



Investors Title Company

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INVESTORS TITLE COMPANY ANNOUNCES SECOND QUARTER 2008 RESULTS

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FOR IMMEDIATE RELEASE:

Chapel Hill, NC – J. Allen Fine, Chairman of Investors Title Company, announced that for the second quarter ended June 30, 2008, the Company reported a net loss of \$273,934 compared with net income of \$1,154,149 for the same three-month period in 2007. Net loss per diluted share equaled \$0.11 compared with net income per diluted share of \$0.46 in the same period last year. Net premiums written decreased 2.7% to \$18,127,982, investment income decreased 12.5% to \$1,112,681 and revenues decreased 7.9% to \$20,352,800 compared with the prior year period.

For the six-month period ended June 30, 2008, the Company reported net income of \$1,850,446, a decrease of 46.8%, compared with \$3,476,363 for the same six-month period in 2007. Diluted earnings per share were \$0.76, a decrease of 44.9% compared with \$1.38 for the same six-month ended period in 2007. Net premiums written increased 1.5% to \$35,941,342, investment income decreased 3.6% to \$2,392,040 and revenues decreased 2.9% to \$41,213,719 compared with the prior year period.

Net operating results for the quarters ended June 30, 2008 and 2007 were primarily impacted by an increase in the provision for claims of \$2.4 million and \$2.3 million, respectively, due to the occurrence of large fraud related claims. The claim during the current quarter resulted from the theft of settlement funds from an attorney's trust account intended to satisfy prior deeds of trusts. For the quarter ended June 30, 2008, the exchange services segment experienced a significant decline in revenue related to a decrease in demand and interest income earned on exchange funds compared with the prior year period. In addition, there was a decrease in realized gains on investments along with a decline in investment income due to a lower level of interest income earned on short-term funds.

Chairman Fine added, "Although we have made progress in building our agency business this year, the ongoing decline in real estate activity and the persistence of instances of fraud have combined to make a very challenging operating environment. We continue to direct our efforts towards increasing both our direct and agency business, enhancing our efficiency and improving management of fraud and other related risks that tend to surface in real estate downturns."

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 and 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 risk, 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, 2007, as filed with the Securities and Exchange Commission.

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