



## INVESTORS TITLE COMPANY ANNOUNCES FIRST QUARTER 2009 RESULTS

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### FOR IMMEDIATE RELEASE:

Chapel Hill, NC – J. Allen Fine, Chairman of Investors Title Company, announced that for the quarter ended March 31, 2009, the Company reported net income of \$1,434,963, a decrease of 32.5% compared with \$2,124,380 for the prior year period. Net income per diluted share equaled \$0.62, a decrease of 28.7% compared with \$0.87 per diluted share in the same period last year. Net premiums written decreased 7.9% to \$16,409,820 and total revenues decreased 10.4% to \$18,682,409 compared with the prior year period. Operating expenses decreased 6.3% to \$16,903,446 compared with the prior year.

Revenues decreased over the prior year period primarily due to a decrease in net premiums written and investment income, and an increase in realized losses on impaired investments. Ongoing weakness in real estate sales led to the decline in net premiums written over prior year volume. This decline was partially offset by an uptick in refinance activity during the current quarter. The Company impaired approximately \$345,000 of investments during the first quarter of 2009.

Chairman Fine added, "Premiums written received a significant boost from an increase in mortgage refinancing during the first quarter as interest rates remained at low levels. Nevertheless, the depressed real estate market continues to negatively affect purchase activity and overall title policy issuance. Claims expense remained stubbornly high as we continue to receive mechanic lien claims on property constructed during 2008. We are keeping a careful watch over evolving conditions in the current real estate climate."

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 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, 2008, as filed with the Securities and Exchange Commission.

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**Investors Title Company and Subsidiaries**  
**Consolidated Balance Sheets**  
*As of March 31, 2009 and December 31, 2008*  
(Unaudited)

	<u>March 31, 2009</u>	<u>December 31, 2008</u>
<b>Assets</b>		
Investments in securities:		
Fixed maturities:		
Held-to-maturity, at amortized cost	\$ 446,793	\$ 451,681
Available-for-sale, at fair value	87,187,255	87,708,500
Equity securities, available-for-sale, at fair value	8,923,089	9,965,297
Short-term investments	15,701,808	15,725,513
Other investments	2,101,894	2,040,962
Total investments	<u>114,360,839</u>	<u>115,891,953</u>
Cash and cash equivalents	4,822,641	5,155,046
Premiums and fees receivable, net	6,614,428	4,933,797
Accrued interest and dividends	1,046,637	1,225,070
Prepaid expenses and other assets	3,760,409	3,992,975
Property acquired in settlement of claims	414,413	395,734
Property, net	4,200,366	4,422,318
Deferred income taxes, net	2,801,536	3,841,295
	<u>4,822,641</u>	<u>5,155,046</u>
	<u>6,614,428</u>	<u>4,933,797</u>
	<u>1,046,637</u>	<u>1,225,070</u>
	<u>3,760,409</u>	<u>3,992,975</u>
	<u>414,413</u>	<u>395,734</u>
	<u>4,200,366</u>	<u>4,422,318</u>
	<u>2,801,536</u>	<u>3,841,295</u>
	<u>114,360,839</u>	<u>115,891,953</u>
<b>Total Assets</b>	<u>\$ 138,021,269</u>	<u>\$ 139,858,188</u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Reserves for claims	\$ 38,988,000	\$ 39,238,000
Accounts payable and accrued liabilities	7,514,108	10,762,300
Total liabilities	<u>46,502,108</u>	<u>50,000,300</u>
<b>Stockholders' Equity:</b>		
Common stock - no par value (shares authorized 10,000,000; 2,294,118 and 2,293,268 shares issued and outstanding 2009 and 2008, respectively, excluding 291,676 shares for 2009 and 2008 of common stock held by the Company's subsidiary)	1	1
Retained earnings	89,692,794	88,248,452
Accumulated other comprehensive income	1,826,366	1,609,435
Total stockholders' equity	<u>91,519,161</u>	<u>89,857,888</u>
	<u>1</u>	<u>1</u>
	<u>89,692,794</u>	<u>88,248,452</u>
	<u>1,826,366</u>	<u>1,609,435</u>
	<u>91,519,161</u>	<u>89,857,888</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u>\$ 138,021,269</u>	<u>\$ 139,858,188</u>

**Investors Title Company and Subsidiaries**  
**Consolidated Statements of Income**  
*March 31, 2009 and 2008*  
(Unaudited)

	<b>For The Three Months Ended March 31</b>	
	<u>2009</u>	<u>2008</u>
<b>Revenues:</b>		
Underwriting income:		
Premiums Written	\$ 16,410,597	\$ 17,903,762
Less-premiums for reinsurance ceded	777	90,402
Net premiums written	<u>16,409,820</u>	<u>17,813,360</u>
Investment income-interest and dividends	989,635	1,279,359
Net realized (loss) gain on investments	(299,937)	118,569
Exchange services revenue	323,764	404,698
Other	<u>1,259,127</u>	<u>1,244,933</u>
Total Revenues	<u>18,682,409</u>	<u>20,860,919</u>
<b>Operating Expenses:</b>		
Commissions to agents	7,532,209	7,319,270
Provision for claims	2,047,126	2,048,596
Salaries, employee benefits and payroll taxes	5,138,176	5,497,936
Office occupancy and operations	1,098,582	1,366,373
Business development	262,817	485,451
Filing fees and taxes, other than payroll and income	157,051	192,629
Premium and retaliatory taxes	367,262	367,337
Professional and contract labor fees	302,013	521,409
Other	<u>(1,790)</u>	<u>236,538</u>
Total Operating Expenses	<u>16,903,446</u>	<u>18,035,539</u>
<b>Income Before Income Taxes</b>	<u>1,778,963</u>	<u>2,825,380</u>
<b>Provision For Income Taxes</b>	<u>344,000</u>	<u>701,000</u>
<b>Net Income</b>	<u>\$ 1,434,963</u>	<u>\$ 2,124,380</u>
<b>Basic Earnings Per Common Share</b>	<u>\$ 0.63</u>	<u>\$ 0.88</u>
<b>Weighted Average Shares Outstanding - Basic</b>	<u>2,293,951</u>	<u>2,412,499</u>
<b>Diluted Earnings Per Common Share</b>	<u>\$ 0.62</u>	<u>\$ 0.87</u>
<b>Weighted Average Shares Outstanding - Diluted</b>	<u>2,296,041</u>	<u>2,437,195</u>

**Investors Title Company and Subsidiaries**  
**Net Premiums Written By State**  
*For the Three Months Ended March 31, 2009 and 2008*  
*(Unaudited)*

	<b>2009</b>	<b>2008</b>
Illinois	\$ 1,091,590	\$ 589,969
Kentucky	870,303	816,810
Michigan	852,273	1,045,827
New York	955,437	512,198
North Carolina	7,564,207	8,948,667
Pennsylvania	609,185	443,129
South Carolina	1,185,930	1,903,380
Tennessee	565,768	541,674
Virginia	1,227,764	1,521,794
West Virginia	547,581	470,898
Other States	939,759	1,013,072
<b>Direct Premiums</b>	<b>16,409,797</b>	17,807,418
Reinsurance Assumed	800	96,344
Reinsurance Ceded	(777)	(90,402)
<b>Net Premiums Written</b>	<b>\$ 16,409,820</b>	<b>\$ 17,813,360</b>

**Investors Title Company and Subsidiaries**  
**Net Premiums Written By Branch and Agency**  
*March 31, 2009 and 2008*  
*(Unaudited)*

For The Three Months Ended  
March 31

	<b>2009</b>	<b>%</b>	2008	<b>%</b>
<b>Branch</b>	<b>\$ 6,043,004</b>	<b>37</b>	\$ 7,364,830	41
<b>Agency</b>	<b>10,366,816</b>	<b>63</b>	10,448,530	59
<b>Total</b>	<b>\$ 16,409,820</b>	<b>100</b>	\$ 17,813,360	100