

FAIRFAX *News Release*

Stock Symbol: FFH.SV (TSX); FFH (NYSE)

TORONTO, December 7, 2004

WORLD TRADE CENTER DECISION

(Note: All dollar amounts in this press release are expressed in U.S. dollars.)

Fairfax Financial Holdings Limited announced that the impact of yesterday's World Trade Center decision will be immaterial to the Company. As a result of the decision, Fairfax's subsidiary, TIG Insurance Company, may be liable for additional claims payments of less than \$2 million net of reinsurance (approximately \$10 million gross).

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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