



Kingsway Announces Completion of Partial, Early Redemption of Notes

Toronto, Ontario (October 15, 2013) – (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (“Kingsway” or the “Company”) today announced the completion of a partial, early redemption of its outstanding 7.50% Senior Notes due February 1, 2014 (the “Notes”). As previously announced, the Company intended to use proceeds from its recent rights offering to redeem partially the Notes which are obligations of Kingsway's subsidiary Kingsway America Inc. and of which Kingsway is a guarantor. The partial, early redemption was completed today in the amount of US\$12,000,000 at par plus accrued interest of US\$185,000, resulting in an aggregate principal amount of US\$14,356,000 of Notes to remain outstanding.

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.”