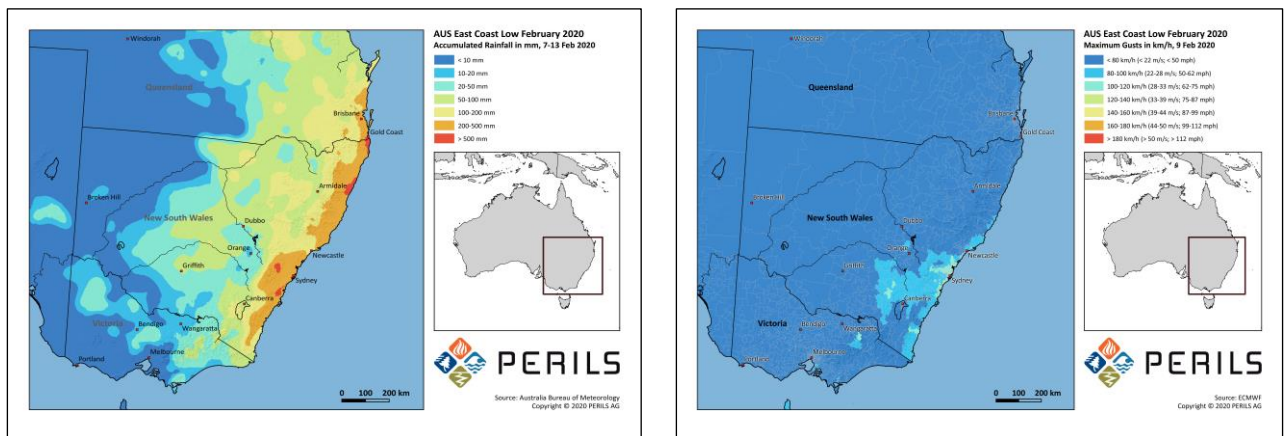




PERILS PUTS INITIAL PROPERTY LOSS ESTIMATE FOR FEBRUARY 2020 AUSTRALIAN EAST COAST LOW AT AUD 794 MILLION

Zurich, 31 March 2020 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its initial property loss estimate for the Australian East Coast Low event which occurred between 5 to 13 February 2020 and mainly affected the Australian east coast states of New South Wales and Queensland.

PERILS' initial estimate of the insured property market loss, based on loss data collected from affected insurers, is AUD 794 million. An updated estimate of the property market loss from the February 2020 East Coast Low will be made available by 13 May 2020, three months after the event end date.



Australian East Coast Low of February 2020, 7-day accumulated rainfall in mm (left) and wind gusts above 80 km/h (right): During the period from 5-13 February 2020, a large East Coast Low system brought strong winds and heavy rainfall to the east coast of Australia, causing widespread wind and flood damage. In its initial loss report, PERILS estimates that the event has cost the insurance industry a total of AUD 794 million.

Australian east coast lows are very intense low-pressure systems classified as extratropical cyclones. They typically occur along the Australian east coast and can affect an area stretching from South East Queensland down to the border between the states of New South Wales and Victoria.

The East Coast Low of February 2020 was a typical example of such an event. It was a long low-pressure trough extending inland along the Australian east coast. This low-pressure trough drew in moisture from the Tasman Sea which was warmer than usual, particularly off Sydney. The result was very intense rainfall from early to mid-February 2020 leading to flash and river flooding. The rainfall was accompanied by strong winds on 9 February as well as storm surge and high waves. In combination, these weather features caused widespread damage along the coastal areas of South East Queensland and New South Wales.

The resulting insurance loss represents the third largest industry loss from an East Coast Low event in the last three decades. It is only surpassed by the East Coast Lows of June 2007 (estimated at AUD 2.4bn as-if-today) and of April 2015 (estimated at AUD 1.2bn as-if-today). In addition, the February 2020 East Coast Low was the third major Cat event during the Australian summer 2019/2020. It added to the already significant loss burden sustained by the region resulting from the 2019/2020 Bushfires and the January Hailstorms in Eastern Australia.



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Darryl Pidcock, Head of PERILS Asia-Pacific, commented: “The summer of Cat events continued with the East Coast Low event following the Australian bushfires and hailstorms. With a combination of heavy rainfall, strong wind gusts and storm surge, considerable insurance losses were experienced. Whilst the East Coast Low caused significant property damage, the heavy rainfall refilled water catchment areas as well as bringing relief to many bushfire and drought-affected rural areas”.

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, by a Licensee or an Authorized User as defined in the License, is illegal and expressly forbidden.

More information can be found on www.perils.org

PR Contact

Nigel Allen
+44 7988 478824
nigel.allen@perils.org