



# News Release

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## **Willis Re: High Wind Speeds Unlikely to Produce Significant Insured Loss**

**London, UK, December 13, 2011** – Windstorm Friedhelm, the storm which hit Scotland and the north of England last week, is unlikely to produce a significant insurance loss despite reaching some of the highest wind speeds recorded in the affected regions. So reports Willis Re, a leading reinsurance advisor and part of Willis Group Holdings (NYSE:WSH), the global insurance broker, in its [initial assessment of the loss](#) published today.

Willis Re states that the windstorm achieved hurricane strength peak gusts in certain localised areas, such as in the Cairngorms, which saw wind speeds of up to 165 mph. Much lower peak gusts were recorded in the more densely populated low-lying areas such as Edinburgh, where a wind speed of 77 mph was recorded, less than half of the highest speed. Isolated incidences of coastal and river flooding were also recorded.

Robert Rogers, Executive Director of Willis Re's UK team commented: "It's too early to assess the impact of a windstorm like this from reported claims, but if you look at it in relation to previous windstorms that hit the area, our preliminary conclusion is that it is more likely to have an economic impact similar to Elaine than to Kyrill. Kyrill, which hit northern Europe in January 2007 produced an industry loss to the UK of around £400 million, whereas the loss from Elaine the following year was only £130 million."

Willis Re notes that the magnitude of the loss will most likely be dampened by the superior building roof design in Scotland and northern England. Tim Edwards, Divisional Director of Willis Re, who has worked extensively on catastrophe modelling in the UK and Europe, observes: "As the northern part of the UK is more exposed to high wind speeds than the south, roofs are frequently built to higher specifications to withstand wind force, as is defined under the Building Research Establishment standards."

Dr Jessica Turner, lead atmospheric scientist for Willis Re, commented that despite high winds being common in the north of the UK at this time of year, it is difficult to predict if the region is at risk from more serious storms.

"Winter windstorms are common in Scotland because of the prevailing North Atlantic storm track location at this time of year," explained Dr. Turner. "While very strong, the gusts recorded at elevation (Cairngorm Summit is 1, 245 metres above sea-level)

were not indicative of the larger-scale conditions during Windstorm Friedhelm's passage through the region. Although Friedhelm was not unusual, it occurred in the context of what has so far been an active season for extra-tropical storms owing to the positive phase of the North Atlantic Oscillation (NAO). Since the NAO cannot be skilfully forecast more than a few weeks in advance it is difficult to know if these conditions will persist."

Asked whether Friedhelm was likely to have an impact on the 1<sup>st</sup> January reinsurance renewals, Rogers commented: "Probably not, at least not in any material way. It's too late in the negotiation process for one thing, but more importantly, it is very unlikely to impact any catastrophe reinsurance treaties. We will, of course, be keeping a close watch on the storms forecast for this week."

Access the Willis Re Windstorm Friedhelm Catastrophe response report [here](#).

### **About Willis Re**

One of the world's leading reinsurance brokers, Willis Re is known for its world-class Analytics capabilities, which it combines with its Capital Markets and Reinsurance expertise in a seamless, integrated offering that helps clients increase the value of their businesses. Willis Re serves the risk management and risk transfer needs of a diverse, global client base that includes all of the world's top insurance and reinsurance carriers as well as national catastrophe schemes in many countries around the world. The broker's global team of experts offers services and advice that help clients make better reinsurance decisions, access worldwide capital markets and negotiate optimum terms. For more information, visit [www.WillisRe.com](http://www.WillisRe.com).

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