

Investors Title Company and Subsidiaries
Consolidated Statements of Income
June 30, 2006 and 2005
(Unaudited)

	For The Three Months Ended June 30		For The Six Months Ended June 30	
	2006	2005	2006	2005
Revenues:				
Underwriting income:				
Premiums Written	\$ 19,222,175	\$ 20,052,131	\$ 35,968,444	\$ 37,298,168
Less-premiums for reinsurance ceded	98,584	45,736	213,227	184,815
Net premiums written	19,123,591	20,006,395	35,755,217	37,113,353
Investment income-interest and dividends	1,034,696	808,559	2,028,750	1,561,324
Net realized gain (loss) on sales of investments	(17,190)	30,801	544,457	19,907
Exchange services revenue	1,908,357	1,239,793	2,936,089	2,049,432
Other	1,077,167	768,514	2,040,956	1,439,625
Total	23,126,621	22,854,062	43,305,469	42,183,641
Operating Expenses:				
Commissions to agents	7,289,322	7,848,781	13,572,718	14,840,530
Provision for claims	2,030,412	2,172,108	3,885,691	4,071,113
Salaries, employee benefits and payroll taxes	4,917,022	4,413,567	9,922,869	9,780,879
Office occupancy and operations	1,266,042	1,239,870	2,731,355	2,589,076
Business development	547,505	464,388	1,053,163	891,861
Taxes, other than payroll and income	146,007	209,230	296,892	319,984
Premium and retaliatory taxes	328,542	393,770	670,610	793,315
Professional fees	737,534	653,251	1,325,156	1,091,181
Other	219,728	66,099	438,567	111,210
Total	17,482,114	17,461,064	33,897,021	34,489,149
Income Before Income Taxes	5,644,507	5,392,998	9,408,448	7,694,492
Provision For Income Taxes	1,328,970	1,531,000	2,217,970	2,252,000
Net Income	\$ 4,315,537	\$ 3,861,998	\$ 7,190,478	\$ 5,442,492
Basic Earnings Per Common Share	\$ 1.70	\$ 1.51	\$ 2.83	\$ 2.12
Weighted Average Shares Outstanding - Basic	2,537,883	2,563,094	2,543,475	2,563,793
Diluted Earnings Per Common Share	\$ 1.68	\$ 1.48	\$ 2.79	\$ 2.08
Weighted Average Shares Outstanding - Diluted	2,572,062	2,607,611	2,578,743	2,616,418