



Investors Title Company

INNOVATIVE BY INSTINCT

INVESTORS TITLE COMPANY ANNOUNCES SECOND QUARTER 2006 RESULTS

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FOR IMMEDIATE RELEASE:

Chapel Hill, NC – J. Allen Fine, Chairman of Investors Title Company, announced that for the second quarter ended June 30, 2006, the Company reported net income of \$4,315,537, an increase of 11.7% compared with \$3,861,998 for the prior year period. Net income per diluted share equaled \$1.68, an increase of 13.5% compared with \$1.48 per diluted share in the same period last year. Net premiums written decreased 4.4% to \$19,123,591 and revenues increased 1.2% to \$23,126,621 compared with the prior year period.

For the six-month period ended June 30, 2006, the Company reported net income \$7,190,478, an increase of 32.1%, compared with \$5,442,492 for the same six-month period in 2005. Diluted earnings per share were \$2.79, an increase of 34.1% compared with \$2.08 for the same six-month ended period in 2005. Net premiums written decreased 3.7% to \$35,755,217 and revenues increased 2.7% to \$43,305,469 compared with the prior year.

Growth in the fee income generated in the exchange services segment and the Trust division coupled with an increase in investment income drove the overall increase in total revenue. Offsetting these increases was a decline in premiums written resulting primarily from a lower level of real estate activity. Operating expenses remained flat as the decline in commissions paid to agents was offset by an increase in personnel costs. The effective tax rate declined resulting primarily from higher interest rates and higher balances invested in tax-exempt securities.

Chairman Fine added, “The decline in our premium revenue has followed the overall softening in the residential housing market this year. As generally expected, transaction volume and mortgage loan originations have trended down as a result of higher mortgage rates. Countering this trend slightly has been ongoing strength in the commercial real estate sector.”

Investors Title Company is engaged through its subsidiaries in the business of issuing and underwriting title insurance policies. The Company also provides services in connection with tax-deferred exchanges of like-kind property as well as investment management services to individuals, trusts, foundations and businesses.

Certain statements contained herein may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include any predictions regarding activity in the U.S. real estate market. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from anticipated and historical results. For more details on risk, uncertainties and other factors that could affect expectations, refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, as filed with the Securities and Exchange Commission.

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