



News Release

TORONTO, CANADA, January 29, 2009

NORTHBRIDGE FILES NOTICE OF SPECIAL MEETING AND MANAGEMENT PROXY CIRCULAR

(Note: All dollar amounts in this press release are expressed in Canadian dollars.)

Northbridge Financial Corporation (TSX: NB) today announced that it has filed with the Canadian securities regulatory authorities the notice of the special meeting and management proxy circular in connection with the special meeting at which shareholders of Northbridge will be asked to consider and, if deemed appropriate, approve a proposed amalgamation of Northbridge and a wholly-owned subsidiary of Fairfax Financial Holdings Limited pursuant to which holders of outstanding common shares of Northbridge, other than dissenting shareholders and Fairfax and its affiliates, will receive (by way of redeemable preferred shares which will be automatically redeemed) \$39.00 in cash per share, all as more fully described in the meeting materials.

The special meeting of shareholders will be held at 8:30 a.m. (Toronto Time) on Thursday, February 19, 2009 at the offices of Torys LLP, 79 Wellington Street West, 33rd Floor, Toronto, Ontario. Shareholders as of the close of business on January 23, 2009, the record date for the special meeting, are being sent the meeting materials and will be entitled to vote at the special meeting.

Shareholders are urged to carefully read the management proxy circular which contains important information regarding the special meeting and the proposed amalgamation. Shareholders may obtain a copy of the proxy circular and other meeting materials (when available) on the Canadian securities regulatory authorities' website at www.sedar.com. The proxy circular is being mailed to shareholders in accordance with applicable securities laws.

Northbridge is the largest commercial property and casualty insurance group in Canada, providing property, automobile, general liability and a wide range of other commercial insurance products to businesses primarily in Canada. Visit Northbridge's website at www.norfin.com for more information.

For further information, contact: Innes Dey, Vice President, Corporate Affairs, at (416) 350-4300.