



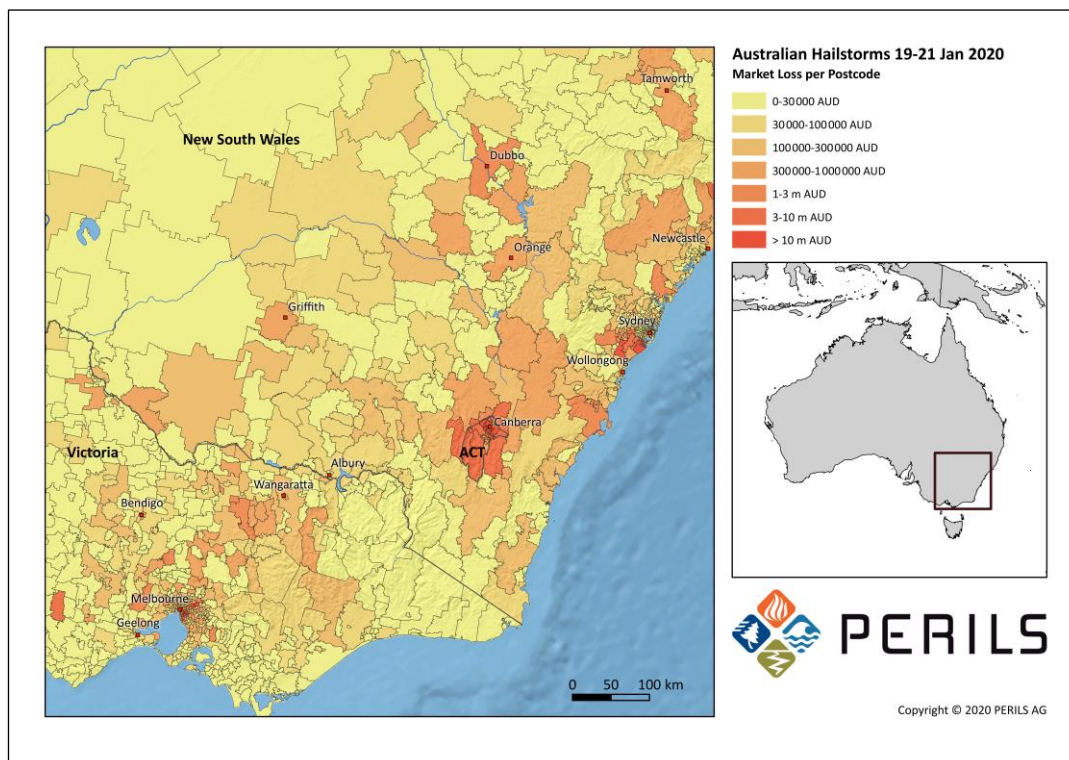
AUD 1,811M - PERILS RELEASES FIRST DETAILED INDUSTRY LOSS FOOTPRINT INCLUDING MOTOR FOR JANUARY 2020 AUSTRALIAN HAILSTORMS

Zurich, 21 July 2020 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today released the industry loss footprint for the January 2020 Australian hailstorms, the first to provide detailed property and motor loss data at postcode level for this peril in Australia.

The industry loss data covers the hailstorms which occurred between 19-21 January 2020 which amount to AUD 1,811m. The figure is based on detailed loss data collected from the majority of the Australian insurance market. PERILS' earlier loss estimates of AUD 670m issued on 4 March and 21 April 2020, respectively, did not include motor, so the increase is primarily due to the inclusion of motor losses (AUD 849m), and a 44% increase in property losses (AUD 962m). Note that due to the industry challenges posed by the coronavirus pandemic, PERILS did not carry out a second round of data collection prior to issuing its report on 21 April and so the estimate was unchanged.

In this third report, a detailed breakdown of property and motor losses by postcode is provided, with the data further divided by residential and commercial lines and loss amounts split into buildings, contents and business interruption losses. It is complemented with information on damage degrees and hail intensities based on radar measurements by the Australian Bureau of Meteorology.

The report marks the first time a market loss footprint is available at this level of granularity for an Australian hail event. This high-resolution data can be used to validate hail vulnerability functions for motor and property risks in probabilistic Cat models.



Industry loss footprint of the Australian Hailstorms of 19-21 January 2020.



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This report is released six months after the series of hailstorms struck the Australian states of Victoria, New South Wales, Queensland and the Australian Capital Territory. The event was unusual given that it impacted all three states and the Australian Capital Territory within a three-day period. The largest impact was experienced in Canberra which suffered from hailstones up to 6cm in size. Insurance losses during the three days were most severe in the Australian Capital Territory, accounting for 55% of the industry loss, followed by Victoria (25%), New South Wales (16%), and Queensland (4%). Across the affected areas, motor losses contributed 47% of the total industry loss.

An updated estimate of the industry loss from the January 2020 Australian Hailstorms will be made available by PERILS on 21 January 2021, one year after the event's end date.

Darryl Pidcock, Head of PERILS Asia-Pacific, commented: "This release is of particular market relevance as it is the first time hail motor losses, split into private and commercial LOBs, are included in a postcode-level loss footprint by PERILS. This follows the Australian insurance industry's support for the inclusion of motor, a measure which will further enhance its understanding of underlying risks and enabling improvements in modelling. This is only possible due to that support from our insurance partners and we are grateful to them for providing their data."

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 sums insured and event loss information on a CRESTA zone level and per 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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