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INVESTORS TITLE COMPANY ANNOUNCES ANNUAL EARNINGS

FOR IMMEDIATE RELEASE:

Chapel Hill, NC – Investors Title Company today announced results for the quarter and year ended December 31, 2004. For the quarter ended December 31, 2004, net income increased 17% to \$2,689,303 from \$2,305,202, and diluted earnings per share increased 17% to \$1.03 from \$.88, all compared with the same quarter in the prior year. Net premiums written decreased 4% to \$16,809,190 and total revenues remained virtually flat at \$19,239,796.

For the year ended December 31, 2004, net income decreased 2% to \$10,719,166 or \$4.09 per diluted share versus net income of \$10,965,014 or \$4.18 per diluted share in the prior year. Net premiums written decreased 14% to \$71,775,157 and total revenues decreased 12% to \$79,841,176.

J. Allen Fine, Chairman and CEO added: “Despite the decline in premiums written, we are pleased with the financial results achieved in 2004. For the year, mortgage lending held up relatively well, even though mortgage refinancing subsided. According to the latest data published by the Mortgage Bankers Association, mortgage refinancing volume declined by half but mortgage lending for purchase transactions actually increased approximately 24% over the previous year. Net income in the quarter was augmented by continued strong growth in our exchange subsidiary, and a decrease in our tax provision due primarily to an increase in tax exempt income and a reduction in our overall effective tax rate.”

Investors Title Company is engaged through its subsidiaries in the business of issuing and underwriting title insurance policies. Title insurance is typically sold when real estate is purchased and upon refinancing of loans secured by real estate. Premiums are written through 29 branch offices and a network of agents located across 24 states and the District of Columbia. The Company also provides services in connection with tax-free 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. 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 risks, 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, 2003, as filed with the Securities and Exchange Commission.

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