

Fairfax India Holdings Corporation

TSX Stock Symbol: *FIH.U*

News Release

TORONTO, April 30, 2020

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FIRST QUARTER FINANCIAL RESULTS

(Note: All dollar amounts in this news release are expressed in U.S. dollars except as otherwise noted. The financial results are prepared using the recognition and measurement requirements of International Financial Reporting Standards, except as otherwise noted, and are unaudited.)

Fairfax India Holdings Corporation (TSX: FIH.U) announces a net loss of \$253.8 million in the first quarter of 2020 (\$1.67 net loss per diluted share), compared to a net loss of \$52.6 million in the first quarter of 2019 (\$0.34 net loss per diluted share), reflecting net unrealized losses on investments of \$274.3 million, partially offset by recovery of the previously accrued performance fee of \$47.1 million. The company also recorded unrealized foreign exchange losses of \$165.4 million due to the weakening of the Indian rupee relative to the U.S. dollar.

Highlights for first quarter of 2020 included the following:

- Net change in unrealized losses on investments of \$274.3 million, principally from decreases in market prices of the company's investments in the public companies CSB Bank (\$105.4 million), IIFL Finance (\$77.1 million), Other Public Indian Investments (\$37.3 million), IIFL Wealth (\$22.4 million), Fairchem (\$16.4 million), IIFL Securities (\$11.8 million) and 5paisa (\$7.6 million), and a decrease in the fair value of the company's private investment in Sanmar (\$8.7 million), partially offset by an increase in the fair value of the company's private investment in NSE (\$13.5 million).
- Full recovery of the performance fee of \$47.1 million, which was accrued to the benefit of Fairfax Financial Holdings for the period from January 1, 2018 to December 31, 2019. The performance fee, if any, will only be finally determined by December 31, 2020 at the end of the three year measurement period.
- At March 31, 2020 common shareholders' equity was \$2,178.9 million, or book value per share of \$14.37, compared to \$2,577.9 million, or book value per share of \$16.89, at December 31, 2019, a decrease of 14.9%, primarily related to a net loss during the first quarter of 2020 and unrealized foreign currency translation losses as a result of the weakening of the Indian rupee relative to the U.S. dollar.

During this period of uncertainty, Fairfax India remains in strong financial health, with undeployed cash and marketable securities of approximately \$217 million, and an available line of credit of \$50 million.

The company is continuing to buyback shares under its normal course issuer bid and during the first quarter of 2020 purchased for cancellation 1,054,726 subordinate voting shares at a net cost of \$10.6 million (\$10.09 per subordinate voting share).

There were 152.4 million and 152.7 million weighted average common shares outstanding during the first quarters of 2020 and 2019 respectively. At March 31, 2020 there were 121,576,755 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Fairfax India's detailed first quarter report can be accessed at its website www.fairfaxindia.ca.

In presenting the company's results in this news release, management has included book value per basic share. Book value per basic share is calculated by the company as common shareholders' equity divided by the number of common shares outstanding.

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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This press release may contain forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may relate to the company's or an Indian Investment's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividends, plans and objectives of the company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the company, an Indian Investment, or the Indian market are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on our opinions and estimates as of the date of this press release, and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors: taxation of the company, its shareholders and subsidiaries; risk of substantial loss of capital; geographic concentration of investments; risks associated with the global pandemic caused by COVID-19, and the related global reduction in commerce and substantial downturns in stock markets worldwide; financial market fluctuations; control or significant influence position risk; minority investments; risks upon dispositions of investments; bridge financings; reliance on key personnel and risks associated with the Investment Advisory Agreement; effect of fees; operating and financial risks of investments; valuation methodologies involve subjective judgments; lawsuits; foreign currency fluctuation; unknown merits and risks of future investments; illiquidity of investments; competitive market for investment opportunities; use of leverage; significant ownership by Fairfax may adversely affect the market price of the subordinate voting shares; trading price of subordinate voting shares relative to book value per share; emerging markets; volatility of the Indian securities markets; political, economic, social and other factors; natural disaster risks; sovereign debt risk; economic risk; weather risk, oil price risk and adverse consequences to the company's business, investments and personnel resulting from or related to the COVID-19 pandemic. Additional risks and uncertainties are described in the company's annual information form dated March 6, 2020 which is available on SEDAR at www.sedar.com and on the company's website at www.fairfaxindia.ca. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the company. These factors and assumptions, however, should be considered carefully.

Although the company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws.