

FAIRFAX *News Release*

Stock Symbol: FFH (TSX and NYSE)

TORONTO, July 27, 2004

FAIRFAX PRICES SECONDARY OFFERING OF ZENITH SHARES

Fairfax Financial Holdings Limited announces that certain of its subsidiaries priced an offering of 3,100,000 shares of common stock of Zenith National Insurance Corp. (NYSE: ZNT), at US\$43 per share, resulting in gross proceeds of US\$133 million. The underwriters of the offering were granted an option to purchase up to an additional 400,000 shares of Zenith common stock to cover over-allotments.

The offering is expected to close on or about Friday, July 30, 2004.

Banc of America Securities LLC acted as sole book-running manager of this offering. The other members of the underwriting syndicate were JP Morgan, Lehman Brothers, Dowling & Partners Securities and Ferris, Baker Watts Incorporated.

An effective registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. 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 state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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

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