



Kingsway Announces Startup of Louisiana Homeowners Insurance Company

Toronto, Ontario (November 29, 2012) – (TSX:KFS, NYSE:KFS) Kingsway Financial Services Inc. (“Kingsway” or the “Company”) announced today that the Company has completed its formation of Maison Insurance Company (“Maison”), a property and casualty insurance company primarily writing wind and hail homeowners coverage in Louisiana.

Maison received its certificate of authority from the Louisiana Department of Insurance on November 15, 2012 and participated in the depopulation program offered by Louisiana Citizens Property Insurance Corporation finalized earlier this month. Maison will be led by President and Chief Executive Officer Doug Raucy, who has previously led the successful startup of two similar homeowners insurance companies in recent years. Kingsway expects the business to be immediately accretive to operating income and cash flow.

“Maison is another example of the type of opportunity we expect to create or pursue as we continue to focus on rebuilding shareholder value at Kingsway. Doug and his team know the Louisiana homeowners market very well, and we are excited to partner with Louisiana agents moving forward,” said Larry G. Swets, Jr., Kingsway’s President and Chief Executive Officer.

About the Company

Kingsway is a holding company functioning as a merchant bank with a focus on long-term value-creation. The Company owns or controls stakes in several insurance industry assets and utilizes its subsidiaries, 1347 Advisors LLC and 1347 Capital LLC, to pursue opportunities acting as an advisor, an investor and a financier. The common shares of Kingsway are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol “KFS.”

Forward Looking Statements

This press release includes “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. Words such as “expects”, “believes”, “anticipates”, “intends”, “estimates”, “seeks” and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward looking statements relate to future events or future performance, but reflect Kingsway management’s current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward looking statements, including, without limitation, our potential inability to complete current or future acquisitions successfully, our inability to successfully implement our restructuring activities, and our inability to adequately estimate and provide for an appropriate level of reserving at our insurance company subsidiaries. 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 Annual Report on Form 10-K for the year ended December 31, 2011 (“2011 Annual Report”) and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2012. Except as expressly required by applicable securities law, 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.

Additional Information

Additional information about Kingsway, including a copy of its 2011 Annual Report and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, can be accessed on the Canadian Securities Administrators’ website at www.sedar.com, on the EDGAR section of the U.S. Securities and Exchange Commission’s website at www.sec.gov or through the Company’s website at www.kingsway-financial.com.