

TSE SYMBOL: KFS

KINGSWAY SENIOR DEBT RATING IS UPGRADED BY STANDARD & POOR'S
Investment grade rating reflects very strong operating performance and capital position

Toronto, Ontario (November 7, 2001) – Kingsway Financial Services Inc. (Kingsway) today announced Standard & Poor's (S&P) has upgraded its senior debt rating to BBB from BBB-, with a stable outlook.

The upgrade in rating follows a comprehensive review conducted by S&P, which cited Kingsway's very strong operating performance in its chosen niche markets of non-standard automobile, long-haul trucking and motorcycle, very strong capital position and improved leverage and financial flexibility.

"It is very pleasing to receive the upgrade to senior debt rating in recognition of our strong operating performance. This is particularly satisfying at this challenging time for our industry", 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 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, Lincoln General Insurance Company, U.S. Security Insurance Company 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' 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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