

Investors Title Company and Subsidiaries
Consolidated Statements of Income
December 31, 2005 and 2004
(Unaudited)

	For The Three Months Ended December 31		For The Twelve Months Ended December 31	
	2005	2004	2005	2004
Revenues:				
Underwriting income:				
Premiums written	\$ 18,504,712	\$ 16,918,555	\$ 76,838,399	\$ 72,138,084
Less-premiums for reinsurance ceded	81,899	93,821	316,133	294,639
Net premiums written	18,422,813	16,824,734	76,522,266	71,843,445
Investment income-interest and dividends	961,784	830,323	3,335,767	2,752,838
Net realized gain on sales of investments	29,511	53,989	119,015	93,656
Exchange services revenue	1,271,065	848,244	4,543,099	2,801,888
Other	961,741	682,506	3,343,731	2,349,349
Total	21,646,914	19,239,796	87,863,878	79,841,176
Operating Expenses:				
Commissions to agents	7,259,076	6,868,738	30,309,405	29,152,645
Provision for claims	1,810,298	1,844,784	8,164,783	7,984,339
Salaries, employee benefits and payroll taxes	4,815,158	4,084,329	19,136,098	16,303,351
Office occupancy and operations	1,358,190	1,364,134	5,080,829	4,849,944
Business development	590,151	575,219	2,073,518	1,899,315
Taxes, other than payroll and income	136,246	111,477	523,464	453,354
Premium and retaliatory taxes	352,130	326,444	1,556,529	1,406,083
Professional fees	475,755	593,904	1,937,233	2,074,520
Other	201,008	76,464	499,096	215,459
Total	16,998,012	15,845,493	69,280,955	64,339,010
Income Before Income Taxes	4,648,902	3,394,303	18,582,923	15,502,166
Provision For Income Taxes	1,128,000	705,000	5,290,000	4,783,000
Net Income	\$ 3,520,902	\$ 2,689,303	\$ 13,292,923	\$ 10,719,166
Basic Earnings Per Common Share	\$ 1.38	\$ 1.08	\$ 5.19	\$ 4.29
Weighted Average Shares Outstanding - Basic	2,554,935	2,484,883	2,560,418	2,496,711
Diluted Earnings Per Common Share	\$ 1.36	\$ 1.03	\$ 5.10	\$ 4.09
Weighted Average Shares Outstanding - Diluted	2,596,541	2,617,022	2,607,633	2,620,916