



KINGSWAY COMPLETES PUBLIC OFFERING AND COMMENCES TRADING ON NEW YORK STOCK EXCHANGE

TORONTO, ONTARIO (July 12, 2001) - Kingsway Financial Services Inc. (TSE:KFS, NYSE:KFS) today announced that it has completed its previously announced public offering. In addition, the underwriters exercised their over allotment option. In total, 5,750,000 common shares were issued at \$12.50 per share for total gross proceeds of \$71,875,000.

The underwriters of the offering were HSBC Securities (Canada) Inc., CIBC World Markets Inc. and Scotia Capital Inc.

The net proceeds from this offering will be used to augment the Company's capital and for general corporate purposes.

The Company also reported that its common shares commenced trading on the New York Stock Exchange on July 11, 2001 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 and the New York Stock Exchange, under the trading symbol "KFS".

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