

FAIRFAX *News Release*

Stock Symbol: *FFH*

TORONTO, August 7, 2001

FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2001

(\$000)

	Second Quarter		Year to Date	
	Latest	Year Ago	Latest	Year Ago
Total revenue	1,531,660	1,496,315	3,059,959	2,983,456
Net earnings	46,067	83,565	76,964	119,513
Net earnings per share	\$3.27	\$5.95	\$5.38	\$8.53

Net earnings for the quarter decreased 45.0% to \$46.0 million from \$83.6 million last year. Net earnings per share for the quarter decreased to \$3.27 per share this year from \$5.95 per share last year.

The lower earnings in the second quarter were mainly due to lower realized gains and interest and dividends offset by a lower combined ratio. The combined ratio for the first half of 2001 was 109% compared to 111% last year.

There were 13.1 million weighted average shares outstanding for the first six months of 2001 compared to 13.3 million in 2000.

Fairfax Financial Holdings Limited is a financial services holding company which, through its subsidiaries, is engaged in property, casualty and life insurance and reinsurance, investment management and insurance claims management.

Fairfax's detailed second quarter report, as well as news releases, other quarterly reports and annual reports can be obtained from our internet location www.fairfax.ca.

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