

FAIRFAX *News Release*

TSX Stock Symbol: FFH and FFH.U

TORONTO, April 24, 2018

FIRST QUARTER ACCOUNTING GAIN

Toronto, Ontario (April 24, 2018) – Fairfax Financial Holdings Limited (“Fairfax”) (TSX: FFH and FFH.U) announces that its 67.6% - owned subsidiary, Thomas Cook (India) Limited (“TCIL”), has changed the accounting for its ownership interest in Qess Corp. Limited (“Qess”) from a subsidiary to an associate for its year ended March 31, 2018. As a result of this accounting change, TCIL will de-consolidate Qess and TCIL’s remaining ownership interest in Qess will be recorded at fair value and presented as an investment in an associate company. This will result in a non-cash accounting gain at TCIL of approximately Rs. 58 billion (Rs. 5800 Crore) for the year ended March 31, 2018.

Accordingly, Fairfax must also change the manner in which it accounts for its ownership interest in Qess through TCIL from a subsidiary to an investment in an associate company. This change in accounting will result in a non-cash accounting gain at Fairfax of approximately US\$600 million in Fairfax’s first quarter ended March 31, 2018.

Fairfax is a holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management.

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