

# Fairfax India Holdings Corporation *News Release*

*TSX Stock Symbol: FIH.U*

**TORONTO, April 28, 2016**

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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 net earnings of \$0.7 million in the first quarter of 2016 (\$0.01 per basic share) compared to net earnings of \$4.0 million in the first quarter of 2015 (\$0.06 per basic share) as the company deploys the funds it raised into Indian investments. Book value per basic share of \$9.52 at March 31, 2016 increased slightly from \$9.50 at December 31, 2015.

Highlights in and subsequent to the first quarter of 2016 included the following:

- On February 8, 2016 the company completed the acquisition of 45% of Adi Finechem Limited for consideration of approximately \$19 million.
- On March 28, 2016 the company announced that it and Fairfax Financial Holdings Limited ("Fairfax"), through their wholly-owned subsidiaries in Mauritius, would collectively acquire 33% of the equity of Bangalore International Airport Limited from Bangalore Airport & Infrastructure Developers Private Limited, a wholly-owned subsidiary of GVK Power and Infrastructure Limited, for an aggregate investment of 21.49 billion Indian rupees (approximately \$325 million at current exchange rates). As Fairfax India is limited to investing no more than 25% of its total assets in any single investment (this currently limits any single investment to approximately \$250 million), Fairfax India will invest \$250 million, and Fairfax or another investor will invest the remaining amount if the company cannot do so. The transaction is subject to customary closing conditions and third party consents, including lender consents, and is expected to be completed by the middle of 2016.
- On April 8, 2016 the company announced that, through its wholly-owned subsidiaries, it had agreed to invest \$300 million into the Sanmar Chemicals Group ("Sanmar"), through a combination of equity and debt securities resulting in a 30% equity ownership in Sanmar. As Fairfax India is currently limited to investing approximately \$250 million, as described above, Fairfax India will fund an initial tranche of \$250 million upon the closing of the transaction, and the second tranche of \$50 million will be funded within 90 days thereafter by the company, Fairfax or another investor. The first tranche is expected to be completed in the second quarter of 2016 upon the satisfaction of certain conditions precedent. If the second tranche is not completed, the company's equity ownership in Sanmar will be reduced to 25%.
- At March 31, 2016, common shareholders' equity was \$1,015.2 million or \$9.52 per share.

There were 106.7 million weighted average shares outstanding during the first quarter of 2016. At March 31, 2016 there were 76,678,879 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Fairfax India Holdings Corporation 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.

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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 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 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 securities laws.*