

FAIRFAX *News Release*

TSX Stock Symbol: FFH and FFH.U

TORONTO, October 1, 2012

FAIRFAX ANNOUNCES DISPOSITION OF ITS INTEREST IN CUNNINGHAM LINDSEY GROUP LIMITED

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

Fairfax Financial Holdings Limited (“Fairfax”) (TSX:FFH and FFH.U) announces that Cunningham Lindsey Group Limited has entered into a merger agreement pursuant to which Fairfax will effectively sell its interest in Cunningham Lindsey for proceeds of approximately \$260 million, subject to closing adjustments. Fairfax’s interest in Cunningham Lindsey is currently recorded in its financial statements at \$108.3 million. Fairfax will invest up to approximately \$35 million of the proceeds in shares of Cunningham Lindsey on closing to continue to be a minority shareholder. The transaction is subject to normal closing conditions including regulatory approvals and is expected to close in the fourth quarter.

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

-30-

For further information contact: John Varnell, Vice President, Corporate Development at
(416) 367-4941

Media Contact

Paul Rivett, Vice President, Operations at (416) 367-4941