

# FAIRFAX *News Release*

*Stock Symbol: FFH*

**TORONTO, August 27, 2004**

## **FAIRFAX COMPLETES U.S. DEBT ISSUE**

Fairfax Financial Holdings Limited has today completed its previously announced offering of US\$95 million of its 7¾% Senior Notes due 2012 at an issue price of 97.25%.

As part of its ongoing deleveraging efforts, Fairfax has repurchased US\$15.5 million of its 7.375% Senior Notes due 2006. Fairfax intends to use the proceeds of the offering completed today to continue to purchase its outstanding debt from time to time, based on market conditions. To the extent Fairfax is unable to purchase its outstanding debt at prices it believes are reasonable, Fairfax will use the proceeds from the offering completed today for general corporate purposes. Pending such use, such proceeds are expected to be invested in short-term marketable securities.

Banc of America Securities LLC acted as sole book-running manager for this offering. A copy of the final prospectus supplement and related base shelf prospectus may be obtained from Banc of America Securities LLC, Prospectus Department, 100 West 33<sup>rd</sup> Street, New York, NY 10001, Phone: (646) 733-4166.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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

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