

KINGSWAY ANNOUNCES TWO EXECUTIVE APPOINTMENTS

Toronto, Ontario (January 22, 2001) – William G. Star, Chairman and Chief Executive Officer of Kingsway Financial Services Inc., is pleased to announce the appointment of Kevin Walton to Executive Vice President & General Manager of Hamilton Risk Management and Denis Cloutier to the position of Chief Actuary at Kingsway Financial Services Inc.

Mr. Walton is a chartered accountant with a Bachelor of Commerce from the University of Calgary, who brings 10 years of insurance experience to his new position. Prior to joining Hamilton, Mr. Walton was with the international insurance management arm of a multi-national insurance Broker, where he held various positions, most recently that of Senior Vice President and Branch Manager.

Mr. Cloutier is a Fellow of the Canadian Institute of Actuaries and of the Casualty Actuarial Society, with over 18 years of experience in the property and casualty industry, specializing in personal lines, pricing and reserve valuation. Mr. Cloutier was with a major multi-national insurance company, where he was a senior actuary prior to joining Kingsway.

“I am pleased to welcome both Kevin and Denis to the executive team”, said Bill Star, Chairman and Chief Executive Officer. “Their experience and knowledge in the insurance industry will bring additional strength to our organization”.

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 U.S. 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, Jevco and Kingsway Reinsurance (Bermuda) are all rated “A” Excellent by A.M. Best. The Company’s senior debt is rated 'BBB-' (investment grade) by Standard and Poor’s. 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

Tel: (905) 629-7888

Fax: (905) 629-5008

Web Site: www.kingsway-financial.com