

**For Immediate Release**

**TSE SYMBOL: KFS**

**KINGSWAY FINANCIAL SERVICES INC.  
ANNOUNCES NORMAL COURSE ISSUER BID**

**Toronto, Ontario (September 8, 1999)** - Kingsway Financial Services Inc. ("Kingsway") announced today that The Toronto Stock Exchange has accepted a notice filed by Kingsway of its intention to make a normal course issuer bid for a maximum of 1,785,000 Common Shares representing 5% of the Company's issued and outstanding Common Shares. There are an aggregate of 35,700,468 issued and outstanding Common Shares in the capital of Kingsway.

The issuer bid will be effected through the facilities of The Toronto Stock Exchange. The price to be paid for the shares pursuant to the normal course issuer bid will be the market price of the shares at the time of the acquisition. The shares will be purchased for cancellation.

Kingsway has purchased 453,800 of its Common Shares at an average price of \$9.29 per share within the preceding 12 months through the facilities of The Toronto Stock Exchange pursuant to a normal course issuer bid.

Kingsway believes that its Common Shares have been trading in a price range that does not adequately reflect the value of the shares in relation to the business of Kingsway and its future business prospects. As a result, depending upon future price movements and other factors, Kingsway believes that its outstanding Common Shares represent an attractive investment.

This normal course issuer bid will commence on September 10, 1999 and will be terminated at the discretion of the company no later than September 9, 2000, these dates being subject to obtaining regulatory approval.

**About the Company**

Kingsway's primary business is the insuring of automobile risks for drivers who do not meet the criteria for coverage by standard automobile insurers. The Company currently operates through nine wholly owned subsidiaries in Canada and the United States. Canadian subsidiaries include Kingsway General Insurance Company, York Fire & Casualty Insurance Company and Jevco Insurance Company. U.S. subsidiaries include Universal Casualty Company, American Service Insurance Company, Southern United Fire Insurance Company, Walshire Assurance Company, Hamilton Investments, Inc. and Avalon Risk Management, Inc. Kingsway General and York Fire are both rated "A" Excellent by A.M. Best. The common shares of Kingsway Financial Services Inc. are listed on the Toronto Stock Exchange, under the trading symbol "KFS".

- 30 -

**For further information, please contact:**

**Shaun Jackson**

**Executive Vice President and Chief Financial Officer**

**Kingsway Financial Services Inc.**

**Tel: (905) 629-7888**

**Fax: (905) 629-5008**

**Web Site: [www.kingsway-financial.com](http://www.kingsway-financial.com)**