



# Aviation Insurance Market Update

Gareth Howell  
Underwriting Director

May | 2025

# Aviation Insurance Market Update

- Recent Events
- Results by Sector
- Market Outlook
- Claims Trends



# Recent Aviation events



Dec 2024



Jan 2025



Feb 2025



# Midair at Washington National

First US commercial passenger crash since 2009

Insurance industry immediate response

- Aircraft recovery and storage
- Public agency costs
- Family assistance
  - Funeral, Grief Counseling, Transportation/Lodging accident side

Early litigation activity

- Notice of claim on Federal Government
- No jury trial

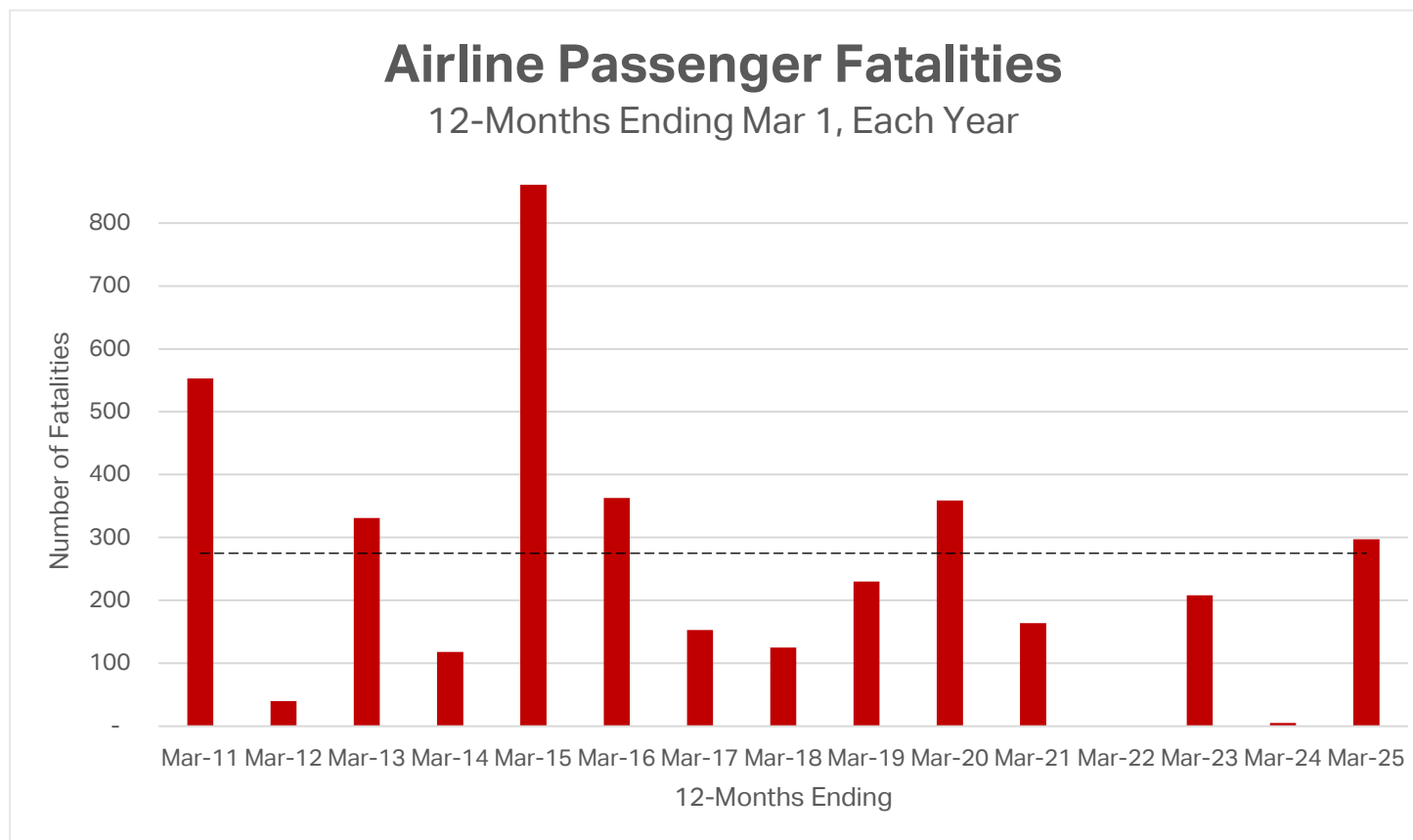


Jan 2025



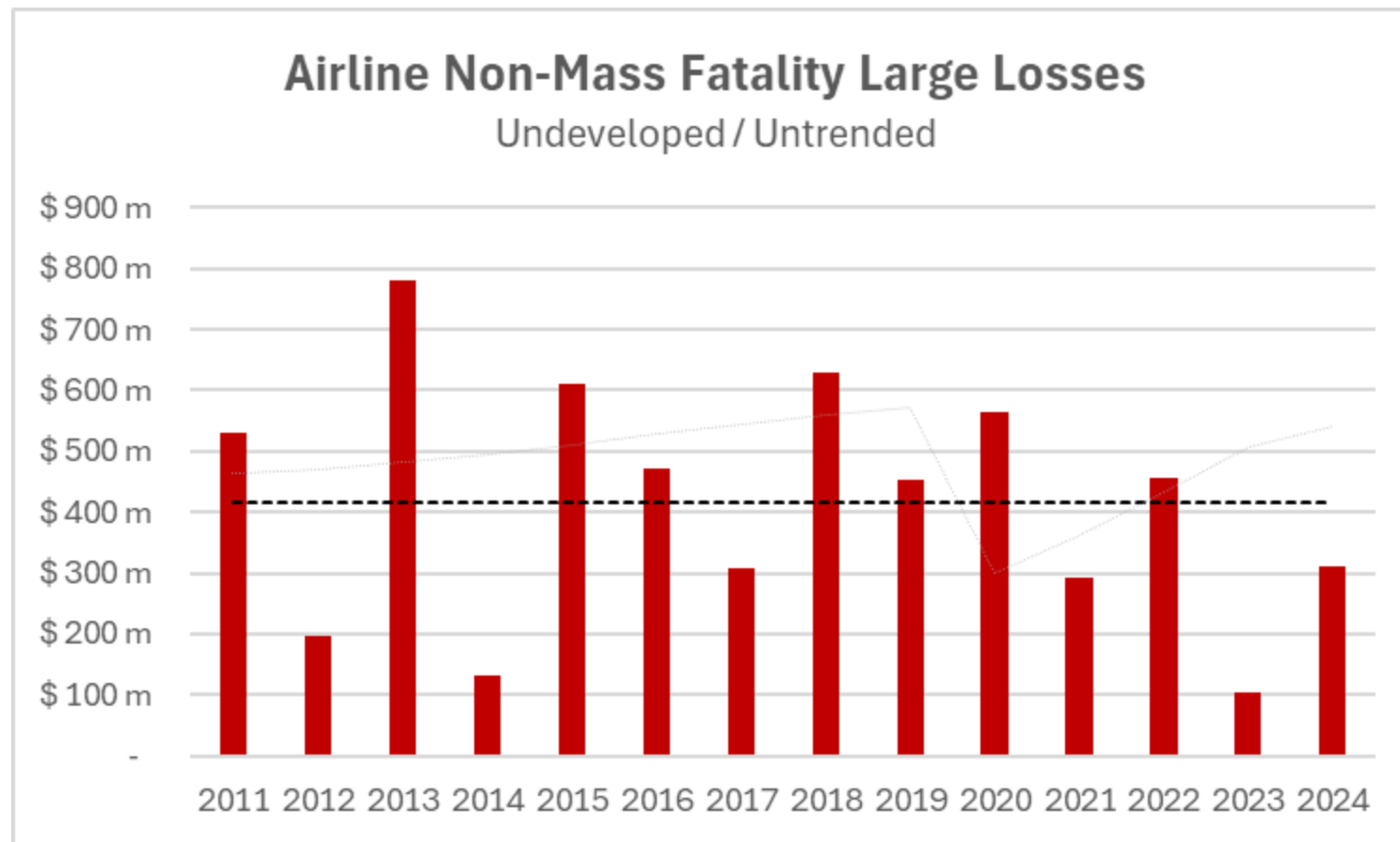
# Airline Fatalities

Despite 3 mass fatality events since Dec 2024, the total number of fatalities over the prior twelve months is near long term average

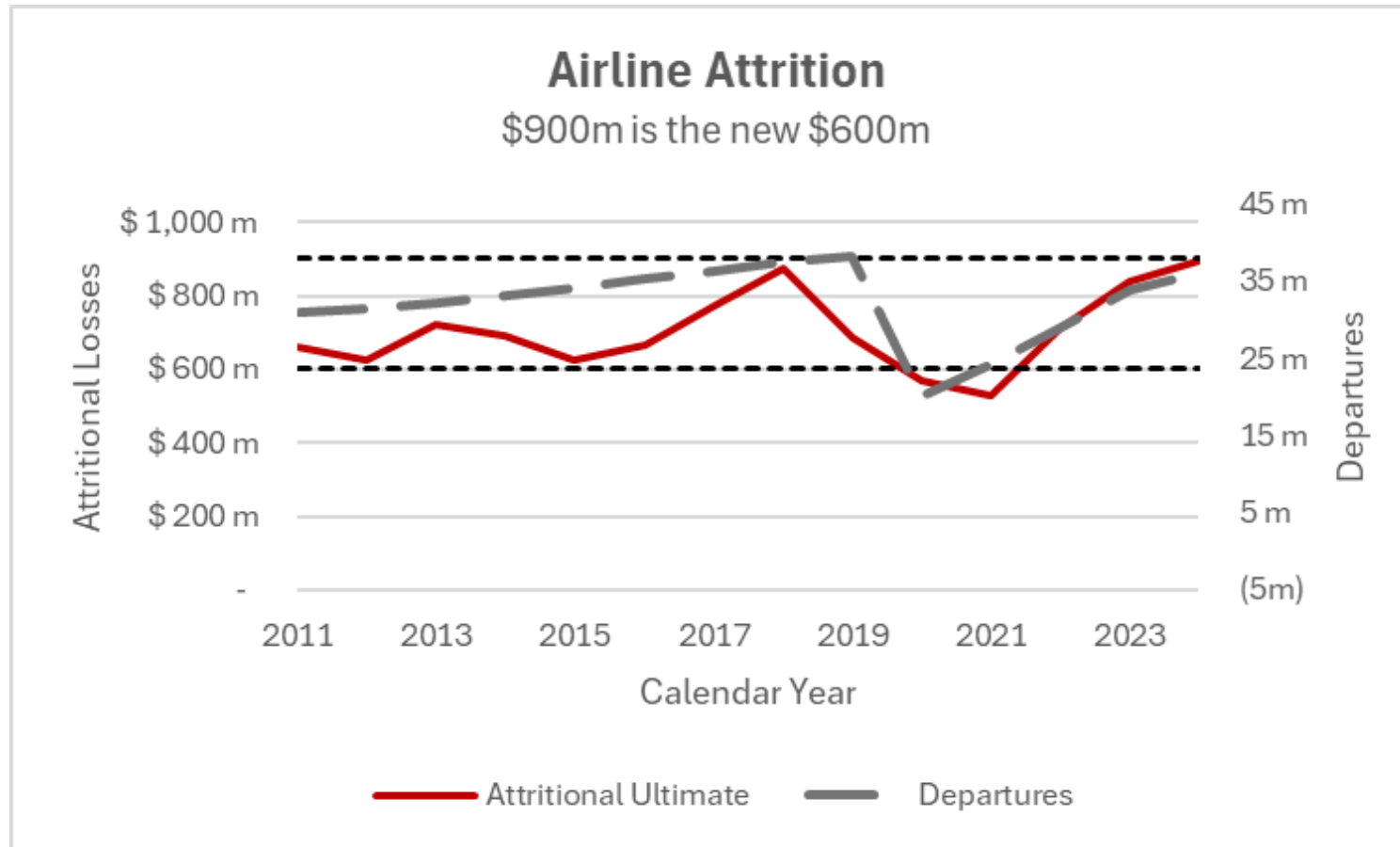


# Airlines – Non-Mass Fatality Large Losses (Incurred)

Average over \$400m

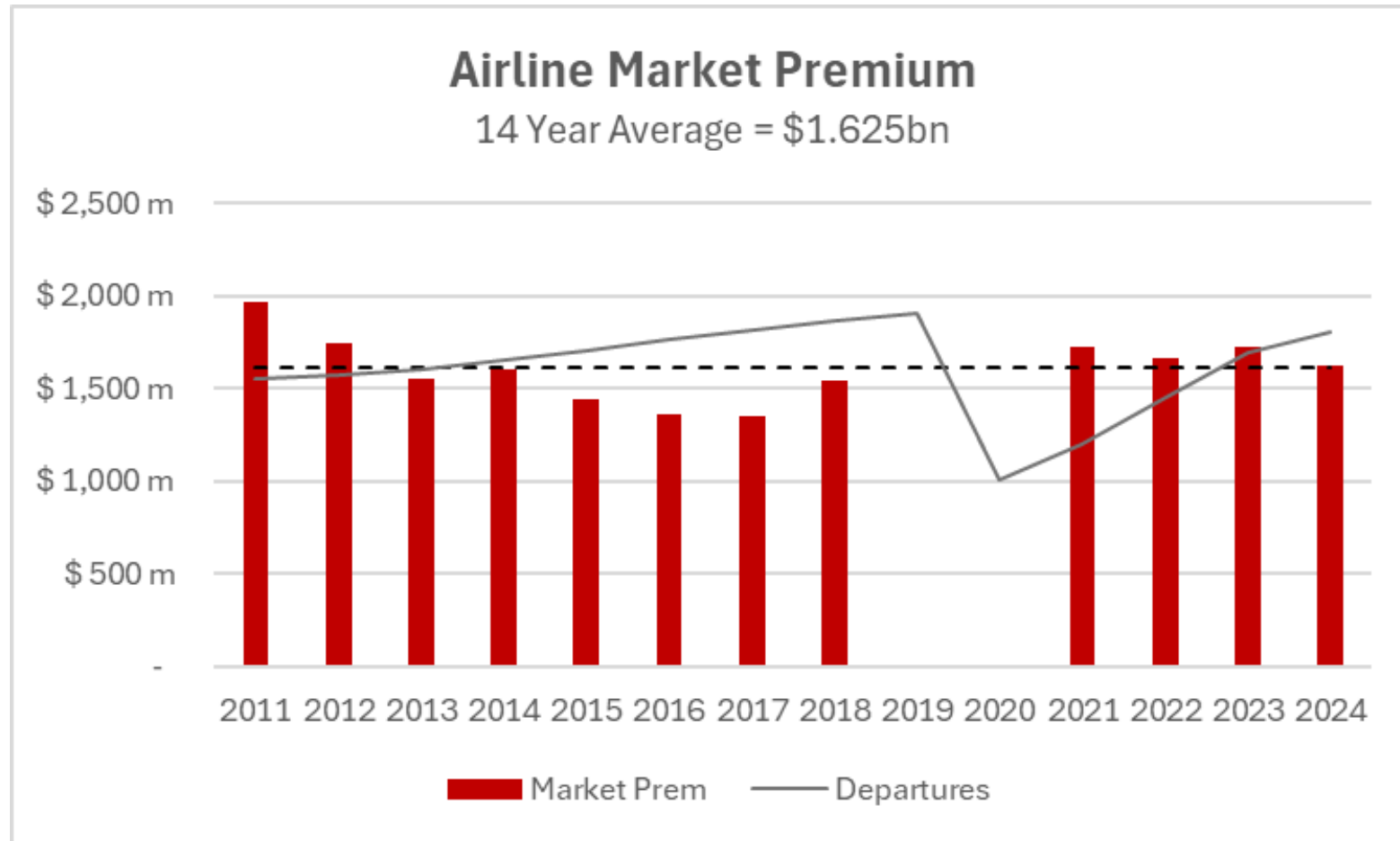


# Airlines – Attritional Losses Generally Move with Changes in Exposure



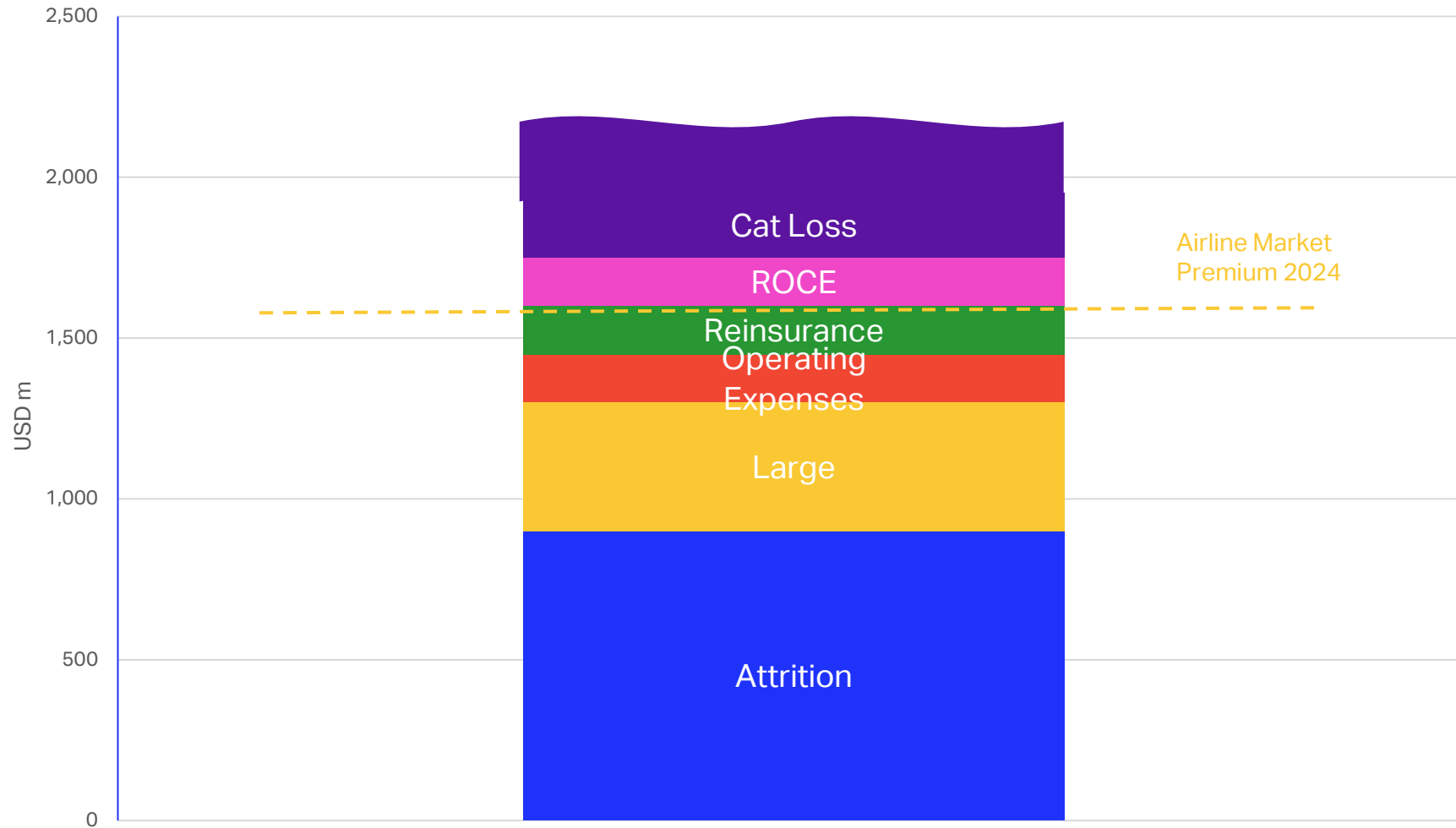
**B787-900 raked wingtip**  
The only repair option,  
with proprietary bonding techniques  
USD 1,500,000

## Airlines – Market Premium Remains Near Long-Term Average



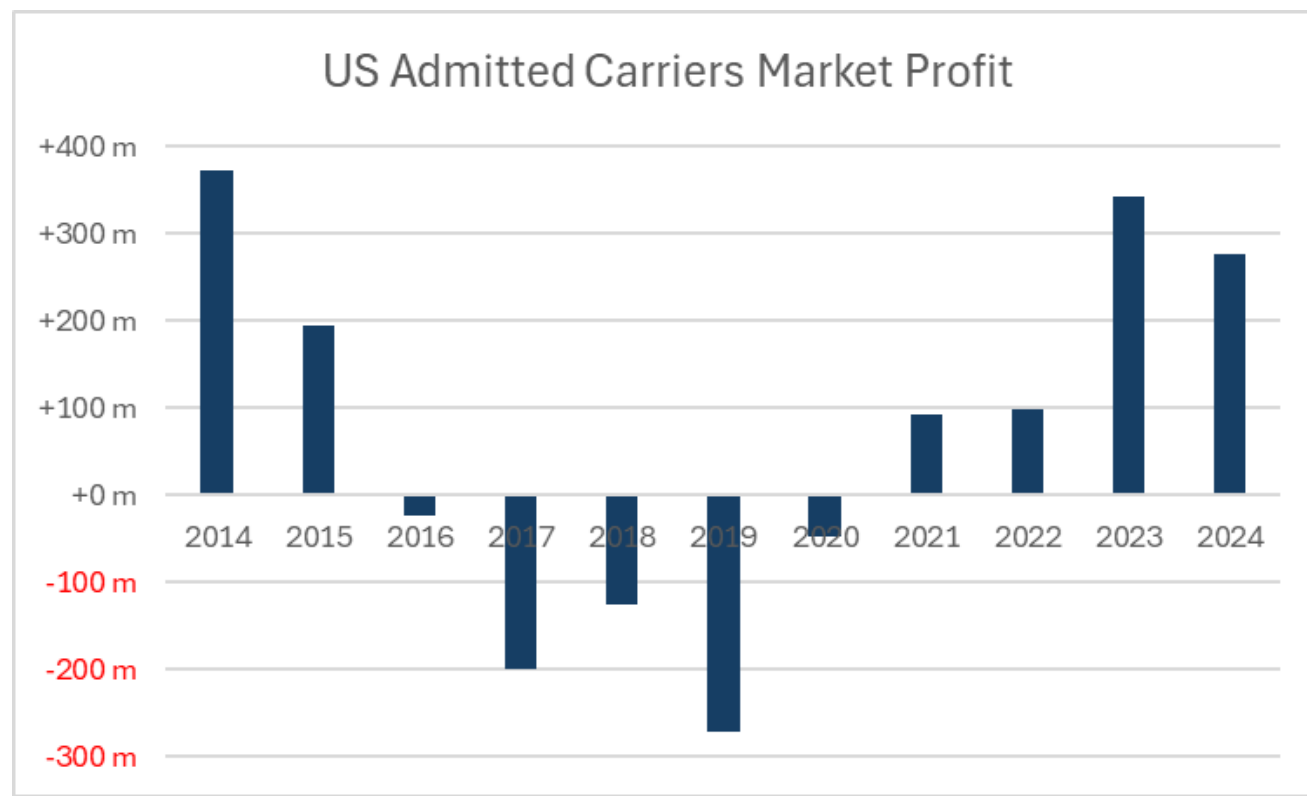


# Airline Insurance Profitability Analysis



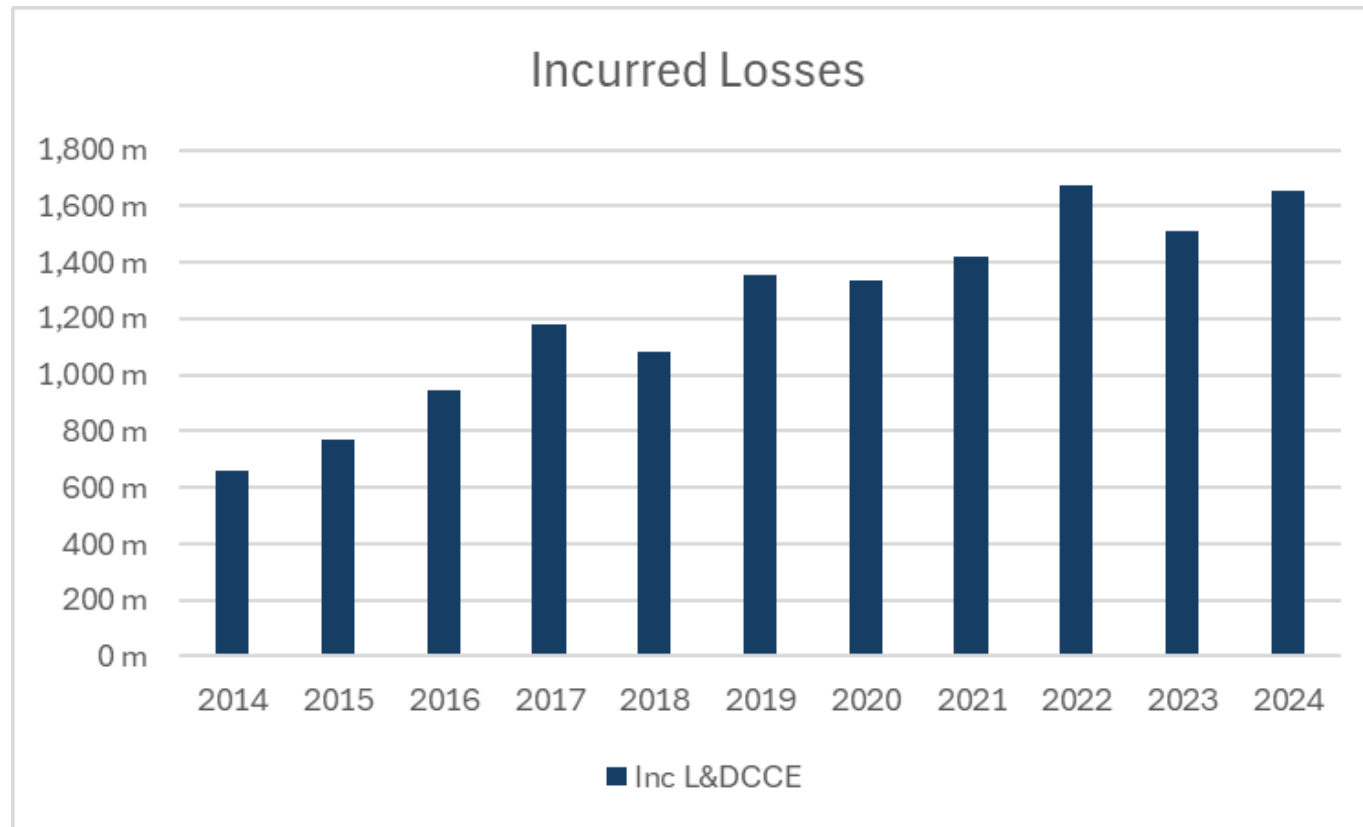
# US Admitted Carriers' Profit

2024 was a profitable year for US Admitted Market, but the profit was lower than 2023



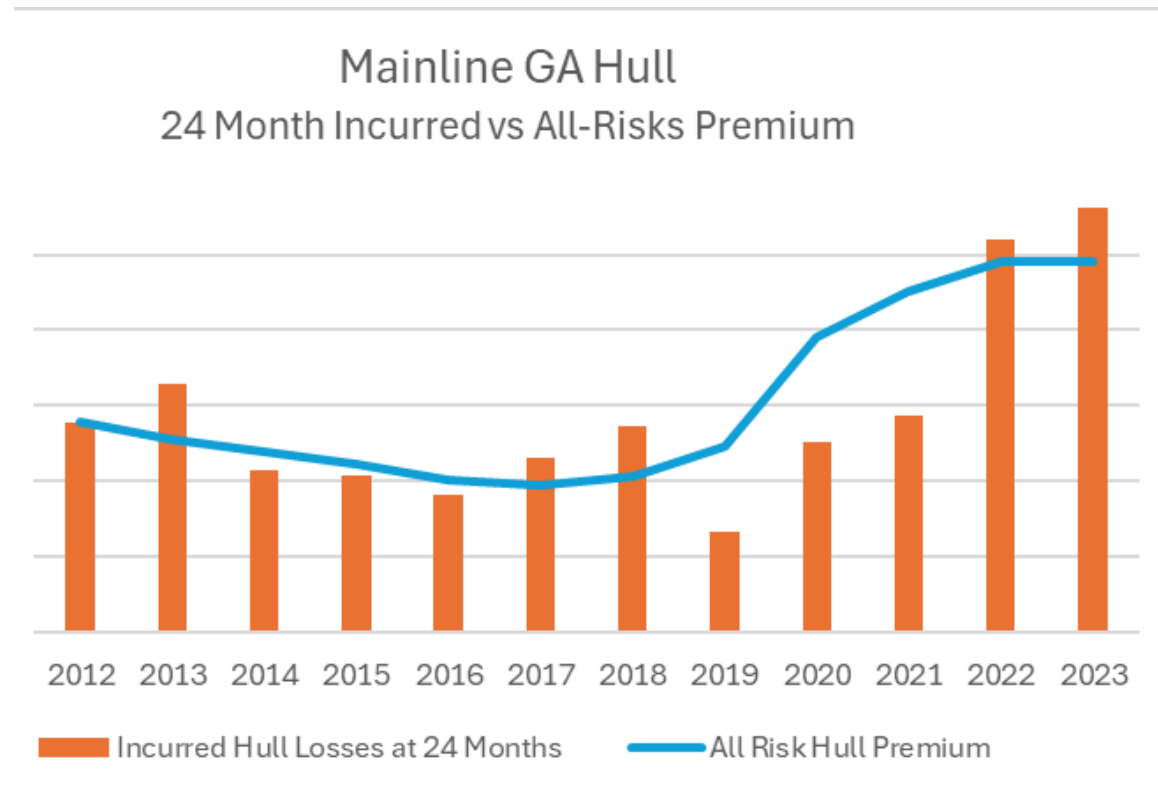
# US Admitted Carrier's Incurred Losses

Incurred Losses higher than 2023 and just below 2022 levels



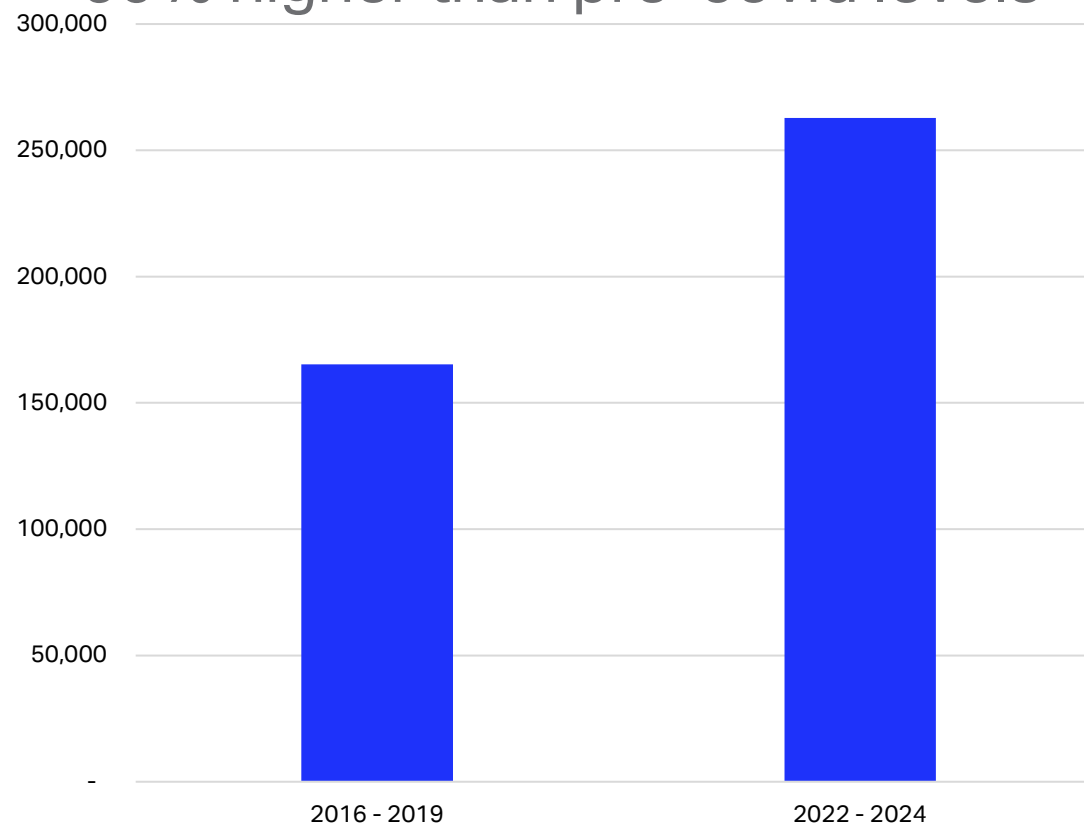
# Hull Claims Continue to be Problematic in the More Recent Years

All Risk Hull LR's are over 100 percent

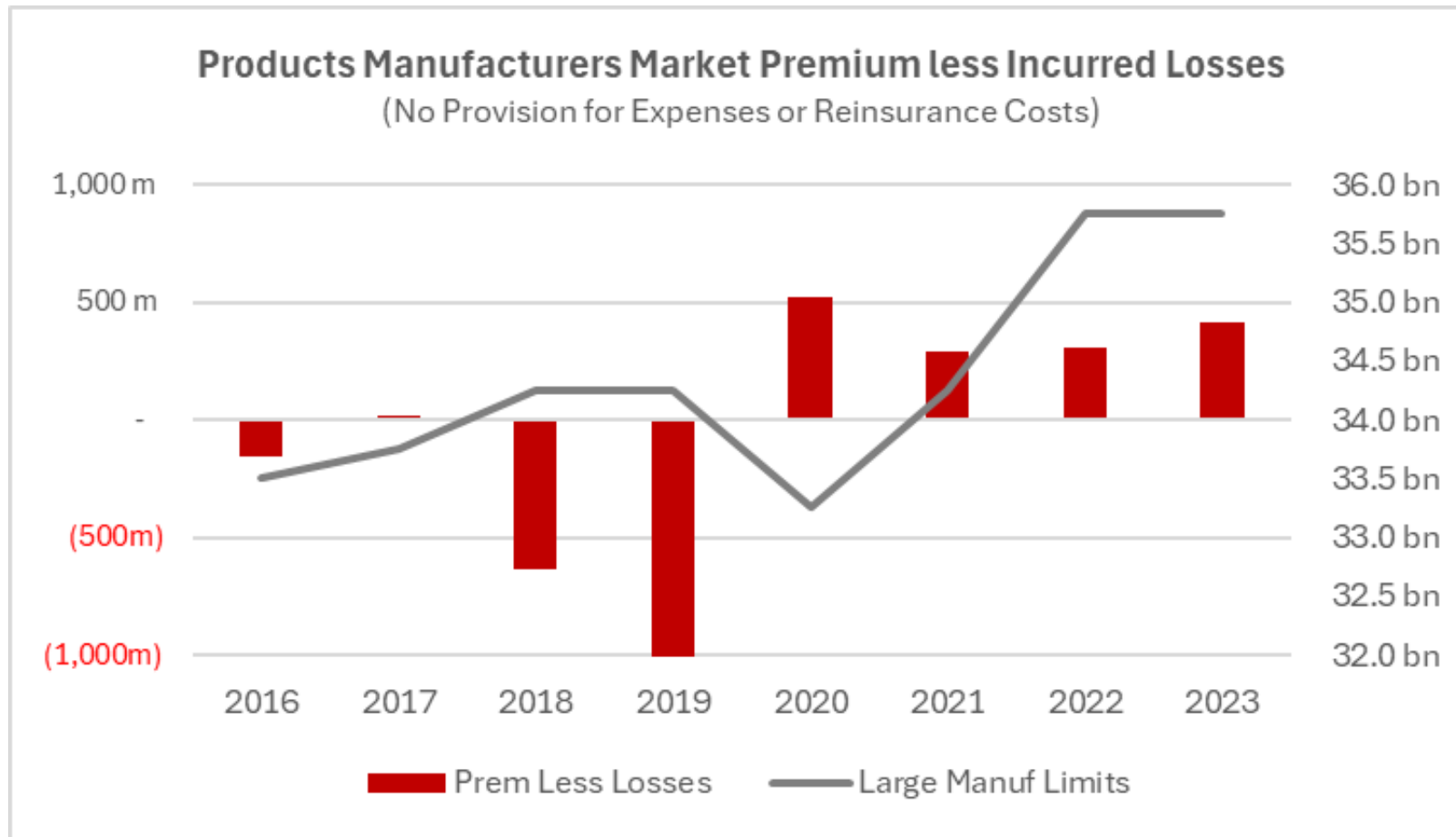


# Hull Claims Costs Are Increasing at an Alarming Rate

The average cost of a claim is  
60% higher than pre covid levels



# Aerospace Results





# Insurance Market Outlook

## Insurer Capacity

- Ample capacity for aviation risks
- Well-respected market withdrawal

## Russian Leasing claims

- Reinsurance impact

## Recent Airline losses

## Tariffs

Growing exposures  
and a bright future

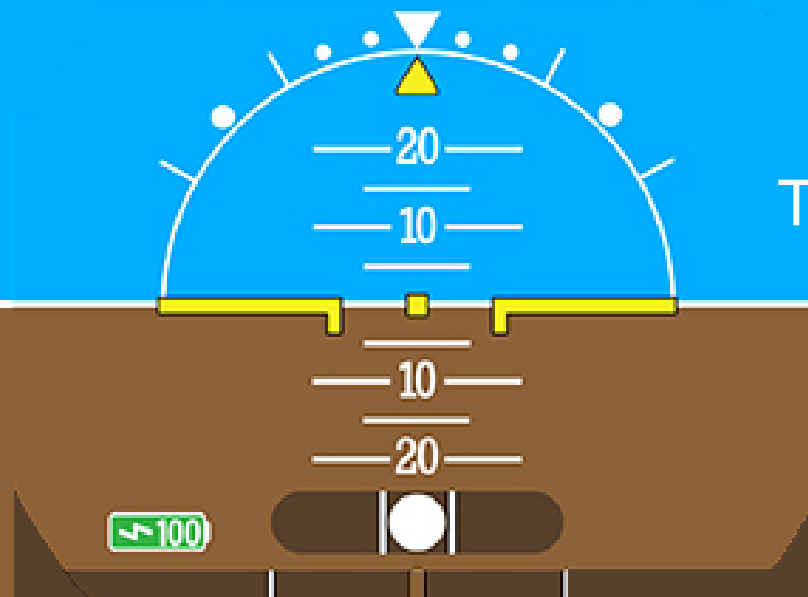
## Claim pressures

- Escalating liability awards
- Aircraft repair costs
- Adverse development

## Weather Events

Risk Management to  
mitigate attrition

## Geopolitical Instability



# Claims Trends

**Liability Awards**

**Aircraft Repair  
Costs**

**Adverse  
Development**

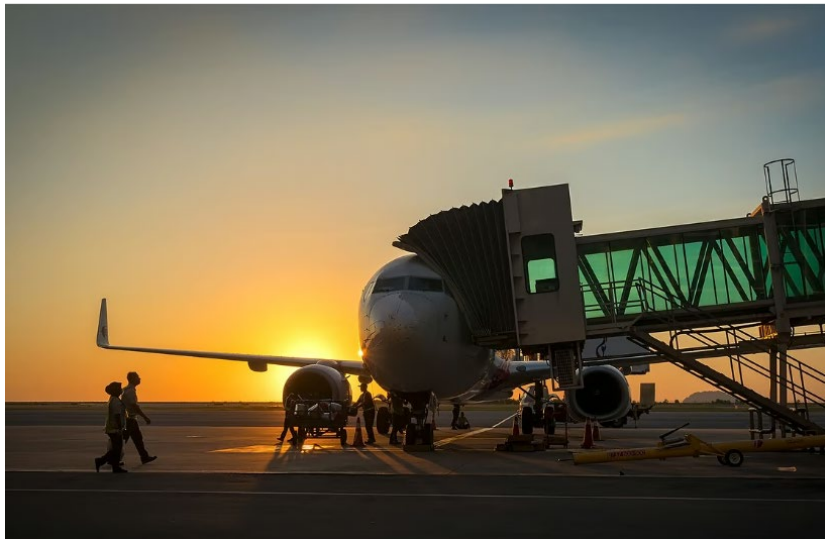
# Liability Awards

COURTHOUSE NEWS SERVICE

## Texas jury awards \$352 million to family of paralyzed airport worker

*An airplane fueling company driver said the sun was in his eyes when he struck a United Airlines employee and sent him flying across a tarmac.*

CAMERON LANGFORD / October 26, 2021



NEW YORK CITY

## Jury awards \$116M to family of passenger killed in NYC East River helicopter crash

By Jennifer Peltz • Published September 20, 2024 • Updated on September 20, 2024 at 10:20 pm

Log in or create a free profile to save articles



4 NEW YORK NEWS

ON NOW  
Live: Today in New York  
@ 6AM

### Trending Stories

**CRIME AND COURTS**  
DEA: Criminal 'marijuana farm' in New York supplied illegal NYC smoke shops

**NEW YORK**  
NY town official indicted in front yard shooting of lost DoorDash driver

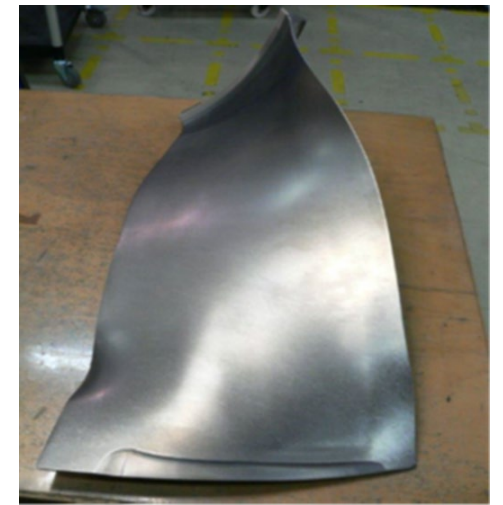
**NEW JERSEY**  
NJ Transit, engineers' union reach deal to end strike and resume service Tuesday

# Time for Tort Reform?



# Aircraft Repair Costs

Specialized composites  
Engine complexity  
OEM-only repair scopes  
Supply chain: part shortages  
Labour constraints



# Long Tail: Adverse Development

50+ year old aircraft

NY East River crash

Fuel dump event over school

UK crash involving billionaire after football match





