



News Releases

Two months of U.S. severe weather heralds \$15bn insured loss, according to Aon Benfield study

Chicago, June 22, 2011 – Aon Benfield, the global reinsurance intermediary and capital advisor of Aon Corporation (NYSE:AON), today releases its analysis of the severe weather events to impact the U.S. during the months of April and May this year.

Published by Impact Forecasting, the firm's catastrophe model development center of excellence, the *United States April and May 2011 Severe Weather Outbreaks* report reveals that losses during the two month period alone reached an estimated USD15.0bn – nearly three times the 1990-2010 annual average for severe weather losses. Total economic losses during the same period were estimated at USD21.65bn.

The report examines the active stretch of severe weather that occurred across areas east of the Rocky Mountains, where at least eight separate timeframes saw widespread severe weather activity – including five separate outbreaks with losses in excess of one billion dollars (USD).

Of the eight timeframes examined in this report, the two most notable stretches occurred between April 22-28 and May 21-27.

The late-April period witnessed the largest tornado outbreak in world history, comprising 334 separate tornado touchdowns which led to catastrophic damage throughout the Southeast and the Tennessee Valley. The city of Tuscaloosa, Alabama, was directly impacted by a high-end EF-4 tornado that caused huge devastation, and at least three EF-5 tornadoes, the strongest grade of tornado on the Enhanced Fujita Scale, touched down during this outbreak.

Steve Jakubowski, President of Impact Forecasting, said: “The late-May stretch was highlighted by an outbreak that spawned a massive EF-5 tornado that destroyed a large section of Joplin, Missouri. The tornado led to 154 fatalities in the city, becoming the deadliest singular tornadic event since the National Weather Service officially began keeping records in 1950. In addition, it is worth noting that the Tuscaloosa and Joplin events will go down as two of the costliest singular tornadoes ever recorded.”

As of mid-June 2011, at least USD15.5bn in U.S. severe weather insured losses had been recorded since the start of the year – 303 percent above the 1990-2010 annual average of USD5.11bn.

In addition to examining the outbreaks, the Aon Benfield study further analyzes potential reasons for the high number of tornado fatalities, and highlights some of the numerous records set during the early April to June 1 period. It also provides historical information regarding U.S. tornado statistics, including fatalities, number of tornado touchdowns and the costliest tornadoes on record.

To view the full report, follow the link:

http://www.aon.com/attachments/reinsurance/201106_us_april_may_severe_weather_outbreaks_recap.pdf

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About Aon Benfield

As a recognized leader in treaty, facultative and capital markets, Aon Benfield is redefining the role of the reinsurance intermediary and capital advisor. Through our notable expertise and industry-leading proprietary tools and products, we help our clients to redefine success. Aon Benfield offers unbiased capital advice and customized access to reinsurance and capital markets. As a trusted advocate, we provide local reach to the world's markets, an investment in innovative analytics, including catastrophe management, actuarial, and rating agency advisory, and the right professionals to advise clients in making the optimal capital choice for their business. With an international network of more than 80 offices in 50 countries, our worldwide client base is able to access a broad portfolio of integrated capital solutions and services. Learn more at aonbenfield.com.

About Impact Forecasting® LLC

Impact Forecasting is a catastrophe modeling center of excellence whose seismologists, meteorologists, engineers, mathematicians, finance risk management and insurance professionals analyze the financial implications of natural and man-made catastrophes around the world. Impact Forecasting's experts develop software tools and models that help clients understand risks from hurricanes, tornadoes, earthquakes, wildfires and terrorist attacks on property, casualty and crop insurers and reinsurers. To find out more about Impact Forecasting® LLC, visit www.impactforecasting.com.

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