

FAIRFAX *News Release*

Stock Symbol: FFH (TSX and NYSE)

TORONTO, December 23, 2002

FAIRFAX DECLARES ANNUAL DIVIDEND

Fairfax Financial Holdings Limited announces that it has declared a dividend of Cdn\$1.50 per share on its outstanding multiple voting and subordinate voting shares, payable on January 27, 2003 to shareholders of record on January 13, 2003. Applicable Canadian withholding tax will be applied to dividends payable to non-residents of Canada.

This dividend continues the policy (instituted last year) of payment of a modest annual dividend. This policy was discussed in Fairfax's 2000 Annual Report.

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.

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For further information contact: Bradley P. Martin, Vice President, at (416) 367-4941

The foregoing announcement may contain forward-looking statements. Actual results may differ, perhaps materially, from those contained in such forward-looking statements as a result of a large variety of uncertainties and risk factors, the most foreseeable of which are listed on pages 88 and 89 of Fairfax's 2001 Annual Report which is available on Fairfax's website at www.fairfax.ca.

