



KINGSWAY ANNOUNCES APPOINTMENT OF NEW DIRECTORS

Toronto, Ontario (June 23, 2005) – William G. Star, Chairman and Chief Executive Officer of Kingsway Financial Services Inc. (TSE:KFS, NYSE:KFS) is pleased to announce the appointment of Walter Farnam and Jack Sullivan to the Company's Board of Directors.

Mr. Farnam received a B.A. from Brown University. During his career, Mr. Farnam has held various senior positions in the insurance industry and from 1998 until his retirement in June, 2001 served as Chairman of the Board of the CGU Insurance Group in the United States. Prior to June, 1998 Mr. Farnam was Chairman and Chief Executive Officer of General Accident Insurance in Philadelphia. He also held the position of President and Chief Operating Officer of General Accident Insurance in the United States from July, 1985 through August 1991. He is a Fellow of the Casualty Actuarial Society and is Past Chairman of the Council of Insurance Company Executives. Mr. Farnam also served on the Executive Committee and Board of Trustees of the American Institute for Chartered Property Casualty Underwriters/Insurance Institute of America.

Mr. Sullivan earned a Bachelor of Commercial Science from Seattle University and attended the Management Training Course of The University of Western Ontario School of Business in London, Ontario, Canada. During his career, Mr. Sullivan has held various senior positions in the insurance and reinsurance business in the United States, Canada and Europe. He was President of G.J. Sullivan, Co. in Los Angeles from 1985 to 1992 when he moved to the holding company of the Sullivan Companies as Vice Chairman. He retired from day to day service in 1996 but continues to serve as the non-executive Vice Chair of the Sullivan Companies. Mr. Sullivan is also a former member of the Board of Governors of Farmers Insurance Group.

The nine member Board of Kingsway Financial is now comprised of David Atkins, John Beamish,, Thomas Di Giacomo, Walter Farnam, Bernard Gluckstein, J.Brian Reeve, Bill Star, Jack Sullivan and F.Michael Walsh.

“I am pleased to welcome both Walter and Jack to the board of Kingsway Financial”, said Bill Star, Chairman and Chief Executive Officer. “I am confident that their experience and knowledge of the insurance industry in the United States will bring additional strength to our board”.

About the Company

Kingsway's primary business is trucking insurance and the insuring of automobile risks for drivers who do not meet the criteria for coverage by standard automobile insurers. The Company currently operates through ten wholly-owned insurance 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, American Country Insurance Company and Avalon Risk Management, Inc. The Company also operates reinsurance subsidiaries in Barbados and Bermuda. Lincoln General Insurance Company, Universal Casualty Insurance Company, Jevco and Kingsway Reinsurance (Bermuda) are all rated "A-" Excellent by A.M. Best. Kingsway General and York Fire are rated "B++" (very good). The Company's senior debt is rated investment grade "BBB-" by Standard and Poor's and "BBB" by Dominion Bond Rating Services. 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

Web Site: www.kingsway-financial.com