

Fairfax[®] India Holdings Corporation

Initial Public Offering

Investor Presentation

FAIRFAX INDIA

An amended and restated preliminary prospectus containing important information relating to the securities described in this presentation has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the amended and restated preliminary prospectus, and any amendment, is required to be delivered with this presentation. The amended and restated preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued. This presentation does not provide full disclosure of all material facts relating to the securities offered. Investors should read the amended and restated preliminary prospectus, the final prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

Disclaimer

An investment in the securities described in this presentation is subject to a number of risks that should be considered by a prospective purchaser. Prospective purchasers should carefully consider the risk factors described under “Risk Factors” and “Forward-Looking Statements” included in the amended and restated preliminary prospectus dated December 31, 2014 (the “preliminary prospectus”) of Fairfax India Holdings Corporation (“Fairfax India” or the “Company”) before purchasing securities described hereunder (the “securities”).

Prospective purchasers should rely only on the information contained in the preliminary prospectus. This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing in the preliminary prospectus. Neither the Company nor any of the Underwriters has authorized anyone to provide prospective purchasers with different or additional information. The Company is not offering, or soliciting offers to acquire, the securities in any jurisdiction in which the offer is not permitted. Prospective purchasers should not assume that the information contained in this presentation is accurate as of any date other than the date of the preliminary prospectus, or where information is stated to be as of a date other than the date of the preliminary prospectus, such other applicable date. For purchasers outside Canada, neither the Company nor the Underwriters have done anything that would permit the offering or distribution of this presentation together with the preliminary prospectus in any jurisdiction where action for that purpose is required, other than in Canada. Prospective purchasers are required to inform themselves about and to observe any restrictions relating to the Offering and the distribution of this presentation and of the preliminary prospectus. There is currently no market through which the securities may be sold and purchasers may not be able to resell securities purchased under the preliminary prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.

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This presentation contains “forward-looking statements” within the meaning of securities laws. Forward-looking statements may relate to the Company’s, Fairfax Financial Holdings Limited’s (“Fairfax”) or their respective affiliates’ 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, Fairfax or their respective affiliates, as the case may be. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the Company, Fairfax or their respective affiliates 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 management of the Company, Fairfax or their respective affiliates, as the case may be, as of the date such statements are made, 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 of the Company, Fairfax or their respective affiliates, as the case may be, to be materially different from those expressed or implied by such forward looking statements. Although management of the Company, Fairfax or their respective affiliates, as the case may be, believe the assumptions and analysis underlying such statements are reasonable as of the date hereof, you are cautioned not to place undue reliance on these statements.

Although management of the Company, Fairfax and their respective affiliates have 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, Fairfax and their respective affiliates do not undertake to update any forward-looking statements that are contained herein, except as required by applicable securities laws.

CERTAIN OTHER MATTERS

The securities of the Company discussed in this presentation have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and, subject to certain exceptions, may not be offered, sold or delivered, directly or indirectly, in the United States (as such term is defined in Regulation S under the U.S. Securities Act) (the “United States”) except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This presentation does not constitute an offer to sell or solicitation of an offer to buy any of the securities of the Company in the United States.

Any graphs, tables or other data demonstrating the historical performance of Fairfax or its affiliates contained in the presentation are intended only to illustrate past performance and are not necessarily indicative of the future performance of the Company, Fairfax or their respective affiliates.

All financial disclosure in this presentation is, unless otherwise noted, in US\$ and, except per share data, in US\$ millions. Terms undefined herein have the meanings ascribed to them in the preliminary prospectus.

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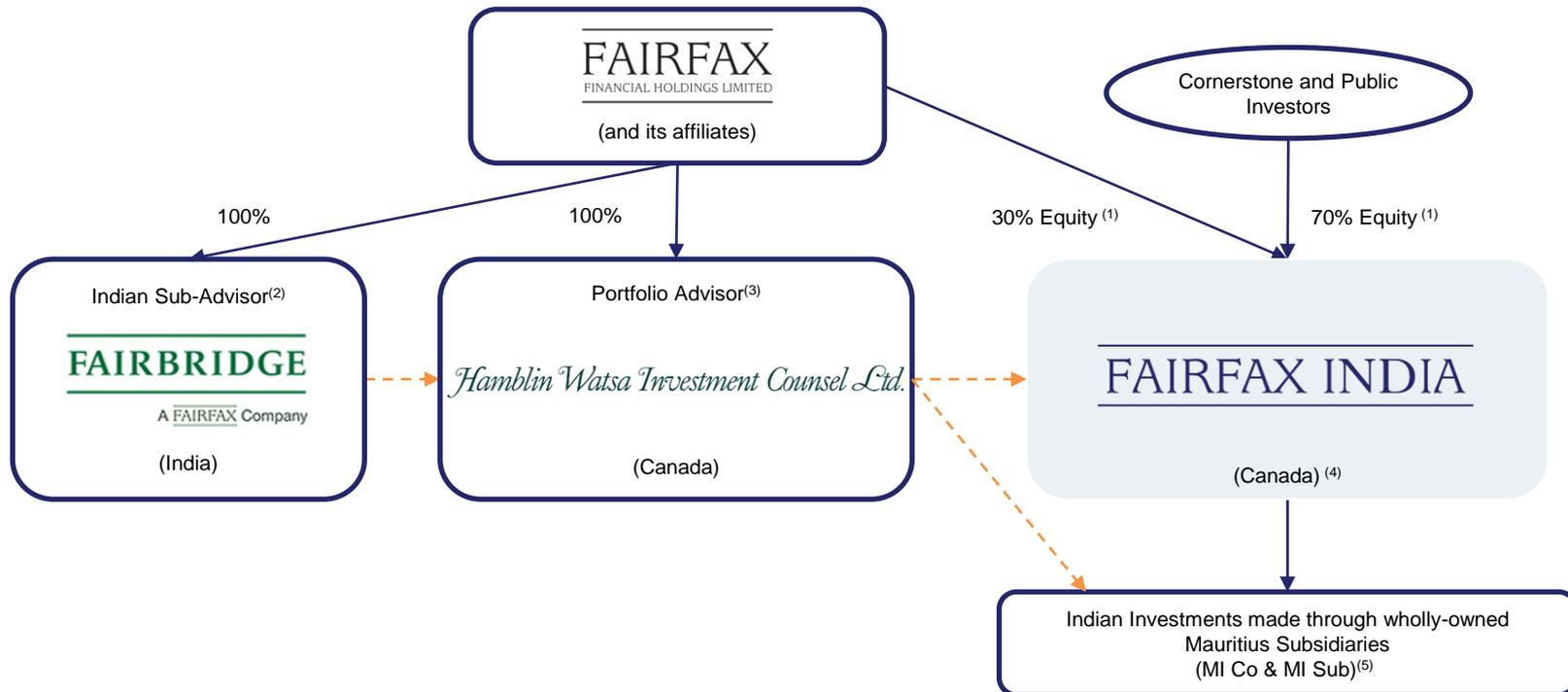
Fairfax India Holdings Corporation

- Unique opportunity to co-invest with Fairfax in India
 - Alignment of interest: Fairfax’s long-term investment of \$300 million in Multiple Voting Shares
 - Additionally, Cornerstone Investors have committed ~\$200 million in Subordinate Voting Shares
- Seek long-term returns through active investment in a concentrated portfolio of Indian businesses
- Proven long-term value oriented strategy: Seeking to replicate Fairfax’s track record of growth
- Compelling investment opportunity in India:
 - New, business-friendly government
 - Strong growth profile
 - Attractive demographic trends

Investment Strategy

- Seek to make investments for control or significant influence in Indian businesses and infrastructure projects
 - May also invest in businesses with customers, suppliers or businesses primarily conducted in, or dependent on, India
- Objective to achieve long-term capital appreciation, while preserving capital
- Permanent capital structure allows Fairfax India to focus on long-term returns
- Hamblin Watsa Investment Counsel Ltd. (“HWIC” or the “Portfolio Advisor”), Fairfax’s wholly-owned investment manager, will source and advise with respect to all investments for the Company
- Fairbridge Capital Private Limited (“Fairbridge”), Fairfax’s wholly-owned India-based investment advisor, will act as a sub-advisor to assist HWIC with respect to investments of the Company

Overview of Fairfax India's Structure



(1) Assumes a \$1 billion initial public offering

(2) Fairbridge will provide investment sub-advisory services to the Portfolio Advisor

(3) The Portfolio Advisor will provide investment advisory services and manage investments and Fairfax will provide portfolio administration services pursuant to the Investment Advisory Agreement between Fairfax, the Portfolio Advisor, the Company, MI Co and MI Sub

(4) This chart illustrates the Company's corporate structure immediately following Closing. The Company may, from time to time, incorporate additional subsidiary entities to make Indian Investments in the future. Permitted Investments and Other Indian Investments may be made directly by the Company. Generally, Other Indian Investments will include businesses with customers, suppliers or business primarily conducted in, or dependent on, India that are not Indian businesses or in India

(5) The Company will make all or substantially all of its investments either directly or through one of its wholly-owned subsidiaries, which currently include FIH Mauritius Investments Ltd ("MI Co") and FIH Private Investments Ltd ("MI Sub"). Both MI Co and MI Sub are corporations existing under the laws of the Republic of Mauritius and will carry on investment holding activities in the Republic of Mauritius

Fairfax Financial Holdings Limited

- Insurance and reinsurance holding company, founded in 1985
- TSX listed (TSX: FFH) – \$9.5B market cap as at September 30, 2014
- Founded and remains 44% controlled by Prem Watsa, Chairman and CEO since 1985



Portfolio Advisor and Sub-Advisor

Hamblin Watsa Investment Counsel Ltd.



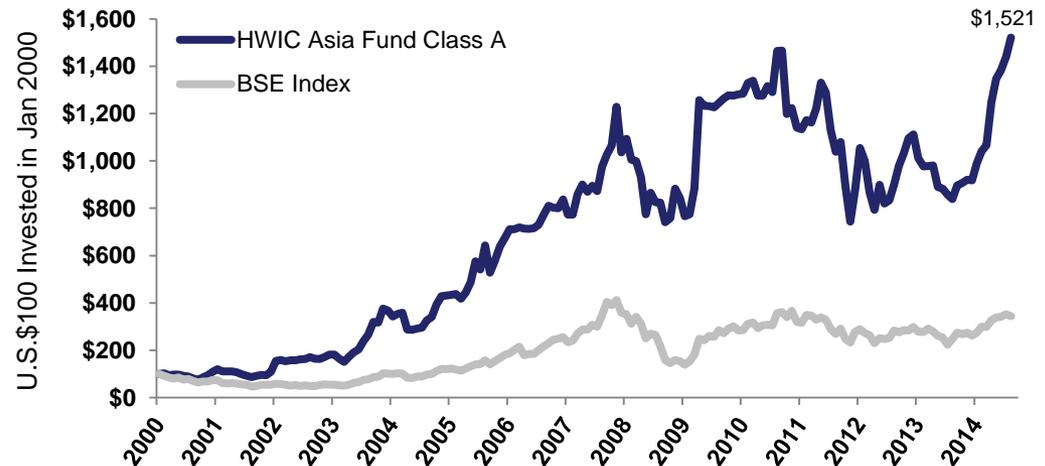
- Investment management arm of Fairfax
- Will act as the portfolio advisor to the Company and source all investments for the Company
- Long-term, value-oriented investment approach
- Four principals have worked together for approximately 40 years
- Formed in 2011 as an indirect, wholly-owned subsidiary of Fairfax based in India
- Mandated to review, identify, recommend, advise on, and facilitate the implementation of a wide range of investment opportunities
- Instrumental in completing three major investments in India in the last three years
 - i. Thomas Cook India (2012)
 - ii. IKYA (2013)
 - iii. Sterling Resorts (2014)
- 5 person investment team led by Harsha Raghavan

Superior Record Investing in India

- HWIC Asia Fund – Class A⁽¹⁾ is the Fairfax group investment vehicle for investments in Asia, predominately India
- Continuous ~15 year track record of investing in India⁽²⁾

| Performance Sep 2014 | HWIC Asia Fund Class A | S&P BSE SENSEX 30 ⁽³⁾ |
|----------------------------|------------------------|----------------------------------|
| <i>Annual Total Return</i> | | |
| Since Inception - Jan 2000 | 20.5% | 8.9% |
| 10 year | 16.6% | 13.5% |
| 5 year | 4.1% | 3.9% |
| 3 year | 13.6% | 8.6% |
| 1 year | 81.4% | 39.1% |
| 2014 Year-to-date | 65.3% | 25.7% |
| Current Quarter | 12.9% | 1.6% |

Performance of HWIC Asia Fund – Class A



- (1) HWIC Asia Fund – Class A (the “Fund”) employs a substantially similar strategy to that which will be employed by Fairfax India, including a concentrated portfolio. Performance shown net of fees and expenses. **The Fund has predominately invested in Indian securities since inception (January 20, 2000)**
- (2) The Fund has at times carried non-Indian investments (Dubai, Vietnam, Sri Lanka); these holdings have increased the performance of the Fund by 2.2% since inception (20.5% vs. 18.3%). Outside of the Fund, Fairfax has had other private and public investments in India whose performance is not included in these results
- (3) S&P BSE SENSEX 30: An index reflecting the stock prices of the 30 largest, most liquid companies across all sectors listed on the Bombay Stock Exchange (BSE) which is taken to be representative of the stock market movement. Figures are float adjusted market capitalization weighted

Compelling Investment Opportunity in India

Why India?

Strong and business-friendly government



Narendra Modi
Prime Minister

- Recently elected majority pro-business government led by **Narendra Modi**
- Mr. Modi has prior 13 year track record as chief minister of the Indian State of Gujarat
- For the last 13 years, under Modi, economic growth in Gujarat averaged ~10% per annum, ~3% higher than national average
- Under Modi, Gujarat became one of the most literate states
- Portfolio Advisor believes that Gujarat is also virtually fully electrified and has freely available water

Portfolio Advisor believes that Modi's key political agenda items include:

- i. Cutting wasteful subsidies;
- ii. Labour reform and land acquisition issues;
- iii. Simplification of tax laws; and
- iv. More efficient environmental clearances

Portfolio Advisor believes that Modi's pro-business government will focus on:

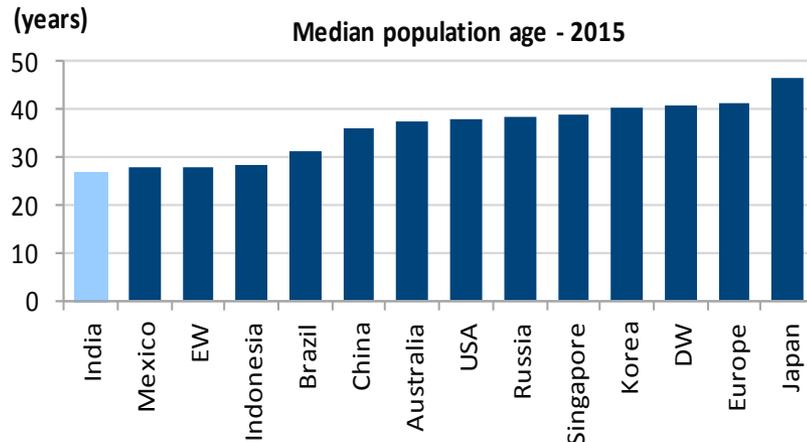
- i. Fiscal responsibility;
- ii. Thinking longer-term;
- iii. Reducing corruption; and
- iv. Making decisions in the best interests of the country

Why India?

Favourable demographics, a vibrant democracy

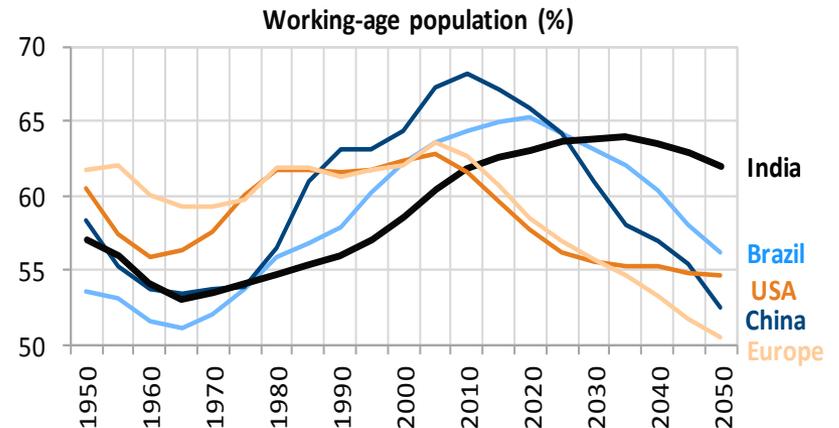
- India accounts for 1/6th of world's population, 1/5th of world's population under the age of 25
- Workforce expected to increase by ~110M in the next 10 years
- Rising consumption, higher savings and higher investment expected; influenced by strong leadership
- Vibrant democracy with vast ethnic, religious, linguistic and cultural diversity

Median population age in India is amongst the lowest in the world



Source: UN Population database, IIFL Research. EW is Emerging World, DW is Developed World

Working age population in India expected to continue to increase until 2035



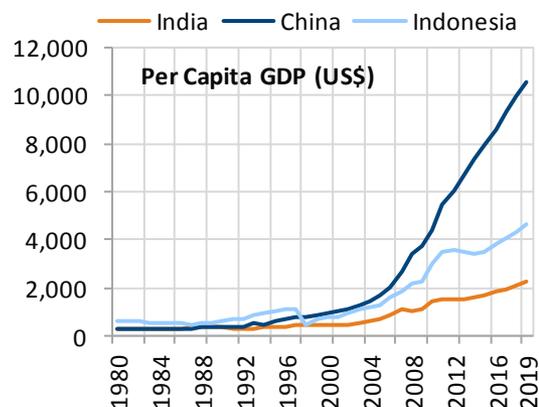
Source: UN Population database, IIFL Research

Why India?

Multiple growth levers: Fastest growing economy

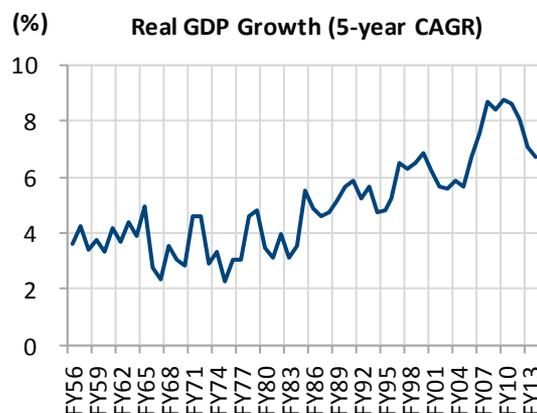
- India is currently the 10th largest economy with GDP of approximately \$2 trillion
 - IMF report suggests India is already the 3rd largest economy (\$6.8 trillion), in PPP terms, next only to U.S. and China
- Under-invested economy: India's infra spend expected to increase significantly over the next 5 years
- Strong continued growth expected in key services given low penetration rates – 5-yr CAGR of 11%
- HWIC believes GDP growth could exceed 10% in the next decade driven by sustained consumption growth, higher infrastructure spend, faster services growth, rising share of external trade

Per Capita GDP in India is significantly lower than other EMs



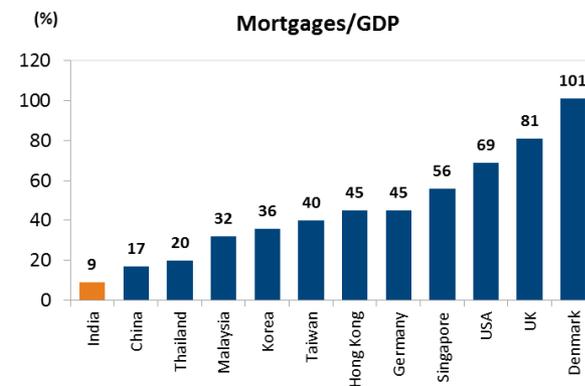
Source: IMF. IMF estimates from 2014 – 2019

Longer term trend in GDP growth has been positive



Source: CSO, IIFL Research

Penetration in financial services remains low



Source: European Mortgage Federation, HOFINET & HDFC

Why India?

Robust capital markets

- India's equity markets rank among the top EMs – one of few EMs with a market cap of \$1.5 trillion
 - Over the past 10 years market cap expanded by +400% (~18% CAGR) in USD terms
 - Earnings for the 500 largest companies grew at ~15% CAGR during the past 10-year period
 - Declining market cap to GDP: Currently 78% vs. 2008 peak of 149%
- Broad industry diversification, including: Consumer, IT, Energy, Financials and Pharmaceuticals
- Large investable universe of ~4,155 listed companies: 58 with market cap >\$5 billion, 144 \$1-5 billion market cap and 112 \$0.5-\$1 billion market cap
- Value of listed equities owned by foreign investors in India ~\$300 billion
- The Portfolio Advisor believes that corporate governance and disclosure standards are generally on par with developed markets

India is one of the few EMs with over \$1 trillion market cap



Source: Bloomberg, IIFL Research as at October 2014

Wide choice of companies across market cap spectrum

| | Mkt Cap (\$ billion) | Company # |
|------------------------|----------------------|------------|
| Consumer | 279 | 116 |
| Energy | 189 | 20 |
| Information Technology | 200 | 34 |
| Financials | 291 | 90 |
| Others | 500 | 240 |
| BSE500 Index | 1,459 | 500 |

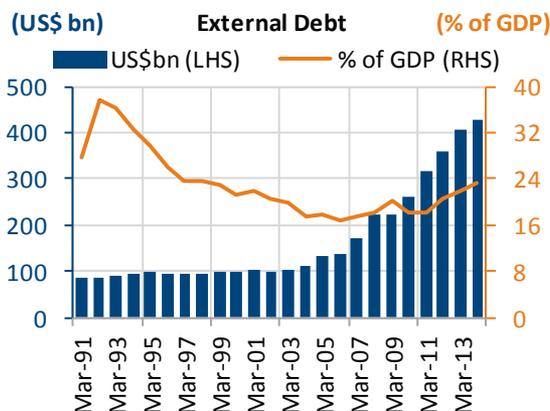
Source: Bloomberg, IIFL Research. Note: Based on current members of BSE500 companies as at October 2014

Why India?

Other macro variables

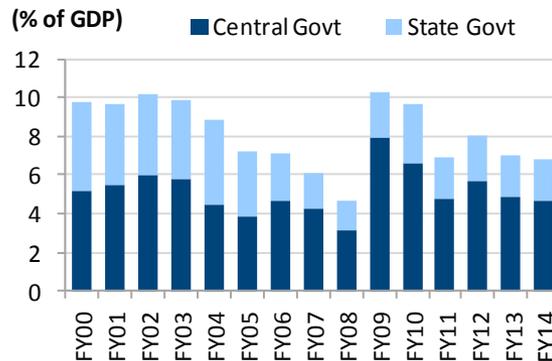
- External stability:** India's external debt to GDP is a low 23% of GDP relative to North American economies. India's FX reserves of \$318 billion offers a net import cover of 8 months. Current account deficit after a sharp worsening between FY11-13, is now at under 2% of GDP. As such, India has reasonable levels of external debt.
- Public Finances:** Combined gross fiscal deficit of federal and state governments was 6.8% of GDP in FY14. Public debt to GDP is 66%. In a high growth environment, tax revenues can increase significantly (as it did between FY03-07). India currently enjoys an investment grade rating.
- Inflation:** Moderation in inflation may be a gradual process. A hawkish central bank has taken the right steps, but high inflation remains a key near-term risk.

External debt remains low relative to GDP



Source: CMIE, RBI, IIFL Research

Fiscal deficit has moderated but needs to moderate further



Source: RBI, Govt. Budget Documents, IIFL Research

High inflation is the principal macro headwind for the economy



Source: Bloomberg, MOSPI, IIFL Research

Why Fairfax India?

- ✓ Fairfax's extensive experience in India:
 - ICICI Lombard General Insurance Company – Fairfax created the largest non-government P&C insurance company
 - Thomas Cook India – Fairfax control position, with subsequent expansion through acquisitions
 - Fairbridge – Fairfax created a boutique, highly reputable investment advisory company
- ✓ Deal sourcing through HWIC's and Fairbridge's investment professionals' broad network
 - Management's strong reputation and extensive relationships expected to attract attractive prospective portfolio companies
- ✓ Disciplined, value-oriented investment philosophy with a focus on preservation of capital
 - Will employ the same value-oriented investment philosophy as Fairfax
- ✓ Fairfax's strong reputation as a friendly and constructive investor
- ✓ Longer investment horizon with attractive publicly traded model

Fairfax's Investments in India



- Founded in 2000, ICICI Lombard is the largest non-government general insurance company in India
- Joint Venture between Fairfax (26%) and ICICI Bank (74%)
- LTM revenues in excess of \$1.2 billion⁽¹⁾
- 5,433 employees in 267 offices⁽¹⁾



TRAVEL SMOOTH

- Fairfax currently holds 75% of Thomas Cook India; listed on Bombay Stock Exchange
- Business segments include: (i) licensed retail and wholesale foreign exchange; and (ii) retail and corporate travel services
- 235 locations across 99 cities

(1) Period ending September 30, 2014

Fairfax's Investments in India



- Thomas Cook India invested ~\$47 million for 74% ownership
- IKYA has diversified operations focused on: (i) human resources services; (ii) facilities management; (iii) skills development; (iv) food and hospitality services
- 80,000 employees and revenues ~\$269 million⁽¹⁾
- 35 offices in 23 cities⁽¹⁾
- Thomas Cook India recently acquired Sterling Holiday Resorts India
- Time-share based vacation ownership company
- LTM revenues \$24 million⁽¹⁾
- 2,179 employees & 21 resorts⁽¹⁾
- Market capitalization of \$234 million⁽¹⁾

(1) At September 30, 2014

Fairfax India: Directors & Executive Officers

- The Board consists of seven Directors, the majority of whom are independent
- The Directors will be elected by shareholders at each annual meeting; term of one year expiring at the close of the next annual meeting

Board of Directors & Executive Officers

Prem Watsa

Chairman & Director

- Founder, Chairman & CEO of Fairfax

Chandran Ratnaswami

CEO & Director

- Joined HWIC in 1993

John Varnell

CFO & Corporate Secretary

- Vice President, Corporate Development of Fairfax

Christopher Hodgson

Director, Independent

- President, Ontario Mining Association

Alan Horn

Director; Independent

- Current Chairman of Rogers Communications

Harsha Raghavan

Director

- MD and CEO of Fairbridge

Anthony Griffiths

Lead Director; Independent

- Business Consultant and Corporate Director

Deepak Parekh

Director, Independent

- Chairman of Housing Development Finance Corporation

Summary of Key Terms & Structural Features

| | |
|--|---|
| Offering | <ul style="list-style-type: none">▪ Initial public offering of subordinate voting shares (“SVS”) (1 vote per share)▪ Holders of SVSs have the right to a separate class vote on certain fundamental items, such as: (i) change of current fees charged by Fairfax and HWIC; (ii) change of investment objective; (iii) assignment of Investment Advisory Agreement |
| Fairfax’s Concurrent Initial Investment | <ul style="list-style-type: none">▪ Initial investment of \$300 million; concurrent with the closing of the Offering▪ Fairfax will subscribe for multiple voting shares (“MVS”) (50 votes per share)▪ Any sale or disposition of the MVS by Fairfax will result in an automatic conversion to SVS |
| Fairfax’s Lock-up | <ul style="list-style-type: none">▪ Until the fifth anniversary of the closing of the Offering, no sales of MVS if after giving effect to sale, market value of retained interest would be less than \$300 million▪ Until the tenth anniversary of the closing of the Offering, no sales of MVS if after giving effect to sale, market value of retained interest would be less than \$150 million |
| Dividend | <ul style="list-style-type: none">▪ No dividend initially contemplated |
| Concentration | <ul style="list-style-type: none">▪ Maximum of 20% of Total Assets in any one investment; two may be up to 25% of Total Assets |
| Leverage | <ul style="list-style-type: none">▪ Up to 50% of Total Assets |
| Un-deployed Funds | <ul style="list-style-type: none">▪ +90% of the net proceeds of the Offering will be invested in Permitted Investments (government bonds, high quality bank securities, etc.) pending deployment |
| Management Fee | <ul style="list-style-type: none">▪ 1.5% of Net Asset Value of the Company less the fair value of Undeployed Capital▪ 0.5% of Undeployed Capital (equity capital not invested in Indian Investments) |
| Performance Fee | <ul style="list-style-type: none">▪ 20% of return over Hurdle Rate (~5% p.a.) subject to a non-resetable High Water Mark; calculated and paid at end of consecutive three year periods |

Appendix

Hamblin Watsa Investment Committee⁽¹⁾

PREM WATSA (*Founder & Chairman, Fairfax*)

- 40 year track record in investment management
- Former director of ICICI Bank, Bank of Ireland
- B.Tech, IIT Madras, India; MBA, Richard Ivey School of Business, University of Western Ontario; CFA

CHANDRAN RATNASWAMI (*MD, Hamblin Watsa*)

- 18 year track record in Asia fund management; responsible for HWIC Asia Fund
- Responsible for setting up ICICI Lombard, a joint venture between ICICI Bank and Fairfax, now largest private sector general insurance company
- B.Tech, IIT Madras, India; MBA, Rotman School of Business, University of Toronto

PAUL RIVETT (*President, Fairfax; COO, Hamblin Watsa*)

- 10 year track record in investment management
- Corporate Finance, Shearman & Sterling LLP
- Corporate Finance, Blake Cassels & Graydon LLP
- B.Sc., University of Toronto; MIR, LL.B., Queen's University

BRIAN BRADSTREET (*MD, Hamblin Watsa*)

- 40 year track record in investment management
- Responsible for fixed income investments
- B.A. (Economics), Wilfred Laurier University School of Business & Economics; MA (Economics) York University; CFA

WADE BURTON (*MD, Hamblin Watsa*)

- 18 year track record in investment management
- Former partner and fund manager with Peter Cundill and Associates
- Experienced in credit restructuring
- BA, University of Western Ontario; CFA

ROGER LACE (*President, Hamblin Watsa*)

- 39 year track record in investment management
- Responsible for equity investments
- B.Sc., Massachusetts Institute of Technology; MBA, Richard Ivey School of Business, University of Western Ontario; CFA

(1) HWIC Investment Committee in respect of the investments of the Company

FAIRFAX INDIA
