

FAIRFAX *News Release*

TORONTO, December 24, 2003

FAIRFAX DECLARES ANNUAL DIVIDEND

Fairfax Financial Holdings Limited announces that it has declared a dividend of US\$1.40 per share on its outstanding multiple voting and subordinate voting shares, payable on January 28, 2004 to shareholders of record on January 14, 2004. The dividend is payable in U.S. dollars since Fairfax is adopting the U.S. dollar as its reporting currency commencing with the 2003 fiscal year. Applicable Canadian withholding tax will be applied to dividends payable to non-residents of Canada.

This dividend continues the policy, instituted in 2001, of payment of a modest annual dividend. This policy was discussed in Fairfax's 2000 Annual Report. The dividend declared in 2002 was Cdn\$1.50 per share (approximately US\$1.00 at the then current exchange rate).

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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