

Fairfax India Holdings Corporation *News Release*

TSX Stock Symbol: FIH.U

TORONTO, January 16, 2017

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FAIRFAX INDIA TO ACQUIRE 51% OF SAURASHTRA FREIGHT PRIVATE LIMITED

(Note: All dollar amounts in this news release are expressed in U.S. dollars, except as otherwise noted.)

Fairfax India Holdings Corporation (TSX: FIH.U) is pleased to announce that, through its wholly-owned subsidiary (collectively, “Fairfax India”), it has entered an agreement to invest INR 2 billion (approximately \$30 million at current exchange rates) for a 51% equity ownership in Saurashtra Freight Private Limited (“Saurashtra Freight”). Saurashtra Freight will use the proceeds to acquire the Container Freight Station (“CFS”) business from Saurashtra Infra and Power Private Limited (“Saurashtra Infra”) and for future expansion. The transaction is subject to customary closing conditions and is expected to close in the first quarter of 2017.

Saurashtra Infra runs the largest CFS at Mundra Port (Gujarat), the 2nd largest and fastest growing port in India. Saurashtra Infra’s CFS provides services such as moving of containers to and from the port, stuffing/destuffing of containers, cargo storage and transportation of cargo to the end customer as well as storage, maintenance and repair of empty containers.

“We are very impressed with the company’s growth under the leadership of its Managing Director, Raghav Agarwalla. The company is strategically located in the state of Gujarat and caters to the fast-growing businesses in Western and Northern India. We look forward to a long-term partnership with Raghav to grow Saurashtra Freight into a leading logistics company in the country. Logistics and cargo containerisation are the future of India, and will be a key enabler of Prime Minister Narendra Modi’s Make in India initiative. We have had an excellent experience with the ease of doing business in Gujarat and are extremely excited to announce our second investment in the state.” said Prem Watsa, Chairman of Fairfax India.

Raghav Agarwalla, welcoming this investment said, “We are most excited to have Fairfax India as our partner. Fairfax India’s long-term orientation and decentralised management style will enable us to create a platform to grow the business, thus creating value for all stakeholders. We will now expand our operations at all the major ports across India and leverage our experience across new verticals in the growing logistics industry in India.”

About Fairfax India

Fairfax India is an investment holding company whose objective is to achieve long-term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in India and Indian businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, India.

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