

Investors Title Company and Subsidiaries
Consolidated Statements of Income
March 31, 2008 and 2007
(Unaudited)

	For The Three Months Ended March 31	
	<u>2008</u>	<u>2007</u>
Revenues:		
Underwriting income:		
Premiums Written	\$ 17,903,762	\$ 16,874,977
Less-premiums for reinsurance ceded	<u>90,402</u>	<u>82,435</u>
Net premiums written	17,813,360	16,792,542
Investment income-interest and dividends	1,279,359	1,209,607
Net realized gain on sales of investments	118,569	166,180
Exchange services revenue	404,698	1,245,479
Other	<u>1,244,933</u>	<u>919,961</u>
Total Revenues	<u>20,860,919</u>	<u>20,333,769</u>
Operating Expenses:		
Commissions to agents	7,319,270	6,845,288
Provision for claims	2,048,596	1,809,433
Salaries, employee benefits and payroll taxes	5,497,936	5,274,375
Office occupancy and operations	1,364,252	1,436,123
Business development	485,451	523,182
Filing fees and taxes, other than payroll and income	192,629	165,213
Premium and retaliatory taxes	367,337	441,920
Professional and contract labor fees	521,409	645,010
Other	<u>238,659</u>	<u>222,011</u>
Total Operating Expenses	<u>18,035,539</u>	<u>17,362,555</u>
Income Before Income Taxes	<u>2,825,380</u>	<u>2,971,214</u>
Provision For Income Taxes	<u>701,000</u>	<u>649,000</u>
Net Income	<u>\$ 2,124,380</u>	<u>\$ 2,322,214</u>
Basic Earnings Per Common Share	<u>\$ 0.88</u>	<u>\$ 0.93</u>
Weighted Average Shares Outstanding - Basic	<u>2,412,499</u>	<u>2,499,035</u>
Diluted Earnings Per Common Share	<u>\$ 0.87</u>	<u>\$ 0.92</u>
Weighted Average Shares Outstanding - Diluted	<u>2,437,195</u>	<u>2,535,858</u>