

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**  
**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **July 29, 2015**

**KINGSWAY FINANCIAL SERVICES INC.**

(Exact Name of Registrant as Specified in Its Charter)

<b>Ontario, Canada</b> (State or Other Jurisdiction of Incorporation)	<b>001-15204</b> (Commission File Number)	<b>Not Applicable</b> (IRS Employer Identification No.)
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**45 St. Clair Ave. West, Suite 400, Toronto, Ontario, Canada M4V 1K9**

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: **(416) 848-1171**

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

On July 29, 2015, Kingsway Financial Services Inc. (the “Company”) issued a press release regarding its financial results for the second quarter and six months ended June 30, 2015. A copy of the press release is furnished as Exhibit 99.1 to this report.

On October 23, 2015, the Company issued a press release regarding its financial results for the third quarter and nine months ended September 30, 2015. A copy of the press release is furnished as Exhibit 99.2 to this report.

On February 4, 2016, the Company issued a press release regarding its financial results for the fourth quarter and year ended December 31, 2015. A copy of the press release is furnished as Exhibit 99.3 to this report.

The information in this Form 8-K provided under this Item 2.02 and Exhibits 99.1, 99.2 and 99.3 attached hereto is being furnished to, and shall not be deemed “filed” with, the U.S. Securities and Exchange Commission or incorporated by reference into the Company’s filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

### **Item 9.01**

#### **Exhibit No.**

### **Financial Statements and Exhibits.**

#### **Exhibit Description**

99.1

Press Release titled “Kingsway Announces Second Quarter 2015 Results”

99.2

Press Release titled “Kingsway Announces Third Quarter 2015 Results”

99.3

Press Release titled “Kingsway Announces Fourth Quarter and Year-End 2015 Results”

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**KINGSWAY FINANCIAL SERVICES INC.**

February 16, 2016

By:

/s/ Larry G. Swets, Jr.

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Larry G. Swets, Jr.

President and Chief Executive Officer

## EXHIBIT INDEX

<b><u>Exhibit No.</u></b>	<b><u>Exhibit Description</u></b>
99.1	Press Release titled “Kingsway Announces Second Quarter 2015 Results”
99.2	Press Release titled “Kingsway Announces Third Quarter 2015 Results”
99.3	Press Release titled “Kingsway Announces Fourth Quarter and Year-End 2015 Results”



## **KINGSWAY ANNOUNCES SECOND QUARTER 2015 RESULTS**

Toronto, Ontario (July 29, 2015) - (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (“Kingsway” or the “Company”) today announced its operating results for the second quarter and six months ended June 30, 2015. All amounts are in U.S. dollars unless indicated otherwise.

### **Management Comments**

Larry G. Swets, Jr., President and Chief Executive Officer, stated, “We continued to harvest gains from prior investments during the first half of 2015. The sale of ARS in April was truly a ‘win-win,’ as we were able to execute on our long-term value building strategy through a sale with continued potential upside for Kingsway in the form of future earnouts, while providing ARS with the platform it needed to achieve further growth. We were able to utilize gains from this sale and the buy-back of the Management Services Agreement from 1347 Property Insurance Holdings, Inc. to further improve our capital position.”

Mr. Swets continued, “The repayment of our KLROC debt represents another milestone in the turnaround of our Company, as we will save almost \$2 million in cash debt service per year. After having inherited \$341.0 million of outstanding debt as of December 31, 2008, we now have only \$90.5 million of remaining outstanding debt, in the form of trust preferred securities which do not begin to mature until 2032.

“Kingsway is now a much simpler company. We own two warranty businesses and a non-standard automobile insurance business. We have a significant and growing portfolio of attractive passive investments. Our sale of ARS provides new resources to continue our merchant banking activities. Finally, we have legacy holding company operating expenses which we continue to manage more efficiently. Those four activities basically represent your investment in Kingsway and how you should evaluate us. We believe most of the extraordinary, legacy, non-cash accounting items, such as the loss on deconsolidation we are reporting this quarter, should now be behind us. We are now looking actively at options to leverage our considerable deferred tax asset in seeking fundamentally strong investment opportunities with asymmetric risk / reward profiles. We have never felt more confident about our future since your current management team joined the Company.”

### **Operating Results**

The Company reported net income attributable to common shareholders of \$1.8 million, or \$0.09 per diluted share, in the second quarter of 2015, compared to a net loss attributable to common shareholders of \$5.0 million, or \$0.30 per diluted share, in the second quarter of 2014.

For the six months ended June 30, 2015, Kingsway reported net income attributable to common shareholders of \$3.9 million, or \$0.20 per diluted share, compared to a net loss attributable to common shareholders of \$6.7 million, or \$0.41 per diluted share, in the prior year period.

Following are highlights of Kingsway’s second quarter 2015 results. Operating (loss) income reflects the Company’s core operating activities, including its reportable segments, passive investment portfolio, merchant banking activities and corporate operating expenses.

- Operating loss was \$2.5 million for the second quarter of 2015 compared to income of \$1.3 million for the second quarter of 2014.
  - Insurance Underwriting segment operating loss was \$0.5 million for the second quarter of 2015 compared to income of \$0.3 million for the second quarter of 2014.
  - Insurance Services segment operating loss was \$0.1 million for the second quarter of 2015 compared to \$0.2 million for the second quarter of 2014.
  - Net investment income of \$0.5 million was reported in the second quarter of 2015 compared to \$0.3 million in the second quarter of 2014.
  - Net realized gains of \$0.1 million were reported in the second quarter of 2015 compared to \$5.1 million in the second quarter of 2014, which was primarily from the liquidation of investments in the Company's passive portfolio.
  - Other operating income and expense was a net expense of \$2.5 million in the second quarter of 2015 compared to \$4.2 million in the second quarter of 2014.
- Adjusted operating loss was \$0.1 million in the second quarter of 2015 compared with income of \$5.5 million in the second quarter of 2014.
- Book value increased to \$2.46 per share at June 30, 2015 from \$2.12 per share at December 31, 2014. The Company also carries a valuation allowance, in the amount of \$14.42 per share at June 30, 2015, against the deferred tax asset, primarily related to its loss carryforwards.

The following events occurred during the second quarter of 2015:

- On April 1, 2015, the Company closed on the sale of its subsidiary, Assigned Risk Solutions Ltd. ("ARS"), to National General Holdings Corp. for \$47 million in cash and potential future earnout payments. ARS is a managing general agent and third-party administrator licensed in twenty-two states with a primary focus on the assigned risk automobile market. As a result, ARS, previously disclosed as part of the Insurance Services segment, has been classified as a discontinued operation. The Company recorded a net gain on disposal of \$11.3 million during the second quarter of 2015.
- The Company repaid the C\$15.8 million outstanding on its LROC preferred units due June 30, 2015.
- During the second quarter, the Company's controlling interest in Kingsway Linked Return of Capital Trust ("KLROC Trust") was reduced to zero upon the Company's repayment of its C\$15.8 million outstanding on its LROC preferred units due June 30, 2015. As a result, the Company recorded a non-cash loss on deconsolidation of subsidiary of \$4.4 million. This reported loss results from removing the net assets and accumulated other comprehensive loss of KLROC Trust from the Company's Consolidated Balance Sheets. The deconsolidation reduced consolidated shareholders' equity by \$2.8 million at June 30, 2015.
- On April 30, 2015, the Company distributed its Annual Letter to Shareholders. For a current review of the Company and a discussion of its plan to create and sustain long-term shareholder value, management invites you to review its Annual Letter to Shareholders, which may be accessed at the Company's website or directly at <http://bit.ly/kfs2014>.

### **About the Company**

Kingsway is a holding company functioning as a merchant bank with a focus on long-term value-creation. The Company owns or controls stakes in several insurance industry assets and utilizes its subsidiaries, 1347 Advisors LLC and 1347 Capital LLC, to pursue opportunities acting as an advisor, an investor and a financier. The common shares of Kingsway are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol "KFS."

**Consolidated Statements of Operations**  
**(in thousands, except per share data)**  
**(Unaudited)**

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Net premiums earned	\$ 30,200	\$ 28,755	\$ 59,230	\$ 60,675
Service fee and commission income	5,848	6,026	11,246	12,091
Net investment income	528	341	1,841	754
Net realized gains	53	5,091	53	5,130
Other-than-temporary impairment loss	—	—	(10)	—
Other income	2,514	2,286	10,871	4,560
<b>Total revenues</b>	<b>39,143</b>	<b>42,499</b>	<b>83,231</b>	<b>83,210</b>
<b>Operating expenses:</b>				
Loss and loss adjustment expenses	24,187	21,794	46,140	42,855
Commissions and premium taxes	5,799	5,532	11,546	12,085
Cost of services sold	1,058	937	1,721	1,793
General and administrative expenses	10,175	11,066	21,751	22,990
Amortization of intangible assets	313	409	630	823
Contingent consideration expense	110	267	254	534
Impairment of asset held for sale	—	1,180	—	1,180
<b>Total operating expenses</b>	<b>41,642</b>	<b>41,185</b>	<b>82,042</b>	<b>82,260</b>
<b>Operating (loss) income</b>	<b>(2,499)</b>	<b>1,314</b>	<b>1,189</b>	<b>950</b>
<b>Other expenses, net:</b>				
Interest expense	1,414	1,364	2,805	2,797
Foreign exchange losses (gains), net	760	(175)	1,152	41
Loss on change in fair value of debt	1,228	7,799	967	7,236
Loss on disposal of subsidiary	—	—	—	1,242
Loss on deconsolidation of subsidiary	4,420	—	4,420	—
Equity in net loss of investee	71	—	207	—
<b>Total other expenses, net</b>	<b>7,893</b>	<b>8,988</b>	<b>9,551</b>	<b>11,316</b>
Loss from continuing operations before income tax expense (benefit)	(10,392)	(7,674)	(8,362)	(10,366)
Income tax expense (benefit)	34	(1,059)	56	(999)
<b>Loss from continuing operations</b>	<b>(10,426)</b>	<b>(6,615)</b>	<b>(8,418)</b>	<b>(9,367)</b>
Income from discontinued operations, net of taxes	—	1,141	1,426	2,887
Gain on disposal of discontinued operations, net of taxes	11,259	—	11,259	—
<b>Net income (loss)</b>	<b>833</b>	<b>(5,474)</b>	<b>4,267</b>	<b>(6,480)</b>
Less: net (loss) income attributable to noncontrolling interests in consolidated subsidiaries	(1,064)	(558)	160	95
Less: dividends on preferred stock	82	82	163	135
<b>Net income (loss) attributable to common shareholders</b>	<b>\$ 1,815</b>	<b>\$ (4,998)</b>	<b>\$ 3,944</b>	<b>\$ (6,710)</b>
<b>Loss per share - continuing operations:</b>				
Basic:	\$ (0.48)	\$ (0.37)	\$ (0.44)	\$ (0.58)
Diluted:	\$ (0.48)	\$ (0.37)	\$ (0.44)	\$ (0.58)
<b>Earnings per share - discontinued operations:</b>				
Basic:	\$ 0.57	\$ 0.07	\$ 0.64	\$ 0.18
Diluted:	\$ 0.57	\$ 0.07	\$ 0.64	\$ 0.18
<b>Earnings (loss) per share – net income (loss) attributable to common shareholders:</b>				
Basic:	\$ 0.09	\$ (0.30)	\$ 0.20	\$ (0.41)
Diluted:	\$ 0.09	\$ (0.30)	\$ 0.20	\$ (0.41)
<b>Weighted average shares outstanding (in '000s):</b>				
Basic:	19,710	16,430	19,710	16,430
Diluted:	19,710	16,430	19,710	16,430

**Consolidated Balance Sheets**  
(in thousands, except per share data)

	June 30, 2015	December 31, 2014
	(unaudited)	
<b>Assets</b>		
Investments:		
Fixed maturities, at fair value (amortized cost of \$58,403 and \$56,000, respectively)	\$ 58,733	\$ 56,195
Equity investments, at fair value (cost of \$21,346 and \$16,579, respectively)	24,446	19,618
Limited liability investments	12,688	7,294
Other investments, at cost which approximates fair value	3,527	3,576
Short-term investments, at cost which approximates fair value	400	400
Total investments	99,794	87,083
Cash and cash equivalents	86,175	71,234
Investment in investee	1,904	2,115
Accrued investment income	703	141
Premiums receivable, net of allowance for doubtful accounts of \$258 and \$1,889, respectively	29,792	28,885
Service fee receivable, net of allowance for doubtful accounts of \$247 and \$247, respectively	1,115	964
Other receivables, net of allowance for doubtful accounts of \$806 and \$806, respectively	6,852	5,145
Reinsurance recoverable	1,505	3,652
Prepaid reinsurance premiums	91	8
Deferred acquisition costs, net	12,617	12,197
Income taxes recoverable	57	74
Property and equipment, net of accumulated depreciation of \$12,261 and \$15,751, respectively	5,795	5,975
Goodwill	10,078	10,078
Intangible assets, net of accumulated amortization of \$5,395 and \$4,765, respectively	15,350	15,980
Other assets	3,282	3,638
Assets held for sale	—	54,553
<b>Total Assets</b>	<b>\$ 275,110</b>	<b>\$ 301,722</b>
<b>Liabilities and Shareholders' Equity</b>		
Liabilities:		
Unpaid loss and loss adjustment expenses:		
Property and casualty	\$ 58,219	\$ 63,895
Vehicle service agreements	2,975	2,975
Total unpaid loss and loss adjustment expenses	61,194	66,870
Unearned premiums	37,848	36,432
Reinsurance payable	557	525
LROC preferred units, at fair value	—	13,618
Subordinated debt, at fair value	42,324	40,659
Deferred income tax liability	2,880	2,837
Deferred service fees	34,696	35,096
Accrued expenses and other liabilities	40,728	35,836
Liabilities held for sale	—	21,653
<b>Total Liabilities</b>	<b>220,227</b>	<b>253,526</b>
Class A preferred stock, no par value; unlimited number authorized; 262,876 and 262,876 issued and outstanding at June 30, 2015 and December 31, 2014, respectively	6,377	6,330
Shareholders' Equity:		
Common stock, no par value; unlimited number authorized; 19,709,706 and 19,709,706 issued and outstanding at June 30, 2015 and December 31, 2014, respectively	—	—
Additional paid-in capital	341,249	340,844
Accumulated deficit	(305,764)	(312,050)
Accumulated other comprehensive income	11,271	8,670
Shareholders' equity attributable to common shareholders	46,756	37,464
Noncontrolling interests in consolidated subsidiaries	1,750	4,402
<b>Total Shareholders' Equity</b>	<b>48,506</b>	<b>41,866</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 275,110</b>	<b>\$ 301,722</b>



Non-U.S. GAAP Financial Measures  
Segment Operating (Loss) Income

Segment operating (loss) income represents one measure of the pretax profitability of Kingsway's segments and is derived by subtracting direct segment expenses from direct segment revenues. Please refer to the section entitled "Non-U.S. GAAP Financial Measures" in the Management's Discussion and Analysis section of the Company's Annual Report on Form 10-K for the year ended December 31, 2014 for a detailed description of this non-U.S. GAAP measure.

Adjusted Operating (Loss) Income

Adjusted operating (loss) income represents another measure used by the Company to assess the profitability of the Company's segments, its passive investment portfolio and its merchant banking activities. Adjusted operating (loss) income is comprised of segment operating (loss) income as well as net investment income, net realized gains, other-than-temporary impairment loss, equity in net loss of investee and net revenues of 1347 Advisors. A reconciliation of segment operating (loss) income and adjusted operating (loss) income to net income (loss) for the three and six months ended June 30, 2015 and 2014 is presented below:

(in thousands)	Three months ended June 30.		Six months ended June 30.	
	2015	2014	2015	2014
Segment operating income (loss)	\$ (582)	\$ 78	\$ (446)	\$ 197
Net investment income	528	341	1,841	754
Net realized gains	53	5,091	53	5,130
Other-than-temporary impairment loss	—	—	(10)	—
Equity in net loss from investee	(71)	—	(207)	—
Revenues of 1347 Advisors, net of related outside professional and advisory expenses	(55)	3	5,939	3
Adjusted operating income (loss)	(127)	5,513	7,170	6,084
Corporate operating expenses and other (1)	(2,020)	(2,343)	(5,304)	(2,597)
Amortization of intangible assets	(313)	(409)	(630)	(823)
Contingent consideration expense	(110)	(267)	(254)	(534)
Impairment of asset held for sale	—	(1,180)	—	(1,180)
Interest expense	(1,414)	(1,364)	(2,805)	(2,797)
Foreign exchange gains (losses), net	(760)	175	(1,152)	(41)
Loss on change in fair value of debt	(1,228)	(7,799)	(967)	(7,236)
Loss on disposal of subsidiary	—	—	—	(1,242)
Loss on deconsolidation of subsidiary	(4,420)	—	(4,420)	—
Loss from continuing operations before income tax (expense) benefit	(10,392)	(7,674)	(8,362)	(10,366)
Income tax (expense) benefit	34	(1,059)	56	(999)
Loss from continuing operations	(10,426)	(6,615)	(8,418)	(9,367)
Income from discontinued operations, net of taxes	—	1,141	1,426	2,887
Gain on disposal of discontinued operations, net of taxes	11,259	—	11,259	—
Net income (loss)	\$ 833	\$ (5,474)	\$ 4,267	\$ (6,480)

- (1) Corporate operating expenses and other includes corporate operating expenses, stock-based compensation expense and non-cash expenses related to the consolidation of KLROC Trust.

### **Forward-Looking Statements**

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. Words such as “expects”, “believes”, “anticipates”, “intends”, “estimates”, “seeks” and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect Kingsway management’s current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward looking statements, please refer to the section entitled “Risk Factors” in the Company’s 2014 Annual Report on Form 10-K. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

### **Additional Information**

Additional information about Kingsway, including a copy of its 2014 Annual Report and filings on Forms 10-Q and 8-K, can be accessed on the Canadian Securities Administrators’ website at [www.sedar.com](http://www.sedar.com), on the EDGAR section of the U.S. Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov) or through the Company’s website at [www.kingsway-financial.com](http://www.kingsway-financial.com).



## KINGSWAY ANNOUNCES THIRD QUARTER 2015 RESULTS

Toronto, Ontario (October 23, 2015) - (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (“Kingsway” or the “Company”) today announced its operating results for the third quarter and nine months ended September 30, 2015. All amounts are in U.S. dollars unless indicated otherwise.

### Management Comments

Larry G. Swets, Jr., President and Chief Executive Officer, stated, “During the third quarter we continued to gradually lower our legacy holding company expenses and manage our operating businesses more effectively. We were pleased to report higher net premiums earned from our non-standard automobile business, and continue to manage the business to report incremental gains over the long-term. Our operating results for the period were a continuation of this strategy. In addition, we reported increases in our net investment income that have helped to both grow our book value in 2015 and present an attractive yield to shareholders.”

Mr. Swets continued, “We are also concentrating more effort to seeking opportunities in which to leverage our improved balance sheet and significant deferred tax asset using our expertise of creating value.”

### Operating Results

The Company reported net loss attributable to common shareholders of \$0.9 million, or \$0.05 per diluted share, in the third quarter of 2015, compared to a net loss attributable to common shareholders of \$7.0 million, or \$0.41 per diluted share, in the third quarter of 2014.

For the nine months ended September 30, 2015, Kingsway reported net income attributable to common shareholders of \$3.1 million, or \$0.15 per diluted share, compared to a net loss attributable to common shareholders of \$13.7 million, or \$0.82 per diluted share, in the prior year period.

Following are highlights of Kingsway’s third quarter 2015 results. Operating (loss) income reflects the Company’s core operating activities, including its reportable segments, passive investment portfolio, merchant banking activities and corporate operating expenses.

- Operating loss was \$1.8 million for the third quarter of 2015 compared to \$1.9 million for the third quarter of 2014.
  - Insurance Underwriting segment operating loss was \$0.2 million for the third quarter of 2015 compared to \$0.5 million for the third quarter of 2014.
  - Insurance Services segment operating loss was \$0.2 million for the third quarter of 2015 compared to income of \$0.4 million for the third quarter of 2014.
  - Net investment income of \$0.8 million was reported in the third quarter of 2015 compared to \$0.5 million in the third quarter of 2014.
  - Net realized gains of \$0.1 million were reported in the third quarter of 2015 compared to \$0.3 million in the third quarter of 2014.
  - Other operating income and expense was a net expense of \$2.3 million in the third quarter of 2015 compared to \$2.6 million in the third quarter of 2014.
- Adjusted operating income was \$0.1 million in the third quarter of 2015 compared to \$0.7 million in the third quarter of 2014.
- Book value increased to \$2.31 per share at September 30, 2015 from \$2.12 per share at December 31, 2014. The Company also carries a valuation allowance, in the amount of \$14.47 per share at September 30, 2015, against the deferred tax asset, primarily related to its loss carryforwards.

**About the Company**

Kingsway is a holding company functioning as a merchant bank with a focus on long-term value-creation. The Company owns or controls stakes in several insurance industry assets and utilizes its subsidiaries, 1347 Advisors LLC and 1347 Capital LLC, to pursue opportunities acting as an advisor, an investor and a financier. The common shares of Kingsway are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol “KFS.”

**Consolidated Statements of Operations**  
**(in thousands, except per share data)**  
**(Unaudited)**

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Net premiums earned	\$ 29,197	\$ 28,418	\$ 88,427	\$ 89,093
Service fee and commission income	6,184	6,949	17,430	19,040
Net investment income	791	542	2,632	1,296
Net realized gains	83	329	136	5,459
Other-than-temporary impairment loss	—	—	(10)	—
Other income	2,303	2,369	13,174	6,929
<b>Total revenues</b>	<b>38,558</b>	<b>38,607</b>	<b>121,789</b>	<b>121,817</b>
<b>Operating expenses:</b>				
Loss and loss adjustment expenses	22,914	22,361	69,054	65,216
Commissions and premium taxes	5,653	5,738	17,199	17,823
Cost of services sold	1,408	1,544	3,129	3,337
General and administrative expenses	9,997	10,206	31,748	33,196
Amortization of intangible assets	307	397	937	1,220
Contingent consideration expense	110	267	364	801
Impairment of asset held for sale	—	—	—	1,180
<b>Total operating expenses</b>	<b>40,389</b>	<b>40,513</b>	<b>122,431</b>	<b>122,773</b>
<b>Operating loss</b>	<b>(1,831)</b>	<b>(1,906)</b>	<b>(642)</b>	<b>(956)</b>
<b>Other (revenues) expenses, net:</b>				
Interest expense	1,248	1,417	4,053	4,214
Foreign exchange losses, net	58	230	1,210	271
(Gain) loss on change in fair value of debt	(2,458)	2,963	(1,491)	10,199
Loss on disposal of subsidiary	—	—	—	1,242
Loss on deconsolidation of subsidiary	—	—	4,420	—
Equity in net loss of investee	192	83	399	83
<b>Total other (revenues) expenses, net</b>	<b>(960)</b>	<b>4,693</b>	<b>8,591</b>	<b>16,009</b>
Loss from continuing operations before income tax expense (benefit)	(871)	(6,599)	(9,233)	(16,965)
Income tax expense (benefit)	23	28	79	(971)
<b>Loss from continuing operations</b>	<b>(894)</b>	<b>(6,627)</b>	<b>(9,312)</b>	<b>(15,994)</b>
Income from discontinued operations, net of taxes	—	532	1,426	3,419
Gain on disposal of discontinued operations, net of taxes	—	—	11,259	—
<b>Net (loss) income</b>	<b>(894)</b>	<b>(6,095)</b>	<b>3,373</b>	<b>(12,575)</b>
Less: net (loss) income attributable to noncontrolling interests in consolidated subsidiaries	(86)	778	74	873
Less: dividends on preferred stock	83	83	246	218
<b>Net (loss) income attributable to common shareholders</b>	<b>\$ (891)</b>	<b>\$ (6,956)</b>	<b>\$ 3,053</b>	<b>\$ (13,666)</b>
<b>Loss per share - continuing operations:</b>				
Basic:	\$ (0.05)	\$ (0.44)	\$ (0.49)	\$ (1.03)
Diluted:	\$ (0.05)	\$ (0.44)	\$ (0.49)	\$ (1.03)
<b>Earnings per share - discontinued operations:</b>				
Basic:	\$ —	\$ 0.03	\$ 0.64	\$ 0.21
Diluted:	\$ —	\$ 0.03	\$ 0.64	\$ 0.21
<b>(Loss) earnings per share – net (loss) income attributable to common shareholders:</b>				
Basic:	\$ (0.05)	\$ (0.41)	\$ 0.15	\$ (0.82)
Diluted:	\$ (0.05)	\$ (0.41)	\$ 0.15	\$ (0.82)
<b>Weighted average shares outstanding (in ‘000s):</b>				
Basic:	19,710	16,993	19,710	16,620
Diluted:	19,710	16,993	19,710	16,620

**Consolidated Balance Sheets**  
(in thousands, except per share data)

	September 30, 2015	December 31, 2014
	(unaudited)	
<b>Assets</b>		
Investments:		
Fixed maturities, at fair value (amortized cost of \$59,366 and \$56,000, respectively)	\$ 59,764	\$ 56,195
Equity investments, at fair value (cost of \$24,666 and \$16,579, respectively)	25,296	19,618
Limited liability investments	15,377	7,294
Other investments, at cost which approximates fair value	4,102	3,576
Short-term investments, at cost which approximates fair value	400	400
Total investments	104,939	87,083
Cash and cash equivalents	75,785	71,234
Investment in investee	1,712	2,115
Accrued investment income	856	141
Premiums receivable, net of allowance for doubtful accounts of \$258 and \$1,889, respectively	30,052	28,885
Service fee receivable, net of allowance for doubtful accounts of \$269 and \$247, respectively	1,388	964
Other receivables, net of allowance for doubtful accounts of \$806 and \$806, respectively	5,815	5,145
Reinsurance recoverable	1,687	3,652
Prepaid reinsurance premiums	49	8
Deferred acquisition costs, net	12,541	12,197
Income taxes recoverable	56	74
Property and equipment, net of accumulated depreciation of \$12,399 and \$15,751, respectively	5,687	5,975
Goodwill	10,078	10,078
Intangible assets, net of accumulated amortization of \$5,702 and \$4,765, respectively	15,043	15,980
Other assets	3,180	3,638
Assets held for sale	—	54,553
Total Assets	\$ 268,868	\$ 301,722
<b>Liabilities and Shareholders' Equity</b>		
Liabilities:		
Unpaid loss and loss adjustment expenses:		
Property and casualty	\$ 55,438	\$ 63,895
Vehicle service agreements	2,975	2,975
Total unpaid loss and loss adjustment expenses	58,413	66,870
Unearned premiums	37,752	36,432
Reinsurance payable	452	525
LROC preferred units, at fair value	—	13,618
Subordinated debt, at fair value	39,865	40,659
Deferred income tax liability	2,902	2,837
Deferred service fees	34,733	35,096
Accrued expenses and other liabilities	42,823	35,836
Liabilities held for sale	—	21,653
Total Liabilities	216,940	253,526
Class A preferred stock, no par value; unlimited number authorized; 262,876 and 262,876 issued and outstanding at September 30, 2015 and December 31, 2014, respectively; redemption amount of \$6,572	6,386	6,330
Shareholders' Equity:		
Common stock, no par value; unlimited number authorized; 19,709,706 and 19,709,706 issued and outstanding at September 30, 2015 and December 31, 2014, respectively	—	—
Additional paid-in capital	341,443	340,844
Accumulated deficit	(306,655)	(312,050)
Accumulated other comprehensive income	9,090	8,670
Shareholders' equity attributable to common shareholders	43,878	37,464
Noncontrolling interests in consolidated subsidiaries	1,664	4,402
Total Shareholders' Equity	45,542	41,866
Total Liabilities and Shareholders' Equity	\$ 268,868	\$ 301,722

Non-U.S. GAAP Financial Measures  
Segment Operating (Loss) Income

Segment operating (loss) income represents one measure of the pretax profitability of Kingsway's segments and is derived by subtracting direct segment expenses from direct segment revenues. Please refer to the section entitled "Non-U.S. GAAP Financial Measures" in the Management's Discussion and Analysis section of the Company's Annual Report on Form 10-K for the year ended December 31, 2014 for a detailed description of this non-U.S. GAAP measure.

Adjusted Operating Income

Adjusted operating income represents another measure used by the Company to assess the profitability of the Company's segments, its passive investment portfolio and its merchant banking activities. Adjusted operating income is comprised of segment operating (loss) income as well as net investment income, net realized gains, other-than-temporary impairment loss, equity in net loss of investee and net revenues of 1347 Advisors. A reconciliation of segment operating (loss) income and adjusted operating income to net (loss) income for the three and nine months ended September 30, 2015 and 2014 is presented below:

(in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
Segment operating (loss) income	\$ (401)	\$ (86)	\$ (847)	\$ 111
Net investment income	791	542	2,632	1,296
Net realized gains	83	329	136	5,459
Other-than-temporary impairment loss	—	—	(10)	—
Equity in net loss from investee	(192)	(83)	(399)	(83)
Revenues of 1347 Advisors, net of related outside professional and advisory expenses	(133)	21	5,806	24
Adjusted operating income	148	723	7,318	6,807
Corporate operating expenses and other (1)	(1,754)	(2,048)	(7,058)	(6,982)
Amortization of intangible assets	(307)	(397)	(937)	(1,220)
Contingent consideration expense	(110)	(267)	(364)	(801)
Impairment of asset held for sale	—	—	—	(1,180)
Interest expense	(1,248)	(1,417)	(4,053)	(4,214)
Foreign exchange gains (losses), net	(58)	(230)	(1,210)	(271)
Gain (loss) on change in fair value of debt	2,458	(2,963)	1,491	(10,199)
Loss on disposal of subsidiary	—	—	—	(1,242)
Loss on deconsolidation of subsidiary	—	—	(4,420)	—
Income from disposed subsidiary	—	—	—	2,337
Loss from continuing operations before income tax (expense) benefit	(871)	(6,599)	(9,233)	(16,965)
Income tax (expense) benefit	(23)	(28)	(79)	971
Loss from continuing operations	(894)	(6,627)	(9,312)	(15,994)
Income from discontinued operations, net of taxes	—	532	1,426	3,419
Gain on disposal of discontinued operations, net of taxes	—	—	11,259	—
Net (loss) income	\$ (894)	\$ (6,095)	\$ 3,373	\$ (12,575)

- (1) Corporate operating expenses and other includes corporate operating expenses, stock-based compensation expense and non-cash expenses related to the consolidation of KLROC Trust.

**Forward-Looking Statements**

This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. Words such as "expects", "believes", "anticipates", "intends", "estimates", "seeks" and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect Kingsway management's current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance

and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward looking statements, please refer to the section entitled “Risk Factors” in the Company’s 2014 Annual Report on Form 10-K. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

**Additional Information**

Additional information about Kingsway, including a copy of its 2014 Annual Report and filings on Forms 10-Q and 8-K, can be accessed on the Canadian Securities Administrators’ website at [www.sedar.com](http://www.sedar.com), on the EDGAR section of the U.S. Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov) or through the Company’s website at [www.kingsway-financial.com](http://www.kingsway-financial.com).

For a current review of the Company and a discussion of its plan to create and sustain long-term shareholder value, management invites you to review its Annual Letter to Shareholders, which may be accessed at the Company’s website or directly at <http://bit.ly/kfs2014>.





## KINGSWAY ANNOUNCES FOURTH QUARTER AND YEAR-END 2015 RESULTS

Toronto, Ontario (February 4, 2016) - (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (“Kingsway” or the “Company”) today announced its operating results for the fourth quarter and year ended December 31, 2015. All amounts are in U.S. dollars unless indicated otherwise.

### Management Comments

Larry G. Swets, Jr., President and Chief Executive Officer, stated, “2015 was an excellent year for the Company, as we returned to profitability and improved the balance sheet considerably through the sale of ARS in April, the buy-out of the Management Services Agreement from 1347 Property Insurance Holdings, Inc. (while maintaining a position in the company), repaying our KLROC debt, and becoming current on the outstanding Trust Preferred indentures. This has Kingsway positioned to both pursue new growth opportunities while also allowing our Company to initiate a share buy-back plan. We reported considerably higher net investment income and have grown book value per share by 5%. We are now in the strongest financial position since our management team joined in 2010. Each of us has a meaningful stake in the Company and believes in Kingsway’s long-term potential.”

Mr. Swets continued, “In the fourth quarter, our concentration was on effectively managing our existing operations. We are focused on gradual gains while maintaining the float to provide Kingsway the ability to execute on its merchant banking strategy.

“Kingsway is actively pursuing expansion opportunities where we can leverage our expertise and track record to seek long-term value creation through investments, acquisitions and financings. We will leverage our unique position with the Company’s deferred tax asset to execute on these opportunities throughout the remainder of the year.”

### Operating Results

The Company reported net loss attributable to common shareholders of \$2.3 million, or \$0.12 per diluted share, in the fourth quarter of 2015, compared to a net income attributable to common shareholders of \$0.5 million, or \$0.03 per diluted share, in the fourth quarter of 2014.

For the year ended December 31, 2015, Kingsway reported net income attributable to common shareholders of \$0.8 million, or \$0.04 per diluted share, compared to a net loss attributable to common shareholders of \$13.1 million, or \$0.75 per diluted share, in the prior year period.

Following are highlights of Kingsway’s fourth quarter 2015 results. Operating (loss) income reflects the Company’s core operating activities, including its reportable segments, passive investment portfolio, merchant banking activities and corporate operating expenses.

- Operating loss was \$0.9 million for the fourth quarter of 2015 compared to operating income of \$3.6 million for the fourth quarter of 2014.
  - Insurance Underwriting segment operating loss was \$0.8 million for the fourth quarter of 2015 compared to operating income of \$1.2 million for the fourth quarter of 2014.
  - Insurance Services segment operating loss was \$0.2 million for the fourth quarter of 2015 compared to income of \$0.2 million for the fourth quarter of 2014.
  - Net investment income of \$0.3 million was reported in the fourth quarter of 2015 compared to \$0.3 million in the fourth quarter of 2014.
  - Net realized gains of \$1.1 million were reported in the fourth quarter of 2015 compared to net realized losses of \$0.4 million in the fourth quarter of 2014.

- Other operating income and expense was a net expense of \$1.3 million in the fourth quarter of 2015 compared to a net income of \$2.3 million in the fourth quarter of 2014.
- Adjusted operating loss was \$0.2 million in the fourth quarter of 2015 compared to income of \$1.2 million in the fourth quarter of 2014.
- Book value increased to \$2.22 per share at December 31, 2015 from \$2.12 per share at December 31, 2014. The Company also carries a valuation allowance, in the amount of \$14.39 per share at December 31, 2015, against the deferred tax asset, primarily related to its loss carryforwards.

### **About the Company**

Kingsway is a holding company functioning as a merchant bank with a focus on long-term value-creation. The Company owns or controls stakes in several insurance industry assets and utilizes its subsidiaries, 1347 Advisors LLC and 1347 Capital LLC, to pursue opportunities acting as an advisor, an investor and a financier. The common shares of Kingsway are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol “KFS.”

**Consolidated Statements of Operations**  
(in thousands, except per share data)

	Three months ended December 31,		Years ended December 31,	
	2015	2014	2015	2014
Revenues:	(unaudited)		(unaudited)	
Net premiums earned	\$ 29,006	\$ 28,500	\$ 117,433	\$ 117,593
Service fee and commission income	5,536	5,619	22,966	24,659
Net investment income	286	320	2,918	1,616
Net realized gains (losses)	1,061	(418)	1,197	5,041
Other-than-temporary impairment loss	—	—	(10)	—
Other income	2,288	2,386	15,462	9,315
<b>Total revenues</b>	<b>38,177</b>	<b>36,407</b>	<b>159,966</b>	<b>158,224</b>
Operating expenses:				
Loss and loss adjustment expenses	23,758	21,011	92,812	86,227
Commissions and premium taxes	5,574	5,415	22,773	23,238
Cost of services sold	915	543	4,044	3,880
General and administrative expenses	10,012	8,417	41,760	41,613
Amortization of intangible assets	307	400	1,244	1,620
Contingent consideration benefit	(1,503)	(3,024)	(1,139)	(2,223)
Impairment of asset held for sale	—	—	—	1,180
<b>Total operating expenses</b>	<b>39,063</b>	<b>32,762</b>	<b>161,494</b>	<b>155,535</b>
<b>Operating (loss) income</b>	<b>(886)</b>	<b>3,645</b>	<b>(1,528)</b>	<b>2,689</b>
Other (revenues) expenses, net:				
Interest expense	1,225	1,431	5,278	5,645
Foreign exchange losses, net	5	148	1,215	419
(Gain) loss on change in fair value of debt	33	754	(1,458)	10,953
Loss on disposal of subsidiary	—	2	—	1,244
Loss on disposal of asset held for sale	—	125	—	125
Loss on deconsolidation of subsidiary	—	—	4,420	—
Equity in net (income) loss of investee	(60)	107	339	190
<b>Total other expenses, net</b>	<b>1,203</b>	<b>2,567</b>	<b>9,794</b>	<b>18,576</b>
Loss from continuing operations before income tax expense (benefit)	(2,089)	1,078	(11,322)	(15,887)
Income tax expense (benefit)	14	(250)	93	(1,221)
<b>(Loss) income from continuing operations</b>	<b>(2,103)</b>	<b>1,328</b>	<b>(11,415)</b>	<b>(14,666)</b>
(Loss) income from discontinued operations, net of taxes	(9)	23	1,417	3,442
Gain on disposal of discontinued operations, net of taxes	8	—	11,267	—
<b>Net (loss) income</b>	<b>(2,104)</b>	<b>1,351</b>	<b>1,269</b>	<b>(11,224)</b>
Less: net income attributable to noncontrolling interests in consolidated subsidiaries	88	723	162	1,596
Less: dividends on preferred stock	83	82	329	300
<b>Net (loss) income attributable to common shareholders</b>	<b>\$ (2,275)</b>	<b>\$ 546</b>	<b>\$ 778</b>	<b>\$ (13,120)</b>
(Loss) earnings per share - continuing operations:				
Basic:	\$ (0.12)	\$ 0.03	\$ (0.60)	\$ (0.95)
Diluted:	\$ (0.12)	\$ 0.03	\$ (0.60)	\$ (0.95)
Earnings per share - discontinued operations:				
Basic:	\$ —	\$ —	\$ 0.64	\$ 0.20
Diluted:	\$ —	\$ —	\$ 0.64	\$ 0.20
(Loss) earnings per share – net (loss) income attributable to common shareholders:				
Basic:	\$ (0.12)	\$ 0.03	\$ 0.04	\$ (0.75)
Diluted:	\$ (0.12)	\$ 0.03	\$ 0.04	\$ (0.75)
Weighted average shares outstanding (in '000s):				
Basic:	19,710	19,710	19,710	17,398
Diluted:	19,710	19,710	19,710	17,398

**Consolidated Balance Sheets**  
(in thousands, except per share data)

	December 31, 2015	December 31, 2014
	(unaudited)	
<b>Assets</b>		
Investments:		
Fixed maturities, at fair value (amortized cost of \$55,606 and \$56,000, respectively)	\$ 55,559	\$ 56,195
Equity investments, at fair value (cost of \$26,428 and \$16,579, respectively)	27,559	19,618
Limited liability investments	20,141	7,294
Other investments, at cost which approximates fair value	4,077	3,576
Short-term investments, at cost which approximates fair value	400	400
Total investments	107,736	87,083
Cash and cash equivalents	51,701	71,234
Investment in investee	1,772	2,115
Accrued investment income	594	141
Premiums receivable, net of allowance for doubtful accounts of \$165 and \$1,889, respectively	27,090	28,885
Service fee receivable, net of allowance for doubtful accounts of \$276 and \$247, respectively	911	964
Other receivables, net of allowance for doubtful accounts of \$806 and \$806, respectively	3,789	5,145
Reinsurance recoverable	1,422	3,652
Prepaid reinsurance premiums	7	8
Deferred acquisition costs, net	12,143	12,197
Income taxes recoverable	61	74
Property and equipment, net of accumulated depreciation of \$12,537 and \$15,751, respectively	5,577	5,975
Goodwill	10,078	10,078
Intangible assets, net of accumulated amortization of \$6,009 and \$4,765, respectively	14,736	15,980
Other assets	3,405	3,638
Asset held for sale	—	54,553
Total Assets	\$ 241,022	\$ 301,722
<b>Liabilities and Shareholders' Equity</b>		
Liabilities:		
Unpaid loss and loss adjustment expenses:		
Property and casualty	\$ 55,471	\$ 63,895
Vehicle service agreements	2,975	2,975
Total unpaid loss and loss adjustment expenses	58,446	66,870
Unearned premiums	35,234	36,432
Reinsurance payable	145	525
LROC preferred units, at fair value	—	13,618
Subordinated debt, at fair value	39,898	40,659
Deferred income tax liability	2,924	2,837
Deferred service fees	34,319	35,096
Accrued expenses and other liabilities	19,959	35,836
Liabilities held for sale	—	21,653
Total Liabilities	190,925	253,526
Class A preferred stock, no par value; unlimited number authorized; 262,876 and 262,876 issued and outstanding at December 31, 2015 and December 31, 2014, respectively	6,394	6,330
Shareholders' Equity:		
Common stock, no par value; unlimited number authorized; 19,709,706 and 19,709,706 issued and outstanding at December 31, 2015 and December 31, 2014, respectively	—	—
Additional paid-in capital	341,646	340,844
Accumulated deficit	(308,995)	(312,050)
Accumulated other comprehensive income	9,300	8,670
Shareholders' equity attributable to common shareholders	41,951	37,464
Noncontrolling interests in consolidated subsidiaries	1,752	4,402
Total Shareholders' Equity	43,703	41,866
Total Liabilities and Shareholders' Equity	\$ 241,022	\$ 301,722

Non-U.S. GAAP Financial Measures  
Segment Operating (Loss) Income

Segment operating (loss) income represents one measure of the pretax profitability of Kingsway's segments and is derived by subtracting direct segment expenses from direct segment revenues. Please refer to the section entitled "Non-U.S. GAAP Financial Measures" in the Management's Discussion and Analysis section of the Company's Annual Report on Form 10-K for the year ended December 31, 2014 for a detailed description of this non-U.S. GAAP measure.

Adjusted Operating (Loss) Income

Adjusted operating (loss) income represents another measure used by the Company to assess the profitability of the Company's segments, its passive investment portfolio and its merchant banking activities. Adjusted operating (loss) income is comprised of segment operating (loss) income as well as net investment income, net realized gains, other-than-temporary impairment loss, equity in net income (loss) of investee and net revenues of 1347 Advisors. A reconciliation of segment operating (loss) income and adjusted operating (loss) income to net (loss) income for the quarters and years ended December 31, 2015 and 2014 is presented below:

(in thousands)	Three months ended December 31,		Years ended December 31,	
	2015	2014	2015	2014
Segment operating (loss) income	\$ (928)	\$ 1,385	\$ (1,775)	\$ 1,496
Net investment income	286	320	2,918	1,616
Net realized gains (losses)	1,061	(418)	1,197	5,041
Other-than-temporary impairment loss	—	—	(10)	—
Equity in net income (loss) from investee	60	(107)	(339)	(190)
Revenues of 1347 Advisors, net of related outside professional and advisory expenses	(639)	54	5,167	78
Adjusted operating (loss) income	(160)	1,234	7,158	8,041
Corporate operating expenses and other (1)	(1,862)	(320)	(8,920)	(7,302)
Amortization of intangible assets	(307)	(400)	(1,244)	(1,620)
Contingent consideration benefit	1,503	3,024	1,139	2,223
Impairment of asset held for sale	—	—	—	(1,180)
Interest expense	(1,225)	(1,431)	(5,278)	(5,645)
Foreign exchange losses, net	(5)	(148)	(1,215)	(419)
(Loss) gain on change in fair value of debt	(33)	(754)	1,458	(10,953)
Loss on disposal of subsidiary	—	(2)	—	(1,244)
Loss on disposal of asset held for sale	—	(125)	—	(125)
Loss on deconsolidation of subsidiary	—	—	(4,420)	—
Income from disposed subsidiary	—	—	—	2,337
(Loss) income from continuing operations before income tax (expense) benefit	(2,089)	1,078	(11,322)	(15,887)
Income tax (expense) benefit	(14)	250	(93)	1,221
(Loss) income from continuing operations	(2,103)	1,328	(11,415)	(14,666)
(Loss) income from discontinued operations, net of taxes	(9)	23	1,417	3,442
Gain on disposal of discontinued operations, net of taxes	8	—	11,267	—
Net (loss) income	\$ (2,104)	\$ 1,351	\$ 1,269	\$ (11,224)

(1) Corporate operating expenses and other includes corporate operating expenses, stock-based compensation expense and non-cash expenses related to the consolidation of KLROC Trust.

### **Forward-Looking Statements**

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. Words such as “expects”, “believes”, “anticipates”, “intends”, “estimates”, “seeks” and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect Kingsway management’s current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward looking statements, please refer to the section entitled “Risk Factors” in the Company’s 2014 Annual Report on Form 10-K. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

### **Additional Information**

Additional information about Kingsway, including a copy of its 2014 Annual Report and filings on Forms 10-Q and 8-K, can be accessed on the Canadian Securities Administrators’ website at [www.sedar.com](http://www.sedar.com), on the EDGAR section of the U.S. Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov) or through the Company’s website at [www.kingsway-financial.com](http://www.kingsway-financial.com).

For a current review of the Company and a discussion of its plan to create and sustain long-term shareholder value, management invites you to review its Annual Letter to Shareholders, which may be accessed at the Company’s website or directly at <http://bit.ly/kfs2014>.