

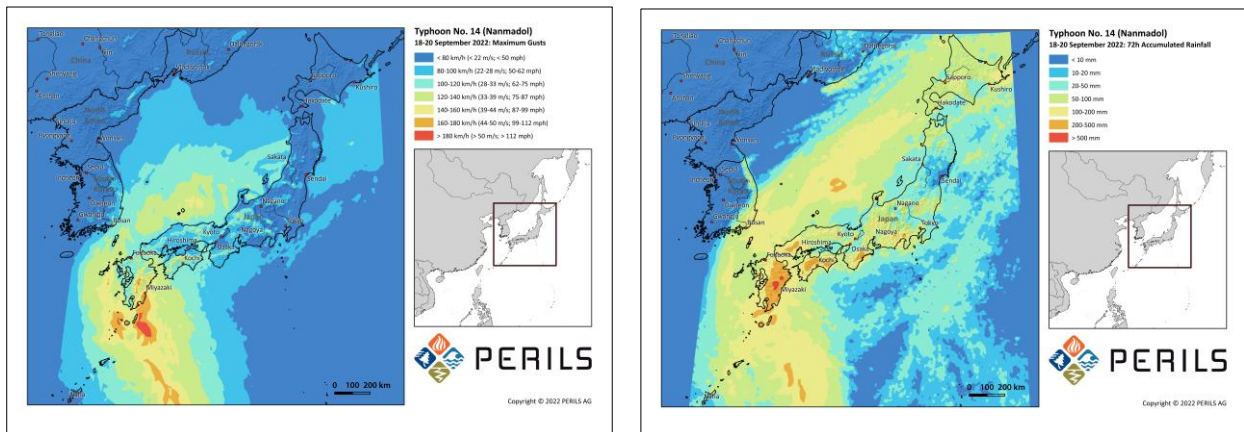


PERILS PUTS INITIAL INDUSTRY LOSS ESTIMATE FOR TYPHOON NO. 14 (NANMADOL) AT JPY 114 BILLION

Zurich, 1 November 2022 – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its initial industry loss estimate for Typhoon No. 14, aka Nanmadol, which affected the islands of Kyushu and Shikoku in southern Japan and the western and central regions of Japan’s main island of Honshu from 18 to 20 September 2022.

PERILS’ initial estimate of the insured market loss, based on loss data collected from the majority of the Japan non-life insurance market, is JPY 114 billion. In line with the PERILS coverage definition for Japan, this number encompasses the losses from the property line of business as sustained by the Japanese non-life industry. It does not include losses from motor physical damage and goods covered by transportation-related policies.

The next updated estimate of the market loss from Typhoon Nanmadol will be made available by 20 December 2022, three months after the event end date.



Typhoon No. 14 (Nanmadol), 18-20 September 2022. Wind gusts (left) and accumulated rainfall (right): From 18 to 20 September, Typhoon Nanmadol brought strong winds and extreme rainfall amounts to the southern islands of Kyushu and Shikoku and the western and central part of Japan’s main island of Honshu. In its initial loss report, PERILS estimates that the event has cost the non-life insurance industry a total of JPY 114 billion in property losses.

Typhoon Nanmadol was the 14th named storm in the 2022 Western North Pacific typhoon season and is generally referred to as Typhoon No. 14 in Japan, and internationally as Nanmadol. The system made landfall on Sunday, 18 September at 7:00 pm local time near the city of Kagoshima on southern Kyushu Island. At the time of landfall, Nanmadol’s central pressure was 935 hPa, the fourth lowest among landfalling typhoons in Japan since the 1950s. The typhoon brought strong winds and torrential rain leading to flooding and landslides. The strongest gust was recorded at Yakushima Airport to the south of Kyushu at 183 km/h. The system also produced extreme rainfall, with 907mm of rain recorded in Misato town in Miyazaki prefecture within a 72-hour period, twice the monthly rainfall average in September for that region.

Despite causing widespread disruption and extensive property damage, the loss to the insurance industry from Typhoon Nanmadol was lower than initially feared. In comparison to the major 2018/19 typhoon events (e.g., Jebi or Hagibis), the lower-than-expected loss level can be attributed to Nanmadol’s track, which ran through an area of lower value concentration and the fact that the affected areas are frequently exposed to extreme weather events and therefore well prepared to withstand their impact. Nevertheless, the losses caused by the



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event were significant, most notably in Miyazaki prefecture on Kyushu Island. These were predominantly the result of strong winds as well as flooding and earth movements triggered by the extreme rainfall, simultaneously causing disruption to power and water supplies. As such, Typhoon Nanmadol can be characterised as a particularly “wet typhoon” affecting a wide area across Japan.

Takashi Goda, Senior Advisor for Japan at PERILS, commented: “This is the first qualifying loss event since PERILS started providing coverage for Japan earlier this year. Major landfalling typhoons can have a devastating impact. Our hope is that the PERILS loss reports will be useful for risk assessment, helping to increase market transparency, and providing additional means to secure risk capital, particularly for critical perils. We know that compiling loss information requires significant input from numerous parties. As we move forward, our aim is to continue to work closely with the data-providing companies to facilitate the best-possible quality of the data produced, which we believe will benefit all stakeholders.”

Luzi Hitz, CEO of PERILS, added: “In these challenging times for the global re/insurance industry, having reliable industry loss numbers is more important than ever. Initial loss forecasts for Typhoon Nanmadol compared it to Typhoon Jebi which generated a loss of more than one trillion Yen for the Japan non-life industry. Our systematic, bottom-up approach, where we collect the loss information directly from the affected primary insurance companies, now shows that the Nanmadol loss is far lower, a fact which will likely be welcomed by the industry given the current market environment and availability of Cat capacity.”

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 18 countries: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Turkey, and the United Kingdom. In addition, PERILS industry exposure data are available for Indonesia, the Philippines and Thailand. 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

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