

## THE U.S. TRAGEDIES

**Toronto, Ontario (September 12, 2001)** – Kingsway Financial Services Inc. (TSE:KFS, NYSE:KFS) would like to express its sincere sympathy to the unfortunate victims of the tragedies that occurred in the United States yesterday.

In the hours following these tragedies, we were relieved when we received confirmation that all of our Avalon New York office employees were safe and had been accounted for.

Based on our preliminary evaluation, we do not expect any financial loss as a result of this event. The Company expects that insured losses will be restricted to those lines of business which the company does not underwrite in the states where the events occurred. This event should not affect the financial strength of the Company and the fundamentals of the Company's operations will not change.

Our thoughts and deepest sympathy continue to be with the victims and their families that are affected and we recognize that no financial compensation can make up for any human suffering.

### **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-' (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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