

FAIRFAX *News Release*

TSX Stock Symbol: FFH and FFH.U

TORONTO, September 23, 2015

INTENTION TO MAKE A NORMAL COURSE ISSUER BID FOR SUBORDINATE VOTING SHARES AND PREFERRED SHARES

Fairfax Financial Holdings Limited (“**Fairfax**”) (TSX: FFH)(TSX: FFH.U) announces today that the Toronto Stock Exchange (the “**TSX**”) accepted a notice filed by Fairfax of its intention to commence a Normal Course Issuer Bid for its Subordinate Voting Shares, Cumulative 5-Year Rate Reset Preferred Shares, Series C (“**Series C Shares**”), Cumulative Floating Rate Preferred Shares, Series D (“**Series D Shares**”), Cumulative 5-Year Rate Reset Preferred Shares, Series E (“**Series E Shares**”), Cumulative Floating Rate Preferred Shares, Series F (“**Series F Shares**”), Cumulative 5-Year Rate Reset Preferred Shares, Series G (“**Series G Shares**”), Cumulative 5-Year Rate Reset Preferred Shares, Series I (“**Series I Shares**”), Cumulative 5-Year Rate Reset Preferred Shares, Series K (“**Series K Shares**”) and Cumulative 5-Year Rate Reset Preferred Shares, Series M (“**Series M Shares**” and, together with the Series C Shares, Series D Shares, Series E Shares, Series F Shares, Series G Shares, Series I Shares and Series K Shares, the “**Preferred Shares**”) through the facilities of the TSX (or other alternative Canadian trading systems). Purchases will be made in accordance with the rules and policies of the TSX and Subordinate Voting Shares and Preferred Shares purchased will be cancelled.

The notice provides that Fairfax’s board of directors has approved the purchase on the TSX, during the period commencing September 28, 2015 and ending September 27, 2016, of up to 800,000 Subordinate Voting Shares, 601,538 Series C Shares, 398,361 Series D Shares, 405,134 Series E Shares, 357,204 Series F Shares, 1,000,000 Series G Shares, 1,200,000 Series I Shares, 950,000 Series K Shares and 920,000 Series M Shares, representing approximately 3.7% of the public float in respect of the Subordinate Voting Shares and 10% of the public float in respect of each series of Preferred Shares. As at September 21, 2015, Fairfax had outstanding 22,034,939 Subordinate Voting Shares, 6,016,384 Series C Shares, 3,983,616 Series D Shares, 4,051,346 Series E Shares, 3,572,044 Series F Shares, 10,000,000 Series G Shares, 12,000,000 Series I Shares, 9,500,000 Series K Shares and 9,200,000 Series M Shares. Under the bid, Fairfax may purchase up to 6,966 Subordinate Voting Shares, 1,881 Series C Shares, 1,426 Series D Shares, 1,908 Series E Shares, 1,151 Series F Shares, 2,695 Series G Shares, 3,394 Series I Shares, 2,919 Series K Shares and 5,713 Series M Shares on the TSX (or other alternative Canadian trading systems) during any trading day, each of which represents 25% of the average daily trading volume on the TSX calculated in accordance with the rules of the TSX. This limitation does not apply to purchases made pursuant to block purchase exemptions.

From time to time, when Fairfax does not possess material nonpublic information about itself or its securities, it may, in accordance with the requirements of applicable securities laws and the TSX, enter into a pre-defined plan with its broker to allow for the purchase of its Subordinate Voting Shares or Preferred Shares, as the case may be, under the bid at times when it ordinarily would not be active in the market due to its own internal trading blackout periods.

Fairfax is making this Normal Course Issuer Bid because it believes that in appropriate circumstances its Subordinate Voting Shares and Preferred Shares represent an attractive investment opportunity and that,

with respect to the Subordinate Voting Shares, purchases under the bid will enhance the value of the Subordinate Voting Shares held by the remaining shareholders.

Pursuant to its existing normal course issuer bid for its Subordinate Voting Shares, Fairfax has purchased 127,309 of its Subordinate Voting Shares and 376,610 of its Series E Shares during the last twelve months at weighted average prices per share of Cdn.\$671.76 and Cdn.\$16.89, respectively.

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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