

News Release

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Guy Carpenter Briefing Predicts Above-Average Number of Landfalling Tropical Cyclones for South China, Korea/Japan

Anomalous High May Steer Tropical Cyclones to South China Coast;
First Report on Korea/Japan Events Foresees Six Landfalling Events in 2010

New York, June 7, 2010

A briefing on landfalling tropical cyclones in the South China and Korea/Japan regions issued today by Guy Carpenter's Asia-Pacific Climate Impact Centre (GCACIC), a joint initiative of Guy Carpenter & Company, LLC, and the City University of Hong Kong, concludes that activity across both regions could be higher than normal in 2010.

SOUTH CHINA

- Based on analysis of previous years and current atmospheric conditions, the GCACIC predicts a total of six landfalling events in the South China region, slightly above the average of five.
- The early season (May to August) is expected to be more active than normal, with four landfalling events, while the late season (September to December) should remain within the normal range of two events.
- Though 2010 is likely to be an El Niño/Southern Oscillation (ENSO) neutral year, which would normally suggest below-average activity, an anomalous geopotential high in the Western North Pacific region could persist into the early tropical cyclone season, increasing the likelihood of landfalling storms in South China.

KOREA/JAPAN

- As the first report published by GCACIC to cover landfalling tropical cyclones in Korea and Japan, the statistical prediction for the region should be considered experimental.
- Taking this caveat into consideration, GCACIC predicts the number of tropical cyclones affecting the Korea and Japan to be six for the entire 2010 season, above the normal value of four.
- A potential break in the subtropical high could produce an anomalous southerly flow, helping steer tropical cyclones toward Korea and Japan and making the higher-than-normal prediction plausible.

A copy of the full briefing can be found on www.guycarp.com at

<http://www.guycarp.com/portal/extranet/insights/briefingsPDF/2010/GCACIC%20Research%20Brief%202010.pdf>.

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QUOTES

Professor Johnny Chan, Director, Guy Carpenter Asia-Pacific Climate Impact Centre

"This year, in addition to our analysis of Southern China, we have extended our landfall forecast to include Korea and Japan. We hope that this broader forecast will be useful across the region as companies, governments and other entities prepare for typhoon-related disasters."

David Lightfoot, Managing Director, Guy Carpenter & Company

"The Guy Carpenter Asia-Pacific Climate Impact Centre continues to break new ground with valuable research on climate-related perils. The addition of Japan and Korea to its series of landfalling typhoon predictions marks an important new milestone, furthering the insurance industry's base of scientific knowledge and fostering a more general understanding of tropical storm activity in the region."

TAGS/KEYWORDS

GCACIC, Guy Carpenter, City University of Hong Kong, Asia, Pacific, tropical storm, cyclone, climate, El Niño, China, Japan, Korea, Chan, Lightfoot

About Guy Carpenter Asia-Pacific Climate Impact Centre

The Guy Carpenter Asia-Pacific Climate Impact Centre (www.cityu.edu.hk/gcacic) was established in June 2008 with City University of Hong Kong. The Centre integrates academic and industry research to advance the understanding of climate-related perils and catastrophic risks across the Asia-Pacific region.

About Guy Carpenter

Guy Carpenter & Company, LLC is the world's leading risk and reinsurance specialist and a part of the Marsh & McLennan Companies. With over 50 offices worldwide, Guy Carpenter creates and executes reinsurance solutions and delivers capital market solutions* for clients across the globe. The firm's full breadth of services includes line of business expertise in Agriculture; Aviation; Casualty Clash; Construction and Engineering; Excess and Umbrella; Life, Accident and Health; Marine; Medical Professional Liability; Political Risk and Trade Credit; Professional Liability; Property; Retrocessional Reinsurance; Surety; Terrorism and Workers Compensation. GCFac® is Guy Carpenter's dedicated global facultative reinsurance unit that provides placement strategies, timely market access and centralized management of facultative reinsurance solutions. In addition, Guy Carpenter's Instrat® unit utilizes industry-leading quantitative skills and modeling tools that optimize the reinsurance decision-making process and help make the firm's clients more successful. Guy Carpenter's website address is www.guycarp.com.

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