



KINGSWAY AMENDS PUBLIC OFFERING

TORONTO, ONTARIO (July 4, 2001) - Kingsway Financial Services Inc. (TSE:KFS) today announced that it has filed an amended and restated short form prospectus with securities regulatory authorities in Canada to amend the number of shares to be issued by way of public offering to 5 million common shares and up to an additional 750,000 common shares for over allotments. The syndicate of underwriters will now be comprised of HSBC Securities (Canada) Inc., CIBC World Markets Inc. and Scotia Capital Inc. The shares to be issued will only be qualified with securities regulatory authorities in Canada.

As previously announced, Kingsway intends to list its common shares on the New York Stock Exchange under the symbol "KFS".

About Kingsway

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".

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FOR FURTHER INFORMATION PLEASE CONTACT:

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