

KINGSWAY ANNOUNCES APPOINTMENT OF NEW DIRECTORS

Toronto, Ontario (February 26, 2002) – William G. Star, Chairman and Chief Executive Officer of Kingsway Financial Services Inc. (TSE:KFS, NYSE:KFS) is pleased to announce the appointment of James Corcoran and J. Brian Reeve to the Company's Board of Directors.

Mr. Corcoran received a B.A. from Iona College and a J.D. from Fordham University of Law. During his distinguished career, Mr. Corcoran has held various senior positions in the insurance industry and from 1983 to 1990 he served as the Superintendent of Insurance for the State of New York. After 1990, he has been partner in various U.S. law firms and has held senior positions in the insurance industry.

Mr. Reeve earned a B.A. from the University of Western Ontario, an LLB from Osgoode Hall Law School, MBA from York University and was called to the bar in 1982. He is a member of the Executive Committee as well as the Practice Group Leader of the Financial Services Group of Cassels Brock and Blackwell LLP, a Toronto law firm where he specializes in the regulation and corporate governance of insurance companies. He has also been a special advisor to both the Ontario and Federal Ministries of Finance on insurance matters and has served on the boards of several Canadian insurance companies, as well as being the chief Agent in Canada for several foreign insurers.

The nine member Board of Kingsway Financial is now comprised of David Atkins, John Beamish, James Corcoran, Thomas Di Giacomo, Bernard Gluckstein, Brian Reeve and Michael Walsh, who are "outside" and "unrelated" directors under the TSE definition for corporate governance purposes, together with Bill Star and James Zuhlke who are officers of the Company.

"I am pleased to welcome both Jim and Brian to the board of Kingsway Financial", said Bill Star, Chairman and Chief Executive Officer. "Jim's experience and knowledge of the U.S. insurance industry and regulatory environment and Brian's experience in the Canadian insurance industry bring additional strength to our board".

The company also announced the following appointments of outside directors to supplement the boards of Kingsway General Insurance Company ('Kingsway') and York Fire and Casualty Insurance Company ('York'). John Beamish and Paul Iacono were appointed to the Board of Directors of Kingsway and York, and Bernard Gluckstein was appointed to the Board of Directors of York. Mr. Iacono, Q.C. earned a degree in political science and economics from the University of Toronto, graduated from Osgoode Hall Law School and was called to the bar in 1972. He co-founded the law firm known as Iacono Brown and has practiced exclusively in the fields of insurance, tort and personal injury law.

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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