

# FAIRFAX INDIA

TSX Stock Symbol: FIH.U

## News Release

### FAIRFAX INDIA COMPLETES US\$500 MILLION OFFERING COMPRISED OF US\$150 MILLION PUBLIC OFFERING AND US\$350 MILLION PRIVATE PLACEMENT

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TORONTO, Ontario (January 13, 2017) – Fairfax India Holdings Corporation (“Fairfax India” or the “Company”) (TSX: FIH.U) announced today that the Company has completed its previously-announced bought deal public offering of 12,766,000 subordinate voting shares (the “Subordinate Voting Shares”) at a price of US\$11.75 per Subordinate Voting Share, for gross proceeds of approximately US\$150 million (the “Public Offering”).

The Public Offering was underwritten by a syndicate of underwriters co-led by RBC Capital Markets, Scotiabank and TD Securities Inc., and that included BMO Capital Markets, CIBC World Markets Inc., Cormark Securities Inc., National Bank Financial Inc., Canaccord Genuity Corp. and Desjardins Securities Inc. (collectively, the “Underwriters”). The Underwriters have been granted an over-allotment option, exercisable in whole or in part at any time for a period of 30 days after the closing of the Public Offering, to purchase up to an additional 1,914,900 Subordinate Voting Shares, which, if exercised in full, would increase the total gross proceeds of the Public Offering to approximately \$172.5 million.

Concurrent with the Public Offering, the Company issued to Fairfax Financial Holdings Limited (“Fairfax”) and OMERS, the pension plan for Ontario’s municipal employees, 12,766,000 Subordinate Voting Shares and 17,021,500 Subordinate Voting Shares, respectively, at a price of US\$11.75 per Subordinate Voting Share in a concurrent private placement, for aggregate gross proceeds of approximately US\$350 million (the “Concurrent Private Placement” and, together with the Public Offering, the “Offerings”). Gross proceeds of the Offerings were approximately US\$500 million.

The Company is an investment holding company. Its investment 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 (“Indian Investments”). Fairfax India intends to use the net proceeds of the Offerings to acquire additional Indian Investments and for general corporate purposes, including the repayment of indebtedness. Generally, subject to compliance with applicable law, Indian Investments will be made with a view to acquiring control or significant influence positions. Pending the application of such proceeds, the Company may invest the net proceeds of the Offerings in certain permitted investments.

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 the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release is not an offer of securities for sale in the United States, and the securities may not be offered or sold in the United States absent registration or an exemption from the registration requirements. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended.

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*This press release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking statements may relate to the Company’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 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 the opinions and estimates of the Company 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 and its subsidiaries; substantial loss of capital; long-term nature of investment; limited number of investments; geographic concentration of investments; potential lack of diversification; financial market fluctuations; pace of completing investments; control or significant influence position risk; minority investments; ranking of Company investments and structural subordination; follow-on investments; prepayments of debt investments; risks upon dispositions of investments; bridge financings; reliance on key personnel; effect of fees; performance fee could induce Fairfax to make speculative investments; operating and financial risks of investments; allocation of personnel; potential conflicts of interest; employee misconduct at the portfolio advisor could harm the Company; valuation methodologies involve subjective judgments; lawsuits; foreign currency fluctuation; derivative risks; unknown merits and risks of future investments; resources could be wasted in researching investment opportunities that are not ultimately completed; investments may be made in foreign private businesses where information is unreliable or unavailable; illiquidity of investments; competitive market for investment opportunities; use of leverage; investing in leveraged businesses; regulation; investment and repatriation restrictions; aggregation restrictions; restrictions relating to debt securities; pricing guidelines; emerging markets; corporate disclosure, governance and regulatory requirements; legal and regulatory risks; volatility of the Indian securities markets; political, economic, social and other factors; governance issues risk; Indian tax law; changes in law; exposure to permanent establishment, etc.; enforcement of rights; smaller company risk; due diligence and conduct of potential investment entities; Asian economic risk; reliance on trading partners risk; natural disaster risks; government debt risk; and economic risk. Additional risks and uncertainties are described in the Company’s annual information form dated March 29, 2016 which is available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.fairfaxindia.ca](http://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 law.