



## **KINGSWAY ANNOUNCES ADDITIONAL C\$70 MILLION CREDIT FACILITY**

**Toronto, Ontario (December 27, 2007)** – (TSX:KFS, NYSE:KFS) Kingsway Financial Services Inc. ("Kingsway") announced today that it has entered into a 365 day C\$70 million credit facility agreement with a syndicate of banks. This credit facility is supplemental to the existing US\$175 million credit facility that matures in June, 2009.

“We are pleased that our relationships with our banking partners have enabled us to obtain this additional flexibility particularly at this time when credit conditions in the markets are challenging”, said Shaun Jackson, Executive Vice President and CFO of Kingsway Financial. “We have undrawn amounts under our current facility but will utilize these new funds to repay our maturing 8.25% C\$78 million debentures on December 31, 2007 at a lower financing cost.”

The Bank of Nova Scotia acted as Administrative Agent, Lead Arranger and Bookrunner and the Royal Bank of Canada acted as Documentation Agent.

### **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 2006 Annual Report under the heading Risk Factors in the Management’s Discussion and Analysis section. The securities filings can be accessed on the Canadian Securities Administrators’ website at [www.sedar.com](http://www.sedar.com), and on the EDGAR section of the U.S. Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov) or through the Company’s website at [www.kingsway-financial.com](http://www.kingsway-financial.com). 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 one of the largest truck insurers and non-standard automobile insurers in North America based on A.M. Best data that we have compiled. 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 thirteen 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, Mendota Insurance Company, Mendakota Insurance Company and Avalon Risk Management, Inc. The Company also operates reinsurance subsidiaries in Barbados and Bermuda.

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".

### **For further information, please contact:**

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