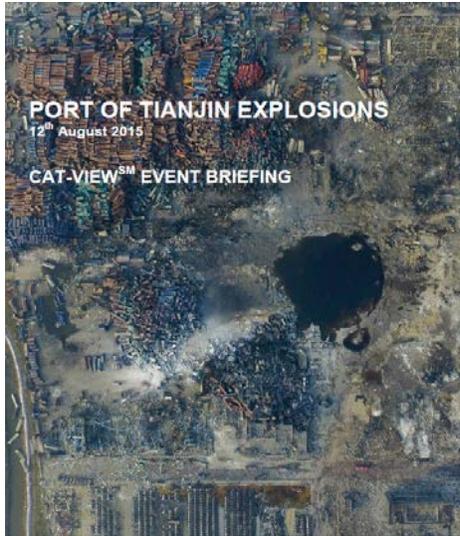


## China: Insurance Loss Reports, Port of Tianjin Fire and Explosion August 2015<sup>i</sup>; Large International Spread of Risk

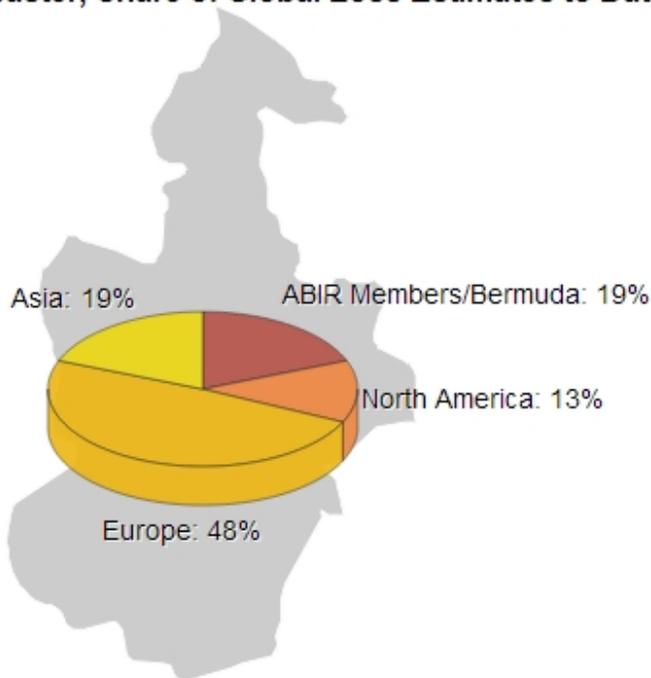


The fire and explosion has been described as one of the worst industrial accidents in this century and will affect insurance lines including: property, motor, liability, inland marine, marine, business interruption, contingent business interruption. Initial loss estimates ranged from over \$1 billion to up to \$6 billion, with most estimates in the \$2 to \$3 B range. The large range was due to the possibility of broader chemical contamination and large contingent business interruption impacts. A recent International Union of Marine Insurance estimate expects losses to rise to \$5 to \$6 B, as early damage assessment difficulties hampered loss quantification. Most of the insured losses will be to Chinese domestic insurers, but global commercial insurers and reinsurers are expected to have a large share of the insured losses and as of March 2016 have reported \$2.4 B (US) in estimated losses. This report summarizes disclosures of estimated losses by publicly traded

insurance groups, as reported in the trade press.

### Loss disclosures to date total \$2.4 B.<sup>ii</sup>

#### Tianjin Disaster, Share of Global Loss Estimates to Date



Worldwide loss estimates to date are distributed as follows:

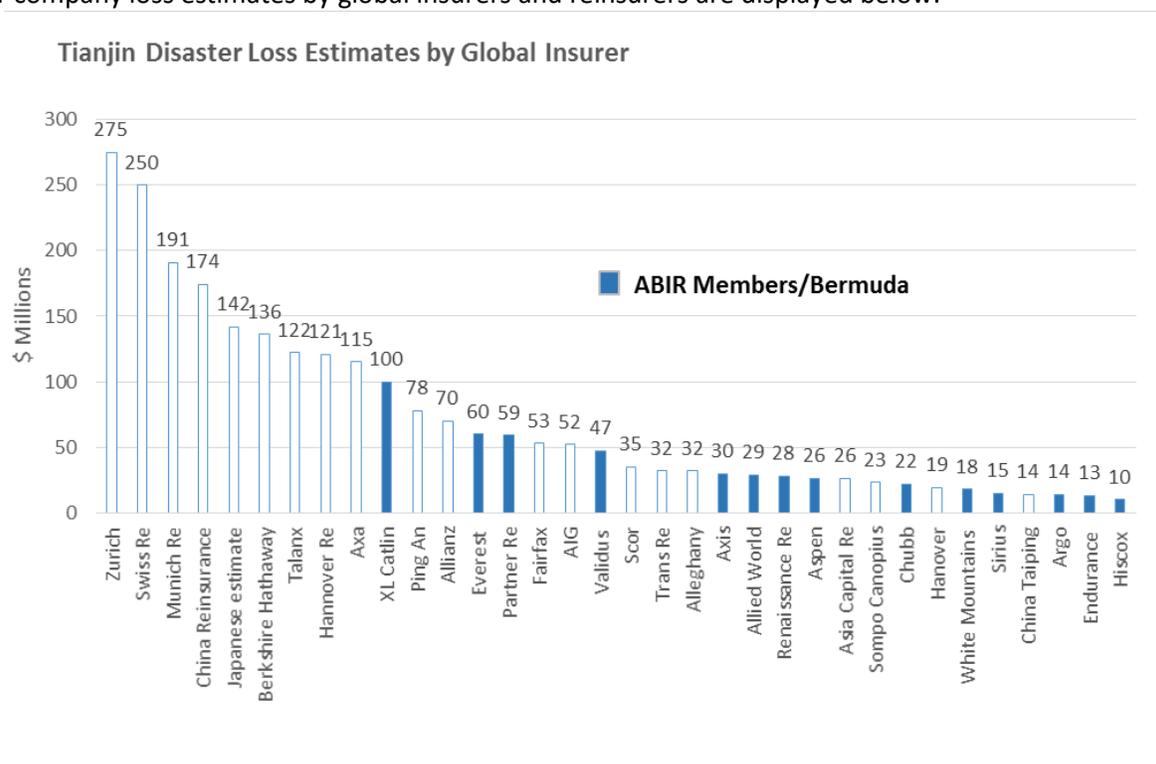
Losses from **European carriers** are at **\$1,179 M, 48%** of the total reported global share;

Thirteen **ABIR Member/Bermuda<sup>iii</sup> carriers** have reported losses of **\$471 M, 19%** of the combined global loss estimates;

**Asian (re)insurers** have reported **\$460 M in losses or 19%**;

**North American carriers** are at **\$328 M or 13%** of total global losses to date.

Per company loss estimates by global insurers and reinsurers are displayed below:



**ABIR/Bermudian Insurers-**

Argo 14M; Aspen 26M; Allied World 29M; Axis 30M; Chubb 22M; Endurance 13M; Everest 60M; Hiscox 10M; Partner Re 59M; Renaissance Re 28M; Sirius 15M; Validus Re 47M; White Mountains 18M; XL Catlin 100M.

**European Insurers –**

Allianz 70M; Axa 115M; Hannover Re 121M; Munich Re 191M; Scor 35M; Swiss Re 250M; Talanx 122M; Zurich 275M.

**Asian Insurers –**

Asia Capital Re 26M; China Taiping 14M; China Reinsurance 174M; Japanese estimate<sup>iv</sup> 142M; PICC 3M; Ping An 78M; Sompo Canopus 23M.

**North American Insurers –**

AIG 52M; Alleghany 32M; Berkshire Hathaway 136M; EMC 4M; Fairfax 53M; Hanover 19M; TransRe 32M.

<sup>i</sup> Tianjin, is the closest port to Beijing; it is the fourth largest port in the world; the fire and explosion destroyed buildings, port facilities, more than 20,000 vehicles, damaged 17,000 homes, vehicles and killed 135 people. Photo: courtesy of Guy Carpenter.

<sup>ii</sup> Sources: Insurance Insider, Guy Carpenter, Insurance Day, Commercial Risk Europe, AM Best, Asia Insurance Review, Nikkei Asian Review, Dowling & Partners

<sup>iii</sup> ABIR Member/Bermuda refers to ABIR member companies and also non-ABIR members that have Bermuda-based underwriting entities.

<sup>iv</sup> The Nikkei Asian Review discloses the combined estimate of Japan’s ‘4 leading non-life insurers,’ reiterated in this report as a ‘Japanese estimate’ less the reported losses from Sompo Canopus.