

FAIRFAX *News Release*

Stock Symbol: FFH.SV (TSX); FFH (NYSE)

TORONTO, September 8, 2005

FAIRFAX ANNOUNCES LOSS ESTIMATES FOR HURRICANE KATRINA

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

Fairfax Financial Holdings Limited (TSX: FFH.SV) (NYSE: FFH) announces that its initial estimate of aggregate potential net losses relating to Hurricane Katrina is in the range of \$175 million to \$220 million before tax and minority interests, or approximately \$108 million to \$134 million after tax and minority interests. The estimated hurricane losses are recorded within Fairfax's insurance and reinsurance companies as follows:

	<u>Before Tax and Minority Interests</u>	<u>After Tax and Minority Interests</u>
	<i>(\$ millions)</i>	
OdysseyRe	\$80 – 100	\$42 – 52
Crum & Forster	35 – 40	23 – 26
Group Re	40 – 50	35 – 44
Northbridge	<u>20 – 30</u>	<u>8 – 12</u>
	\$175 – 220	\$108 – 134

These estimates are based on a preliminary review and on an estimated total insured loss from Hurricane Katrina of \$30 billion. Fairfax recognizes that at this early stage it is not possible to make a calculation of its financial exposure to claims relating to Hurricane Katrina with a high degree of certainty.

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

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For further information contact: Greg Taylor, Chief Financial Officer, at (416) 367-4941