

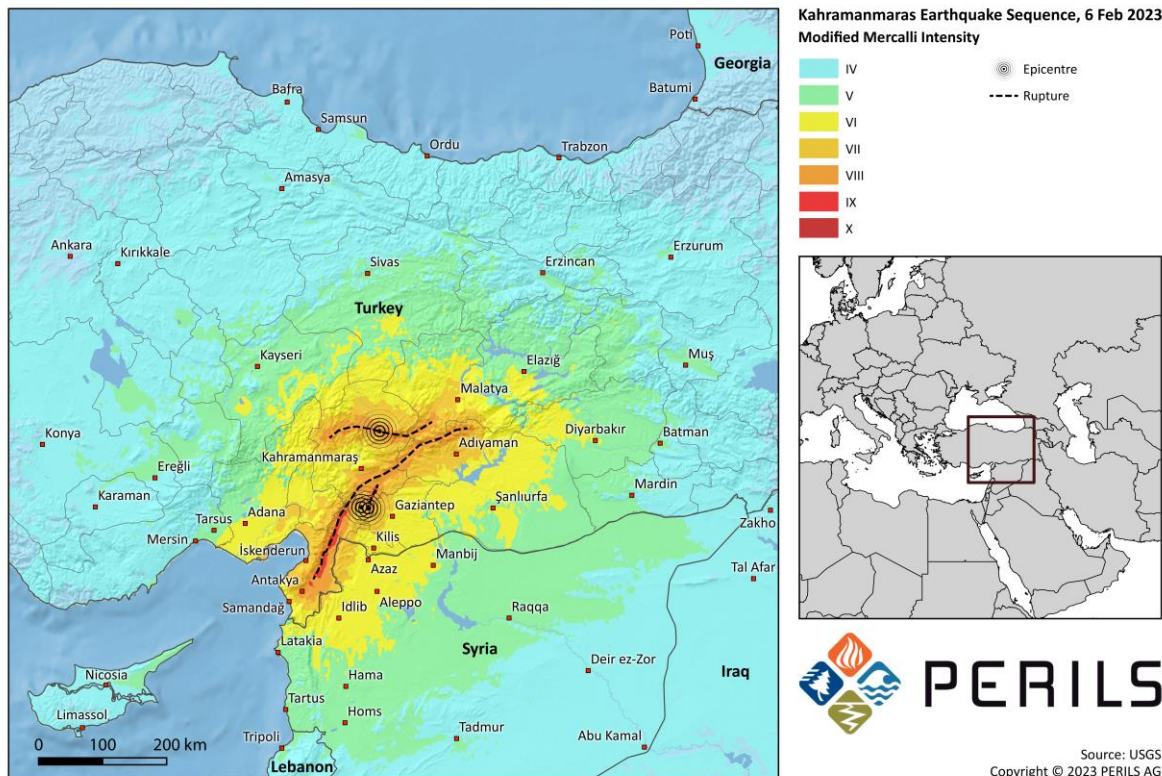


## TRY 65.4BN - PERILS RELEASES INITIAL INDUSTRY LOSS ESTIMATE FOR THE KAHRAMANMARAS EARTHQUAKE SEQUENCE OF 6 FEBRUARY 2023

**Zurich, 21 March 2023** – PERILS, the independent Zurich-based organisation providing industry-wide catastrophe insurance data, has today disclosed its initial industry loss estimate for the Kahramanmaras Earthquake Sequence which caused widespread devastation across several regions of the Republic of Türkiye and the Syrian Arab Republic on 6 February 2023.

PERILS' initial estimate of the insured market loss, based on loss data collected from the Turkish insurance market, is TRY 65.4 billion. In line with the PERILS coverage definition for Turkey, this loss number covers the property line of business. It does not include losses which occurred in Syria as this region is not covered by PERILS.

An updated estimate of the market loss from the Kahramanmaras Earthquake Sequence will be made available by 6 May 2023, three months after the event.



**The Kahramanmaras Earthquake Sequence of 6 February 2023, Modified Mercalli Shaking Intensity:** A series of earthquakes along the East Anatolian fault system caused widespread devastation and enormous human suffering in south central Turkey and neighbouring Syria. Out of the estimated economic costs of USD 70bn to 87bn, PERILS estimates in its initial loss report that TRY 65.4bn (USD 3.5bn based on exchange rates as of 6 Feb 2023) are covered by insurance.

On 6 February 2023, at 04:17 local time (01:17 UTC), a Mw 7.8 magnitude earthquake struck south central Turkey near the Turkey/Syria border. The earthquake initiated at a shallow depth of 10km, at the south-western end of the East Anatolian fault system. It produced a surface rupture length of approximately 250km. Just 11 minutes after the first shock, a Mw 6.7 aftershock occurred. Nine hours later, at 13:24 local time, another powerful Mw 7.5 earthquake struck 95km to the north, on an adjacent but separate fault also within the East Anatolian fault



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system. This second massive earthquake initiated at a depth of 15km and produced a surface rupture length of approximately 90km.

Eleven provinces in south-eastern Turkey were impacted by the earthquake sequence (with a combined population of approximately 14 million), with the provinces of Hatay, Kahramanmaras, Gaziantep, Malatya and Adiyaman worst affected.

The level of human suffering and loss of life was immense – according to the latest official figures over 56,900 deaths were reported, 48,448 in Turkey and 8,476 in Syria, as buildings collapsed at a time when most were at home sleeping. Close to 130,000 people were severely injured. An estimated 2.4 million people were displaced from their homes and are currently living in tents and temporary shelters due to the event.

In Turkey, according to official figures, more than 160,000 buildings containing 520,000 apartments were destroyed, damaged or will need to be demolished. Many more are partially damaged and will need to be repaired. A recent study by the Department of Economics of the Koç University put the economic losses in Turkey in the range of USD 70bn to 87bn. In terms of insured losses, the TRY 65.4bn industry loss represents the costliest catastrophe event in Turkey's recorded history (USD 3.5bn at exchange rates of 6 Feb 2023).

Luzi Hitz, CEO of PERILS, commented: "First and foremost, I would like to express our deepest sympathies to those affected in the Republic of Türkiye and the Syrian Arab Republic by this incredibly tragic and truly devastating event."

He continued: "Shallow earthquakes of magnitudes Mw 7.8 and Mw 7.5 cause severe devastation in any built environment. Although the insurance industry in Turkey offers protection for the financial consequences of such events, the take-up rate remains low, or the coverage limits purchased are far below reconstruction costs. Earthquake insurance is not only a challenge in Turkey, but also in other regions exposed to high seismic activity such as Japan or California, where insurance penetration for the peril remains low. Through providing our industry loss data our aim at PERILS is to help improve understanding of such highly destructive perils and by so doing facilitate the increased penetration of insurance solutions into these earthquake-exposed territories."

### **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](http://www.perils.org).

PR Contact: Nigel Allen, +44 7988 478824, [nigel.allen@perils.org](mailto:nigel.allen@perils.org)