

## **KINGSWAY ANNOUNCES PUBLIC OFFERING**

**Toronto, Ontario (November 21, 2001)**--Kingsway Financial Services Inc. (TSE:KFS) today announced that it has filed a preliminary short form prospectus with securities regulatory authorities in Canada and a registration statement with the U.S. Securities and Exchange Commission pursuant to the multijurisdictional disclosure system for a proposed public offering of common shares. The proposed public offering covers the issuance of 7.5 million common shares and up to an additional 1.125 million common shares for over-allotments. The common shares of Kingsway Financial Services Inc. are currently listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol "KFS".

The common shares will be sold in the United States and Canada through a group of underwriters led by HSBC Securities and CIBC World Markets.

A registration statement relating to the common shares has been filed with the U.S. Securities and Exchange Commission but has not yet become effective. The common shares to be issued under this offering may not be sold in the United States of America nor may offers to buy be accepted prior to the time the registration statement becomes effective. Similarly, these common shares may not be sold in Canada until a receipt for a final prospectus is obtained. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the common shares in any state, province or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state, province or jurisdiction. Copies of the U.S. preliminary prospectus and the Canadian preliminary short form prospectus relating to the offering may be obtained from HSBC Securities (Canada) Inc., Toronto Dominion Bank Tower, P.O. Box 67, Suite 5300, Toronto, Ontario M5K 1E7.

### **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, 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' (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".

- 30 -

**For further information, please contact:**  
**Shaun Jackson**  
**Executive Vice President and Chief Financial Officer**  
**Tel: (905) 629-7888**

**Fax: (905) 629-5008**