiatives to achieve strong profits. These initiatives include the introduction of First American's multiple product bundles for the mortgage industry, offshore production in the title and property information segments, and our FAST technology system to streamline processing and enhance production efficiencies.

We remain committed to increasing shareholder value. To date, we have completed \$37.3 million of our planned \$100 million stock repurchase program. We also finalized a \$500 million credit line that will provide us with strength and financial agility to make strategic acquisitions like those completed in the third quarter. Strategic acquisitions, especially in the title and property information segments, will expand our data capabilities and increase market share. These initiatives differentiate First American from other information providers and will help our company achieve greater shareholder valuation.

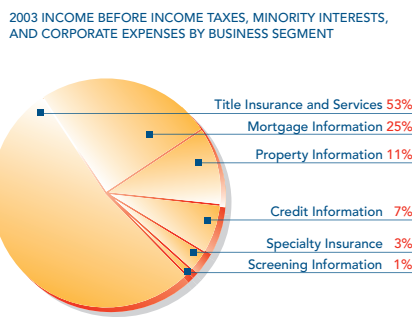
We recently named Craig DeRoy president of First American. Craig has been a key contributor to our strategic and operational successes since joining our company in 1993. He will do a great job guiding our operations to deliver even greater value for our shareholders.

Our real estate-related segments are experiencing improving order counts in a time when we normally see a seasonal downturn. This bodes well for the fourth quarter of 2004 and gives us a strong outlook for 2005.

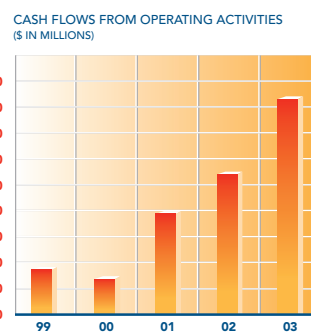
Parker S. Kennedy
Parker S. Kennedy



It is our goal to have our non-title information technology services generate 50 percent of First American's revenues by the year 2010. These diversified data businesses will boost margins and sustain profitability.



First American's real estate-related businesses are expertly positioned to meet the challenges of any economic cycle. Technology solutions, bundling of products, and international production enable the company to generate cost savings and operate more efficiently.



Strong cash flows provide financial flexibility to pursue acquisitions, implement stock repurchases, and maintain or increase the dividend. First American has committed up to \$100 million to repurchase shares.



The First American Corporation

The Nation's Data Provider

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CONSOLIDATED SUMMARY STATEMENTS OF INCOME UNAUDITED

(in thousands, except per share amounts)	Q3 04	Q2 04	Q1 04	Q4 03	Q3 03
Results of Operations					
Operating revenues					
Financial Services					
Title Insurance and Services	\$1,215,159	\$1,234,283	\$1,032,316	\$1,143,380	\$1,244,493
Specialty Insurance	61,617	51,847	46,492	55,074	55,180
Total Financial Services	1,276,776	1,286,130	1,078,808	1,189,538	1,299,673
Information Technology					
Mortgage Information	171,698	167,649	154,935	182,847	163,473
Property Information	100,181	99,525	91,977	88,017	97,952
Credit Information	60,322	62,912	62,452	53,143	62,200
Screening Information	71,910	68,882	57,361	49,865	47,625
Total Information Technology	404,111	398,968	366,725	373,872	371,250
Total operating revenues	1,680,887	1,685,098	1,445,533	1,563,410	1,670,924
Investment and other income	35,541	36,237	26,907	12,939	25,925
Net realized investment gains (losses)	5,057	2,718	1,331	35,717	19,893
Total revenues	1,721,485	1,724,053	1,473,771	1,612,066	1,716,742
Expenses	1,519,480	1,504,862	1,362,641	1,437,349	1,455,983
Income before income taxes and minority interests	\$ 202,005	\$ 219,191	\$ 111,130	\$ 174,717	\$ 260,759

Income Before Income Taxes and Minority Interests

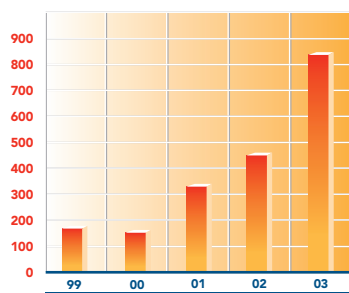
(in thousands, except per share amounts)	Q3 04	Q2 04	Q1 04	Q4 03	Q3 03
Financial Services					
Title Insurance and Services	\$ 123,509	\$ 140,497	\$ 58,577	\$ 101,947	\$ 170,438
Specialty Insurance	8,334	11,653	12,444	7,304	8,741
Total Financial Services	131,843	152,150	71,021	109,251	179,179
Information Technology					
Mortgage Information	52,690	47,992	30,347	65,325	64,733
Property Information	30,309	32,955	27,518	22,530	26,976
Credit Information	15,172	12,022	14,998	4,726	14,987
Screening Information	7,177	5,537	1,102	(1,753)	2,525
Total Information Technology	105,348	98,506	73,965	90,828	109,221
Total before corporate expenses	237,191	250,656	144,986	200,079	288,400
Corporate expenses	35,186	31,465	33,856	25,362	27,641
Income before income taxes and minority interests	202,005	219,191	111,130	174,717	260,759
Income taxes	70,800	79,300	37,400	60,800	92,100
Minority interests	23,990	23,365	18,774	19,798	26,812
Net income	\$ 107,215	\$ 116,526	\$ 54,956	\$ 94,119	\$ 141,847
Diluted earnings per share	\$ 1.17	\$ 1.27	\$.62	\$ 1.07	\$ 1.62
Average common shares assuming dilution	91,594	92,083	90,652	89,690	88,395

SELECTED FINANCIAL DATA UNAUDITED

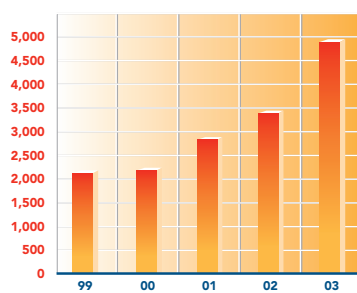
(in thousands, except percentages and per share amounts)	YE 03	YE 02	YE 01	YE 00	YE 99*
Revenues	\$6,213,714	\$4,704,209	\$3,750,723	\$2,934,255	\$2,988,169
Net income	\$ 451,022	\$ 234,367	\$ 167,268	\$ 82,223	\$ 88,643
Total assets	\$4,892,111	\$3,398,045	\$2,837,263	\$2,199,737	\$2,116,414
Notes and contracts payable	\$ 553,888	\$ 425,705	\$ 415,341	\$ 219,838	\$ 196,815
Stockholders' equity	\$1,879,520	\$1,364,589	\$1,104,452	\$ 870,237	\$ 815,991
Return of average stockholders' equity	27.8%	19.0%	16.9%	9.8%	10.9%
Cash dividends per common share (diluted)	\$ 0.50	\$ 0.33	\$ 0.27	\$ 0.24	\$ 0.24
Net income per share (diluted)	\$ 5.22	\$ 2.92	\$ 2.27	\$ 1.24	\$ 1.34

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

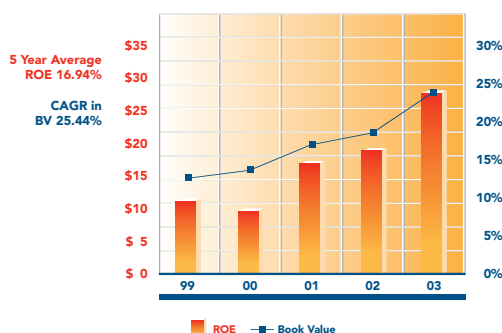
INCOME BEFORE INCOME TAXES, MINORITY INTERESTS AND CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE (\$ IN MILLIONS)



TOTAL ASSETS (\$ IN MILLIONS)



FINANCIAL PERFORMANCE RETURN ON EQUITY AND BOOK VALUE



Certain statements made in this document, including those related to strategic acquisitions and order counts, 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; limitations 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 Dec. 31, 2003, 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.