



## Kingsway Announces Directors' Shareholdings Upon Completion Of Rights Offering

Toronto, Ontario (September 18, 2013) – (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. (the "Company") announced today, on behalf of the directors of the Company, Joseph Stilwell, Terence Kavanagh, Gregory Hannon and Larry G. Swets, Jr. (collectively, the "Directors"), that as a result of the exercise of rights under the Company's rights offering completed on September 16, 2013, the Directors have acquired control over common shares and warrants of the Company in the following amounts:

Joseph Stilwell	626,203 common shares, 626,203 Series A warrants and 626,203 Series B warrants, representing approximately 19.1% of each of the total outstanding Series A and Series B warrants
Terence Kavanagh and Gregory Hannon, jointly <sup>1</sup>	381,250 common shares, 381,250 Series A warrants and 381,250 Series B warrants, representing approximately 11.6% of each of the total outstanding Series A and Series B warrants
Larry G. Swets, Jr.	182,536 common shares, 182,536 Series A warrants and 182,536 Series B warrants, representing approximately 5.6% of each of the total outstanding Series A and Series B warrants

The Series A warrants and the Series B warrants will not become exercisable until September 16, 2016. As a result, the common shares underlying those warrants cannot be acquired until after such time.

As a result of the exercise of rights, the Directors now own the following common shares:

Joseph Stilwell	3,171,015 common shares, representing approximately 19.3% of the total outstanding shares
Terence Kavanagh and Gregory Hannon, jointly <sup>1</sup>	1,456,250 common shares, representing approximately 8.9% of the total outstanding shares
Terence Kavanagh	34,750 common shares, representing approximately 0.2% of the total outstanding shares
Gregory Hannon	34,000 common shares, representing approximately 0.2% of the total outstanding shares
Larry G. Swets, Jr.	476,061 common shares, representing approximately 2.9% of the total outstanding shares

The common shares and warrants were purchased pursuant to the rights offering at US\$4.00 per unit (each unit being one common share, one Series A warrant and one Series B warrant) for investment purposes.

For more information, or to obtain a copy of the early warning reports filed with the Canadian securities regulatory authorities on behalf of each of Messrs. Stilwell, Kavanagh and Hannon in connection with

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<sup>1</sup> The securities were acquired through Oakmont Capital Inc., a company controlled by Messrs. Kavanagh and Hannon.

the acquisitions noted in this news release please contact Ann Brooks at the Company at 847-871-6408.

**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."