

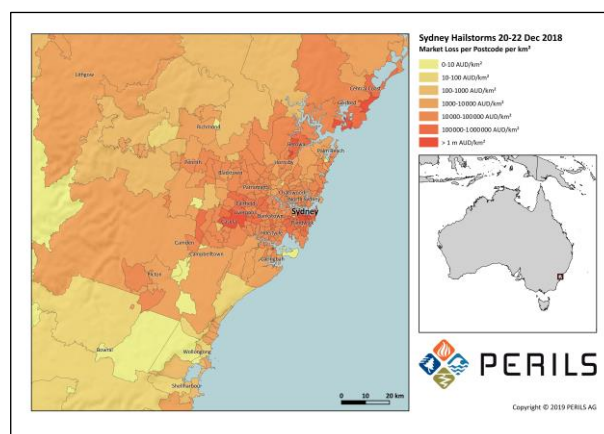
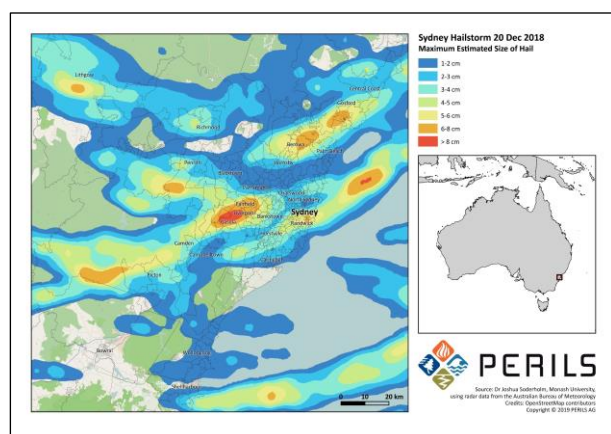
AUD 798M - PERILS RELEASES FINAL PROPERTY LOSS ESTIMATE FOR THE DECEMBER 2018 SYDNEY HAILSTORMS

Zurich, 20 December 2019 –PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its fourth and final property loss estimate for the hailstorms which affected the greater Sydney region on 20 December 2018. The estimate also includes the property losses from the storm activity in southeastern Queensland on 21 and 22 December 2018.

The final estimate of the property insurance market loss is AUD 798m. This compares to the third loss estimate of AUD 766m which was issued by PERILS on 20 June 2019, six months after the event. In line with the PERILS event definition, the loss estimate covers the property line of business only. PERILS estimates that this makes up slightly more than half of the overall loss comprising claims from all lines of business.

Commenting on the estimate, Darryl Pidcock, Head of PERILS Asia-Pacific, said: “This is the first Australian hail event for which a market loss footprint, based on loss data collected from affected insurance companies, is available at a postcode level and by property lines of business. The combination of this loss information with PERILS property market sums insured allows users of our data to determine damage degrees as a percentage of sums insured.”

“Furthermore, the correlation of these damage degrees with provided hail metrics, based on radar measurements by the Australian Bureau of Meteorology, enables the validation of vulnerability functions used in Cat models. As such, we believe that the Sydney Hailstorms loss footprint will ultimately contribute to a better understanding of hail risk in Australia.”



Sydney Hailstorms of 20 December 2018, Footprint of Hail Size (left) and Footprint of Property Market Loss (right): On 20 December 2018, a large convective storm system brought intense hail to the greater Sydney region. PERILS’ fourth and final property market loss estimate is AUD 798m. Event loss data in this loss report are available by postcode and property lines of business.

The hailstorms were part of a convective storm system which affected Sydney and surrounding regions in New South Wales, and which started during the late afternoon of Thursday 20 December 2018. Multiple storm cells generated strong winds, rainfall and intense hail with hailstones of more than 8 cm in diameter. Severe

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thunderstorms also occurred in Brisbane and on the Gold Coast on 21 and 22 December which caused additional industry losses.

PERILS also announced that the Queensland Hailstorms of 17 November 2019, as well as the November 2019 bushfires, will not exceed PERILS's loss capturing trigger of AUD 500m property insurance market loss and the company will therefore not provide loss data for these events. Given that the bushfires continue to cause damage, PERILS will continue to monitor developments.

In Europe, insured losses from the tidal floods in Venice and other coastal parts of Italy in November 2019 are unlikely to exceed the PERILS loss capturing trigger of EUR 200m, mainly due to the fact that losses from sea water flooding are generally not covered by flood insurance in Italy.

As regards the flooding in England in November 2019, as well as flash and river floods throughout Italy, PERILS' insurance surveys conducted with its data providers have shown that the property insurance market losses in each of the two territories are expected to remain below EUR 200m and PERILS will therefore not report on these events.

About PERILS

PERILS is an independent Zurich-based organisation providing industry-wide natural catastrophe exposure and event loss data. The PERILS Industry Exposure & Loss Database is available to all interested parties via annual subscription. The database contains industry property sums insured and event loss information on a CRESTA zone level and per property line of business. PERILS industry loss estimates provided via the PERILS Industry Loss Index Service can be used as triggers in insurance risk transactions such as industry loss warranty contracts (ILW) or insurance-linked securities (ILS). The service currently covers the following 17 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. The use of PERILS exposure and loss data other than in conjunction with a valid PERILS License and according to its terms is illegal and expressly forbidden.

More information can be found on www.perils.org

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