



Investors Title Company

INNOVATIVE BY INSTINCT

INVESTORS TITLE COMPANY ANNOUNCES FOURTH 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 fourth quarter ended December 31 2006, the Company reported net income of \$2,322,887, a decrease of 34.0% compared with \$3,520,902 for the prior year period. Net income per diluted share equaled \$0.91, a decrease of 33.1% compared with \$1.36 per diluted share in the same period last year. Net premiums written decreased 12.1% to \$16,198,574 and revenues decreased 9.3% to \$19,633,913 compared with the prior year period.

For the year ended December 31, 2006, the Company reported net income of \$13,185,434, a decrease of 0.8%, compared with \$13,292,923 for the same period in 2005. Diluted earnings per share were \$5.14, an increase of 0.8% compared with \$5.10 for the same period in 2005. Net premiums written decreased 8.3% to \$70,196,467 and revenues decreased 3.6% to \$84,661,716 compared with the prior year.

Operating results in the fourth quarter are primarily a reflection of downward trends in home sales and mortgage lending. The decline in premiums written was partly offset by increases in investment income and revenue in the 1031 exchange services segment. Operating expenses decreased 1.8% to \$16,688,026 for the quarter compared with the prior year period primarily due to a decline in commissions paid to agents and a lower claims provision amount. Partially offsetting these decreases were higher compensation expenses and increases in office occupancy and operations expenses and professional and contract labor fees.

Chairman Fine added, "Overall we are pleased with our financial results for the final quarter and for the year as a whole. Revenues in our primary business are sensitive to the level of home sales and mortgage lending, which are highly cyclical businesses. After a five-year housing boom, the market was widely expected to slow during 2006. Although the market was down in most areas, our premium volume held up sufficiently during the year to allow us to continue to make investments in

staff, infrastructure and technology in order to better position ourselves for growth over the market cycles of our industry.”

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, companies, banks and trusts.

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 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, 2005, as filed with the Securities and Exchange Commission.

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