



KINGSWAY INCREASES NET INCOME BY 23% IN Q3 AND 28% YEAR TO DATE

Toronto, Ontario (November 3, 2005) – Kingsway Financial Services Inc. (TSE:KFS, NYSE:KFS) today announced financial results for the third quarter and nine months ended September 30, 2005 (Canadian dollars except where indicated).

Q3 2005 Highlights

- Diluted earnings per share increased 22% to \$0.66 (U\$0.55)
- Income before income taxes increased 20% to \$44.4 million (U\$37.1 million)
- Net income increased 23% to \$37.5 million (U\$31.3 million)
- Net operating income of \$28.0 million (U\$23.3 million)
- Combined ratio of 97.8%
- Underwriting profit of \$12.1 million (U\$10.0 million)
- Annualized return on equity of 16.8%
- Book value per share increased 11% to \$15.87 (15% to U\$13.65) from year end

Net income increased 23% to \$37.5 million compared to \$30.6 million in the third quarter of 2004 and in U.S. dollars increased 34% to U\$31.3 million from U\$23.4 million last year. Net income for the nine months ended September 30, 2005 was a record \$121.0 million (increased 39% to U\$99.1 million), an increase of 28% over the \$94.7 million (U\$71.2 million) reported for the same period last year.

Return on equity (annualized) was 16.8% in the quarter compared to 15.4% in the same quarter of 2004, and 19.0% for the year to date compared to 16.8% for the same period last year. Diluted earnings per share increased 22% to \$0.66 (34% to U\$0.55), compared to \$0.54 (U\$0.41) for the third quarter of 2004. For the nine month period, diluted earnings per share increased by 27% to a record \$2.13 (38% to U\$1.74) over the \$1.68 (U\$1.26) for the same period last year.

“We are very pleased with our results for the third quarter and the year to date,” said Bill Star, President & Chief Executive Officer. “These results are a reflection of Kingsway’s strong geographical and product diversification. Over the last few quarters we have experienced competitive conditions in several of our U.S. markets, however, we believe the recent industry events will lead to an increased focus on underwriting profitability. As a result, we anticipate profitable growth opportunities will arise in the next several quarters particularly in the fragmented U.S. markets.”

Net Operating Income

Net operating income for the third quarter declined 3% to \$28.0 million (increased 5% to U\$23.3 million) or \$0.49 (U\$0.41) diluted earnings per share compared with \$28.9 million (U\$22.2 million) or \$0.51 (U\$0.39) diluted earnings per share for the third quarter of 2004. For the first nine months of 2005 net operating income increased 18% to \$94.0 million (28% to U\$76.8 million) or \$1.65 (U\$1.35) diluted earnings per share compared with \$79.8 million (U\$60.2 million) or \$1.41 (U\$1.07) diluted earnings per share for the first nine months of 2004. Net operating income is a non-GAAP measure defined by the Company as net income excluding after-tax net realized gains and losses on investments.

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Premiums

During the third quarter of 2005, gross premiums written declined 12% to \$543.9 million (declined 4% to U\$452.3 million), compared with \$618.7 million (U\$473.0 million) in the third quarter last year. Gross premiums written were \$1.78 billion (U\$1.46 billion) for the first nine months of 2005, compared to \$2.03 billion (U\$1.53 billion) for the same period last year. In the quarter, U.S. operations represented 65% (67% year to date) of gross premiums written, compared with 69% (71% year to date) in the third quarter last year.

Trucking, non-standard automobile and commercial automobile premiums represented 30%, 29% and 13%, respectively, of gross premiums written in the first nine months compared with 29%, 35% and 12%, respectively, for the same period last year. For the first nine months of 2005 gross premiums written from commercial lines represented 55% (52% same period last year) and personal lines represented 45% (48% same period last year).

For the quarter gross premiums written from U.S. operations decreased 17% to \$351.4 million (decreased 10% to U\$292.2 million) compared with \$424.0 million (U\$324.0 million) last year. For the nine months, gross premiums written by U.S. operations were \$1.20 billion (U\$980.0 million) compared to \$1.45 billion (U\$1.09 billion) last year. The decline in premiums written by our U.S. operations compared to the previous year is attributable to competitive pricing in some non-standard automobile markets and the termination of certain programs. Gross premiums written from Canadian operations were \$192.5 million (U\$160.1 million) for the quarter compared to \$194.7 million (U\$149.0 million) in Q3 last year and for the year to date were \$582.3 million (U\$475.4 million) compared to \$584.9 million (U\$439.5 million) for the same period last year.

Net premiums written increased 2% to \$532.3 million (U\$442.5 million) compared with \$519.5 million (U\$397.2 million) for the third quarter of last year, and were \$1.74 billion (U\$1.42 billion) year to date compared to \$1.76 billion (U\$1.32 billion) for the first nine months of 2004. Premiums ceded to reinsurers represented 2.1% of gross premiums written (2.3% year to date) compared to 16.0% in Q3 last year (13.4% year to date).

Net premiums earned declined 6% to \$554.6 million (increased 2% to U\$461.4 million) for the quarter compared with \$592.5 million (U\$453.3 million) for the third quarter last year. For the first nine months of 2005, net premiums earned were \$1.65 billion (U\$1.35 billion) compared with \$1.76 billion (U\$1.33 billion) in the same period last year. For U.S. operations, net premiums earned decreased 14% to \$358.0 million (U\$297.8 million) compared with \$417.2 million (U\$319.2 million) in the third quarter of 2004. Net premiums earned from Canadian operations increased by 12% to \$196.6 million (U\$163.6 million) compared with \$175.3 million (U\$134.1 million) in Q3 last year. For the first nine months of 2005 net premiums earned from U.S. operations were \$1.11 billion (U\$905.4 million) compared to \$1.27 billion (U\$956.9 million) last year, and for the Canadian operations were \$539.7 million (U\$441.2 million) and \$491.6 million (U\$370.2 million), respectively.

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Underwriting Profit & Combined Ratio

The combined ratio was 97.8% (97.0% year to date) resulting in an underwriting profit of \$12.1 million (U\$10.0 million) in the quarter and \$48.7 million (U\$39.7 million) year to date. For the quarter, the U.S. operations combined ratio was 97.8% (98.4% Q3 last year) which produced an underwriting profit of \$8.0 million (\$6.7 million Q3 last year). Canadian operations combined ratio was 97.9% (93.6% Q3 last year) which produced an underwriting profit of \$4.1 million (\$11.2 million Q3 last year). For the year to date, U.S. operations combined ratio was 97.0% (98.5% last year) which produced an underwriting profit of \$33.6 million (\$19.3 million last year), and for Canadian operations was 97.2% (95.5% last year), with an underwriting profit of \$15.1 million (\$22.2 million last year).

For the third quarter, the loss ratio for Canadian operations was 70.0% (70.1% year to date) compared to 69.3% (70.4% year to date) last year. During the third quarter the Company incurred losses of approximately \$3.0 million (\$4.8 million in Q3 last year) related to storms in Canada which increased the loss ratio for the Canadian operations by 1.5% for the quarter and 0.6% year to date. For the U.S. operations the loss ratio improved to 65.6% (67.2% year to date) compared to 69.4% (70.5% year to date) last year. During the third quarter the Company incurred losses of approximately \$2.6 million (U\$2.1 million) related to storms in the United States which increased the loss ratio for the U.S. operations by 0.7% for the quarter and 0.2% year to date.

As a result of improved loss ratios on U.S. program business, the accrual for profit-sharing commission in the third quarter has been increased by \$15.1 million (U\$12.5 million) compared to \$2.5 million (U\$1.9 million) for the same quarter last year and by \$39.2 million (U\$33.1 million) year to date compared to \$6.6 million (U\$5.2 million) for the nine months of 2004. The increased accrual for profit-sharing commission increased the U.S. operations expense ratio by 4.2% in the quarter and 3.5% for the year to date in 2005, and increased the consolidated expense ratio by 2.7% in the quarter and by 2.3% for the year to date.

Investment Income

For the quarter, investment income increased 8% to \$26.9 million (U\$22.5 million) compared with \$24.9 million (U\$19.1 million) for the third quarter of 2004. For the year to date, investment income increased by 17% to \$83.3 million (U\$68.1 million) compared to \$71.3 million (U\$53.7 million) last year. Net realized gains amounted to \$13.8 million (U\$11.7 million) compared with \$2.1 million (U\$1.5 million) in the third quarter of 2004. Net realized gains after-tax were \$9.5 million (U\$8.0 million) or \$0.17 (U\$0.14) diluted earnings per share compared with \$1.7 million (U\$1.2 million) or \$0.03 (U\$0.02) diluted earnings per share in the third quarter of 2004.

For the first nine months of 2005 net realized gains were \$36.3 million (U\$30.0 million) compared with \$18.2 million (U\$13.4 million) in the first nine months of last year. On an after-tax basis, net realized gains were \$27.0 million (U\$22.3 million) or \$0.48 (U\$0.39) diluted earnings per share compared with \$14.9 million (U\$11.0 million) or \$0.26 (U\$0.19) diluted earnings per share for the first nine months of last year.

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Net unrealized gains at September 30, 2005 on the investment portfolio were \$45.0 million (US\$38.7 million) or \$0.80 (US\$0.68) per share outstanding as compared to \$73.7 million (US\$61.3 million) or \$1.31 (US\$1.09) per share outstanding at the end of 2004. Net unrealized gains on the common shares portfolio were \$60.1 million (US\$51.7 million) or \$1.07 (US\$0.92) per share outstanding at September 30, 2005 compared to \$67.6 million (US\$56.3 million) or \$1.20 (US\$1.00) per share outstanding at the end of 2004.

Duration is a measure used to estimate the extent market values of fixed maturity investments change with changes in interest rates. Using this measure, it is estimated that an immediate hypothetical 100 basis point parallel increase in interest rates would decrease the market value of our fixed maturity investments by \$75.7 million at September 30, 2005, representing 2.8% of the \$2,711.3 million fair value fixed maturity investment portfolio.

Balance Sheet

Total assets as at September 30, 2005 are \$4.3 billion (US\$3.7 billion) compared to \$4.2 billion (US\$3.5 billion) at the end of 2004. Despite unrealized currency translation adjustment decreasing book value per share by \$0.59 in the quarter (\$0.39 year to date), book value per share increased by 11% since the beginning of the year to \$15.87 (US\$13.65)..

The investment portfolio, including cash increased 7% to \$3,309.5 million (US\$2,846.4 million), compared to \$3,104.5 million (US\$2,582.8 million) as at December 31, 2004. At September 30, 2005, 29% of the fixed income portfolio matures in less than one year and 53% matures after one year and in less than five years. The fair value of the investment portfolio including cash represents \$59.40 (US\$51.09) per common share at September 30, 2005.

The Company reported net favourable development in the provision for unpaid claims occurring prior to December 31, 2004 of approximately \$1.9 million (US\$1.6 million) during the third quarter of 2005. During the first nine months of 2005 net unfavourable reserve development decreased to \$6.4 million (US\$4.9 million) or 0.3% of unpaid claims at the beginning of the year. Provisions for unpaid claims have been increased by 4% to \$2,102.6 million (US\$1,808.4 million) compared to \$2,030.4 million (US\$1,689.2 million) at the end of 2004.

Currency

The supplementary information contained in this press release contains selected financial information expressed in U.S. dollars. For the quarter ended September 30, 2005 net income and diluted earnings per share increased by 34% to US\$31.3 million and US\$0.55 respectively and for the year to date increased 39% to US\$99.1 million and US\$1.74, respectively. Book value per share grew by 15% from December 31, 2004 to US\$13.65.

A significant portion of the Company's operations and net assets are denominated in U.S. dollars whereas the Company reports in Canadian dollars. During the third quarter of 2005, the Canadian dollar has continued to appreciate against the U.S. dollar thereby affecting the comparability of results. Had the results of the U.S. operations been translated at the same exchange rates as last year, net income and earnings per share for the quarter would have been further increased by \$1.8 million (\$6.7 million year to date) and \$0.03 (\$0.12 year to date), respectively.

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Quarterly Dividend

The Board of Directors today approved the payment of the Company's quarterly dividend to shareholders of \$0.05 per share. The dividend payment will be made on December 30, 2005 to shareholders of record as at December 15, 2005.

Further Information

The discussion and analysis of our results of operation and information in this press release is an update of the information set forth in our 2004 Annual Report. Further information about our financial results and condition can be found in the Company's Annual Report and other filings.

Conference Call

The Company will have its quarterly conference call today at 5:00pm (EST). The call may be accessed by telephone at **1-800-814-4857**. A live broadcast of the conference call can be accessed at <http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=1249820> or through a link from our website at www.kingsway-financial.com. A rebroadcast of the conference call will also be available and can be accessed through our website.

Annual Investor Day

The Company will be hosting its annual Investor Day on Wednesday, November 9th starting at 8:30am at the TSX Conference Centre located at The Exchange Tower, 2 First Canadian Place, Toronto, Ontario. Executives of Kingsway Financial and several of the subsidiaries will be speaking regarding their company's operations.

Forward Looking Statements

This press release includes "forward looking statements" that are subject to risks and uncertainties. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward looking statements, see Kingsway's securities filings, including its 2004 Annual Report under the heading Risks and Uncertainties in the Management's Discussion and Analysis section. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About the Company

Kingsway Financial Services Inc. is the largest truck insurer in North America and the sixth largest non-standard automobile insurer in North America according to A.M.Best. 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 eleven 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, Zephyr 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 Insurance Company and Kingsway Reinsurance (Bermuda) are all rated "A-" Excellent by A.M. Best. Kingsway General, York Fire and American Service are rated "B++" (very good). The Company's senior debt is rated investment grade "BBB-"(stable) by Standard and Poor's and "BBB" (stable) 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".

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KINGSWAY FINANCIAL SERVICES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
For the three and nine months ended September 30, 2005 and 2004
(In thousands of Canadian dollars, except for per share amounts)

	Quarter to Sept 30:		9 months to Sept 30:	
	2005	2004	2005	2004
	(unaudited)			
Gross premiums written	<u>\$543,889</u>	<u>\$618,656</u>	<u>\$1,782,595</u>	<u>\$2,031,081</u>
Net premiums written	<u>\$532,250</u>	<u>\$519,459</u>	<u>\$1,740,923</u>	<u>\$1,759,557</u>
Revenue:				
Net premiums earned	\$554,559	\$592,466	\$1,648,421	\$1,763,160
Investment income	26,944	24,927	83,342	71,320
Net realized gains	13,804	2,057	36,328	18,184
	<u>595,307</u>	<u>619,450</u>	<u>1,768,091</u>	<u>1,852,664</u>
Expenses:				
Claims incurred	372,359	411,389	1,123,117	1,242,196
Commissions and premium taxes	121,895	105,731	341,422	332,082
General and administrative expenses	48,191	57,492	135,174	147,412
Interest expense	8,269	7,615	23,057	20,546
Amortization of intangibles	156	174	476	529
	<u>550,870</u>	<u>582,401</u>	<u>1,623,246</u>	<u>1,742,765</u>
Income before income taxes	44,437	37,049	144,845	109,899
Income taxes	<u>6,937</u>	<u>6,443</u>	<u>23,848</u>	<u>15,238</u>
Net income	<u>\$37,500</u>	<u>\$30,606</u>	<u>\$120,997</u>	<u>\$94,661</u>
Earnings per share:				
Basic:	\$0.66	\$0.54	\$2.15	\$1.68
Diluted:	\$0.66	\$0.54	\$2.13	\$1.68
Weighted average shares outstanding in ('000s):				
Basic:	56,467	56,174	56,405	56,100
Diluted:	56,965	56,543	56,857	56,461
Claims ratio	67.1%	69.4%	68.1%	70.4%
Expense ratio	30.7%	27.6%	28.9%	27.2%
Combined ratio	97.8%	97.0%	97.0%	97.6%
Underwriting profit	\$12,114	\$17,854	\$48,708	\$41,470
Return on equity (annualized)	16.8%	15.4%	19.0%	16.8%
Book value per share			\$15.87	\$14.12

KINGSWAY FINANCIAL SERVICES INC.
CONSOLIDATED BALANCE SHEETS
(In thousands of Canadian dollars)

	Sept 30 2005 (unaudited)	Dec 31 2004
ASSETS		
Cash	\$ 80,614	\$ 104,698
Investments	3,228,884	2,999,841
Accrued investment income	29,698	25,297
Accounts receivable and other assets	355,012	395,241
Due from reinsurers and other insurers	264,498	312,996
Deferred policy acquisition costs	170,436	170,576
Income taxes recoverable	-	12,535
Future income taxes	62,222	57,871
Capital assets	71,557	70,336
Goodwill and intangible assets	78,149	80,919
	<u>\$ 4,341,070</u>	<u>\$ 4,230,310</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Loan payable	\$ 83,198	\$ 72,002
Accounts payable and accrued liabilities	110,175	132,635
Fund withheld payable to reinsurer	56,900	94,586
Income taxes payable	4,529	-
Unearned premiums	759,006	762,472
Unpaid claims	2,102,592	2,030,449
Senior unsecured indebtedness	223,338	228,250
Subordinated indebtedness	105,224	108,781
	<u>3,444,962</u>	<u>3,429,175</u>
SHAREHOLDERS' EQUITY		
Share capital	474,879	471,886
<i>Issued and outstanding number of common shares</i>		
<i>56,471,120 – September 30, 2005</i>		
<i>56,210,250 – December 31, 2004</i>		
Contributed surplus	3,955	2,285
Currency translation adjustment	(156,187)	(133,967)
Retained earnings	573,461	460,931
	<u>896,108</u>	<u>801,135</u>
	<u>\$ 4,341,070</u>	<u>\$ 4,230,310</u>

KINGSWAY FINANCIAL SERVICES INC.**CONSOLIDATED STATEMENTS OF RETAINED EARNINGS****For the three and nine months ended September 30, 2005 and 2004****(In thousands of Canadian dollars)**

	Quarter to Sept 30:		9 months to Sept 30:	
	2005	2004	2005	2004
	(unaudited)			
Retained earnings, beginning of period	\$538,785	\$393,981	\$460,931	\$329,926
Net income for the period	37,500	30,606	120,997	94,661
Common share dividends	(2,824)	-	(8,467)	-
Retained earnings, end of period	\$573,461	\$424,587	\$573,461	\$424,587

KINGSWAY FINANCIAL SERVICES INC.
SUPPLEMENTARY INFORMATION TO PRESS RELEASE

As at September 30, 2005 and December 31, 2004

(In thousands of Canadian dollars)

1. Investments:

	Sept 30, 2005	
	Carrying Amount	Fair value
Term deposits	\$ 456,954	\$ 455,460
Bonds:		
Government	520,170	521,515
Corporate	1,749,329	1,734,286
Preferred shares	1,500	1,511
Common shares	394,766	454,911
Financed premiums	106,165	106,165
	\$ 3,228,884	\$ 3,273,848
	December 31, 2004	
	Carrying Amount	Fair value
Term deposits	\$ 317,853	\$ 317,626
Bonds:		
Government	590,050	592,693
Corporate	1,662,783	1,666,447
Preferred shares	-	-
Common shares	324,323	391,964
Financed premiums	104,832	104,832
	\$ 2,999,841	\$ 3,073,562

KINGSWAY FINANCIAL SERVICES INC.
SUPPLEMENTARY INFORMATION TO PRESS RELEASE
For the three and nine months ended September 30, 2005 and 2004
(In thousands of Canadian dollars)

2. Underwriting Results:

The underwriting results for the Company's operations were as follows:

	Quarter to Sept 30:		9 months to Sept 30:	
	2005	2004	2005	2004
Underwriting Profit				
Canada	\$ 4,087	\$11,201	\$15,069	\$22,194
U.S.	8,027	6,653	33,639	19,276
Total	\$12,114	\$17,854	\$48,708	\$41,470
Combined Ratio				
Canada	97.9%	93.6%	97.2%	95.5%
U.S.	97.8%	98.4%	97.0%	98.5%
Total	97.8%	97.0%	97.0%	97.6%
Expense Ratio				
Canada	27.9%	24.3%	27.1%	25.1%
U.S.	32.2%	29.0%	29.8%	28.0%
Total	30.7%	27.6%	28.9%	27.2%
Loss Ratio				
Canada	70.0%	69.3%	70.1%	70.4%
U.S.	65.6%	69.4%	67.2%	70.5%
Total	67.1%	69.4%	68.1%	70.4%
Favourable (Unfavourable) change in estimated unpaid claims for prior accident years (note 1):				
Canada	\$ 1,372	\$(8,263)	\$(5,765)	\$(19,017)
U.S.	493	(1,356)	(612)	(20,492)
Total	\$1,865	\$(9,619)	\$(6,377)	\$(39,509)
As a % of net premiums earned (note 2):				
Canada	(0.7%)	4.7%	1.1%	3.9%
U.S.	(0.1%)	0.3%	0.1%	1.6%
Total	(0.3%)	1.6%	0.4%	2.2%
As a % of unpaid claims (note 3):				
Canada			0.8%	3.6%
U.S.			0.0%	1.7%
Total			0.3%	2.4%

Note 1 – (Increase) decrease in estimates for unpaid claims from prior accident years reflected in current financial year results.

Note 2 – Increase (decrease) in current financial year reported combined ratio.

Note 3 – Increase (decrease) compared to estimated unpaid claims at the end of the preceding fiscal year.

KINGSWAY FINANCIAL SERVICES INC.
SUPPLEMENTARY INFORMATION TO PRESS RELEASE
As at September 30, 2005 and December 31, 2004
(In thousands of Canadian dollars, except for per share amount)

3. Financial Strength:

Some of the key indicators of the Company's financial strength are as follows:

	Sept 30, 2005	December 31, 2004
Rolling four quarter calculations:		
Net Premiums Written to Estimated Statutory Surplus Ratio	2.1x	2.2x
Interest Coverage Ratio	7.3x	6.7x
Total Bank and Senior Debt to Capitalization Ratio	23.7%	25.1%

4. Summary of Quarterly Results in U.S. dollars over the previous five quarters

The selected financial information disclosed below has been translated using the Bank of Canada monthly average exchange rate for the income statement and the month end rate for the balance sheet. Readers should be cautioned as to the limited usefulness of the selected financial information presented below.

	2005			2004	
	Q3	Q2	Q1	Q4	Q3
Gross premiums written	\$452,341	\$478,446	\$524,606	\$473,951	\$472,971
Net premiums earned	461,446	469,300	415,825	451,332	453,329
Total revenue	495,557	497,305	451,853	478,843	473,914
Net realized gains (after tax)	8,011	3,188	11,094	5,705	1,189
Underwriting profit	10,023	14,296	15,369	8,123	13,606
Net income	31,339	29,647	38,121	29,828	23,353
Book value per share	\$13.65	\$12.93	\$12.47	\$11.86	\$11.19
<i>Earnings per share</i>					
Basic	\$0.55	\$0.52	\$0.68	\$0.53	\$0.42
Diluted	0.55	0.52	0.67	0.53	0.41

KINGSWAY FINANCIAL SERVICES INC.**CONSOLIDATED STATEMENTS OF CASHFLOWS****For the three and nine months ended September 30, 2005 and 2004****(In thousands of Canadian dollars)**

	Quarter to Sept 30:		9 months to Sept 30:	
	2005	2004	2005	2004
	(unaudited)			
Cash provided by (used in):				
Operating activities:				
Net income	\$37,500	\$30,606	\$120,997	\$94,661
Items not affecting cash:				
Amortization	2,482	3,057	7,325	8,206
Future income taxes	(3,698)	9,966	(5,458)	19,394
Net realized gains	(13,804)	(2,057)	(36,328)	(18,184)
Amortization of bond premiums & discounts	2,715	5,370	11,754	21,434
	<u>25,195</u>	<u>46,942</u>	<u>98,290</u>	<u>125,511</u>
Net change in other non-cash balances:	<u>50,739</u>	<u>71,562</u>	<u>162,939</u>	<u>238,703</u>
	75,934	118,504	261,229	364,214
Financing activities:				
Increase of share capital	54	64	2,993	2,942
Common share dividends	(2,824)	-	(8,467)	-
Increase (decrease) in loan payable	6,728	26,738	14,248	(82,070)
Increase (decrease) in senior unsecured indebtedness	-	(2,642)	-	166,879
	<u>3,958</u>	<u>24,160</u>	<u>8,774</u>	<u>87,751</u>
Investing activities:				
Purchase of investments	(740,056)	(796,461)	(2,219,580)	(2,482,143)
Proceeds from sale of investments	657,811	676,990	1,937,356	2,017,134
Financed premiums receivable, net	3,355	5,609	(2,087)	(6,445)
Net change to capital assets	<u>(6,043)</u>	<u>(2,434)</u>	<u>(9,776)</u>	<u>(12,363)</u>
	(84,933)	(116,296)	(294,087)	(483,817)
Increase (decrease) in cash during period	(5,041)	26,368	(24,084)	(31,852)
Cash, beginning of period	85,655	82,663	104,698	140,883
Cash, end of period	<u>\$80,614</u>	<u>\$109,031</u>	<u>\$80,614</u>	<u>\$109,031</u>