

TSE SYMBOL: KFS

**KINGSWAY SENIOR DEBT RATING IS REAFFIRMED BY STANDARD & POOR'S
Investment grade rating reflects very strong capital position**

Toronto, Ontario (June 12, 2000) – Kingsway Financial Services Inc. (Kingsway) today announced Standard & Poor's (S&P) has affirmed its senior debt rating of BBB-, with a stable outlook.

The investment grade rating follows a comprehensive review conducted by S&P, which cited Kingsway's strong Canadian business position, the company's good operating results, the ability to consistently report an underwriting profit and very strong capital position as major factors contributing to the rating.

"We are very pleased to have received such a strong rating, which confirms the financial strength and stability of the Kingsway organization," said Bill Star, President and Chief Executive Officer.

Standard & Poor's is one of the world's leading providers of timely, objective credit analysis and information, and has been rating conventional term debt and general-obligation corporate and municipal bonds since 1916. Standard & Poor's Insurance Ratings service rates the financial strength of more than 4,000 insurance companies worldwide.

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. The Company also operates reinsurance subsidiaries in Barbados and Bermuda. Kingsway Financial, Kingsway General, York Fire and Jevco are all 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".

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