



**Investors Title Company**

INNOVATIVE BY INSTINCT

## **INVESTORS TITLE COMPANY ANNOUNCES FOURTH QUARTER AND YEAR 2007 RESULTS**

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### **FOR IMMEDIATE RELEASE:**

Chapel Hill, NC – J. Allen Fine, Chairman of Investors Title Company, announced its results for the quarter and year ended December 31, 2007. For the fourth quarter ended December 31, 2007, the Company reported net income of \$1,068,080, a decrease of 54.0% compared with \$2,322,887 for the same three-month period in 2006. Net income per diluted share decreased 52.7% to \$0.43 from \$0.91 per diluted share in the same period last year. Net premiums written decreased 3.9% to \$15,570,815, investment income increased 12.1% to \$1,413,938 and revenues decreased 1.0% to \$19,442,002 compared with the prior year period.

For the year ended December 31, 2007, the Company reported net income of \$8,402,335, a decrease of 36.3%, compared with \$13,185,434 for the same period in 2006. Diluted earnings per share were \$3.35, a decrease of 34.8% compared with \$5.14 for the same period in 2006. Net premiums written decreased 0.3% to \$69,983,989, investment income increased 20.1% to \$5,197,178 and revenues increased 0.3% to \$84,942,287 compared with the prior year.

For the quarter, total revenues and operating expenses remained relatively flat compared with the same period for 2006. Total revenues declined about 1.0% while operating expenses increased by 0.8%. Increases in investment and miscellaneous revenue offset declines in premiums written and exchange services revenue.

Net income for the fourth quarter declined primarily because of an increase in the provision for income taxes relating to a re-classification in the fourth quarter of certain taxable municipal bonds that had been misclassified as tax-exempt by the Company's custodian bank. The increase in income taxes consisted of approximately \$425,000 relating to the 2006 tax year and approximately \$325,000 relating to the first three quarters of 2007.

During the quarter, the Company repurchased 72,009 shares of its common stock and has authority remaining to repurchase an additional 235,336 shares. For the year ended December 31, 2007, the Company repurchased 111,437 shares of common stock.

President Fine added, “Overall we are pleased with the Company’s net income for the year given the challenging operating environment resulting from declining real estate activity and increasing claims experience industry-wide. We continue to be watchful over controllable expenditures and for opportunities to minimize fraud related claims exposure.”

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, 2006, as filed with the Securities and Exchange Commission.

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