

Investors Title Company and Subsidiaries
Consolidated Statements of Income
June 30, 2008 and 2007
(Unaudited)

	For The Three Months Ended		For The Six Months Ended	
	June 30		June 30	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:				
Underwriting income:				
Premiums Written	\$ 18,178,892	\$ 18,715,760	\$ 36,082,654	\$ 35,590,737
Less-premiums for reinsurance ceded	<u>50,910</u>	<u>89,581</u>	<u>141,312</u>	<u>172,016</u>
Net premiums written	18,127,982	18,626,179	35,941,342	35,418,721
Investment income-interest and dividends	1,112,681	1,271,755	2,392,040	2,481,362
Net realized gain (loss) on investments	(242,272)	200,023	(123,703)	366,203
Exchange services revenue	66,714	870,083	471,412	2,115,562
Other	1,287,695	1,139,493	2,532,628	2,059,454
Total Revenues	<u>20,352,800</u>	<u>22,107,533</u>	<u>41,213,719</u>	<u>42,441,302</u>
Operating Expenses:				
Commissions to agents	7,949,938	7,733,004	15,269,208	14,578,292
Provision for claims	4,298,414	4,352,005	6,347,010	6,161,438
Salaries, employee benefits and payroll taxes	5,311,626	5,091,139	10,809,562	10,365,514
Office occupancy and operations	1,328,083	1,452,901	2,692,335	2,889,024
Business development	567,881	556,734	1,053,332	1,079,916
Filing fees and taxes, other than payroll and income	138,875	126,455	331,504	291,668
Premium and retaliatory taxes	451,728	395,262	819,065	837,182
Professional and contract labor fees	502,531	826,140	1,023,940	1,471,150
Other	304,658	278,744	543,317	500,755
Total Operating Expenses	<u>20,853,734</u>	<u>20,812,384</u>	<u>38,889,273</u>	<u>38,174,939</u>
Income (Loss) Before Income Taxes	<u>(500,934)</u>	1,295,149	<u>2,324,446</u>	<u>4,266,363</u>
Provision (Benefit) For Income Taxes	<u>(227,000)</u>	141,000	<u>474,000</u>	<u>790,000</u>
Net Income (Loss)	\$ <u>(273,934)</u>	\$ 1,154,149	\$ <u>1,850,446</u>	\$ <u>3,476,363</u>
Basic Earnings (Loss) Per Common Share	\$ <u>(0.11)</u>	\$ 0.46	\$ <u>0.77</u>	\$ <u>1.40</u>
Weighted Average Shares Outstanding - Basic	<u>2,409,206</u>	<u>2,484,874</u>	<u>2,410,852</u>	<u>2,491,955</u>
Diluted Earnings (Loss) Per Common Share	\$ <u>(0.11)</u>	\$ 0.46	\$ <u>0.76</u>	\$ <u>1.38</u>
Weighted Average Shares Outstanding - Diluted	<u>2,409,206</u>	<u>2,518,206</u>	<u>2,434,204</u>	<u>2,526,844</u>