

FAIRFAX *News Release*

Stock Symbol: FFH (TSX and NYSE)

TORONTO, September 20, 2004

FAIRFAX REPORTS ON DEBT REPURCHASES

Fairfax Financial Holdings Limited today announced that it has to date repurchased US\$60.3 million of outstanding Senior Notes maturing in 2005 and 2006 with the proceeds of its recently completed issuance of US\$95 million of 7.75% Senior Notes due 2012. The cost of these repurchases (including accrued interest) has utilized US\$65.1 million of the approximately US\$91.5 million net proceeds of that issuance of 2012 notes. In pursuit of its objective to reduce its near-term debt maturities, Fairfax is continuing to attempt to purchase outstanding Senior Notes maturing in 2005, 2006 and 2008, based on market conditions.

Since Fairfax began repurchasing outstanding 2005, 2006 and 2008 Senior Notes earlier this year, it has issued US\$266 million of its 2012 Senior Notes and has reduced the principal amount of 2005, 2006 and 2008 Senior Notes outstanding as follows:

	<u>Outstanding Prior to Repurchases</u>	<u>Currently Outstanding</u>
	<i>(US\$ millions)</i>	
TIG 8.125% Senior Notes due 2005	\$ 97.7	\$ 38.6
Fairfax 7.375% Senior Notes due 2006	\$275.0	\$130.3
Fairfax 6.875% Senior Notes due 2008	<u>\$170.0</u>	<u>\$ 99.0</u>
	<u>\$542.7</u>	<u>\$267.9</u>

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the above-mentioned Senior Notes.

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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