

# Fire and ISR

Market data and insights

## What is Fire and ISR Insurance?

An ISR policy offers two main types of coverage, divided into two sections: Material Loss or Damage and Consequential Loss. Material Loss or Damage protects physical property, including buildings, contents, and stock. Consequential Loss covers loss of revenue, profit, rental income, and increased costs of maintaining business operations from an alternative location. For property owners, this section specifically covers the loss of rent.

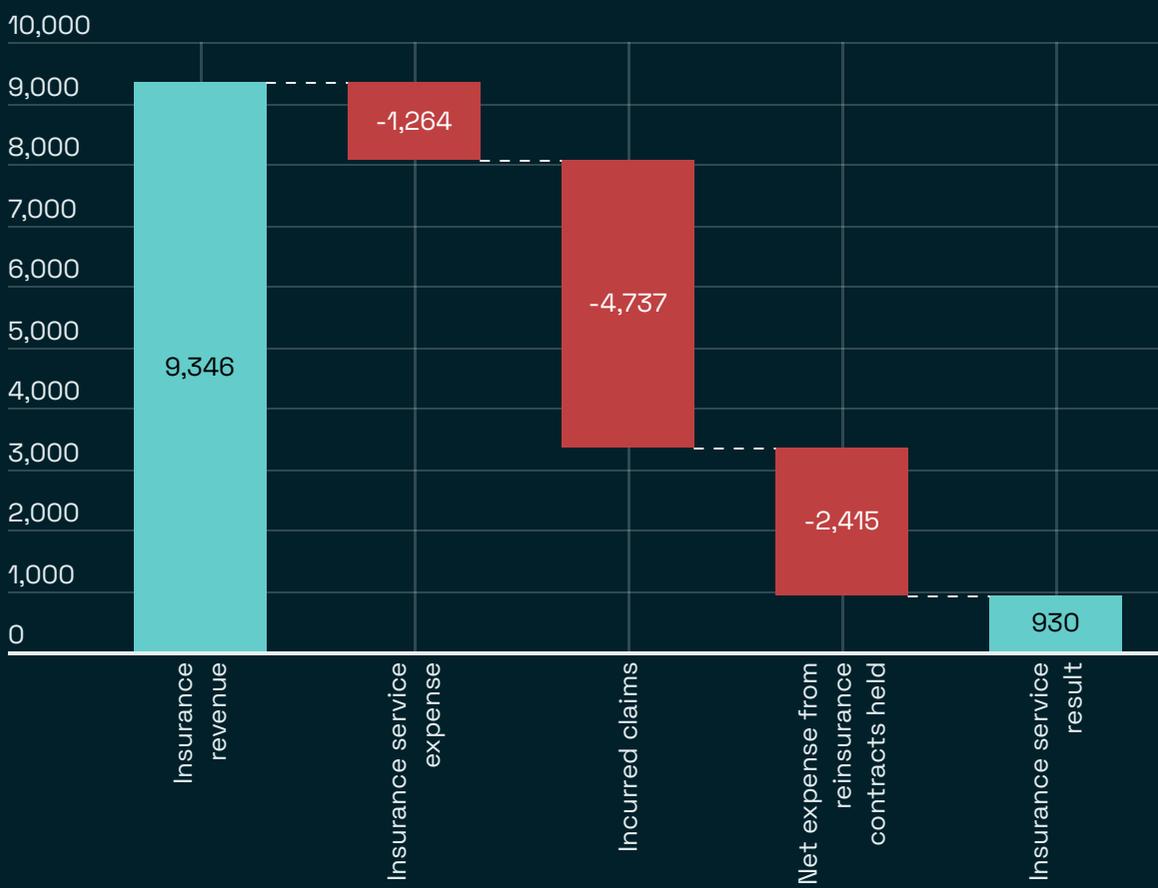
## How does the market perform in Australia?

10 Year Profit and Loss (\$m)

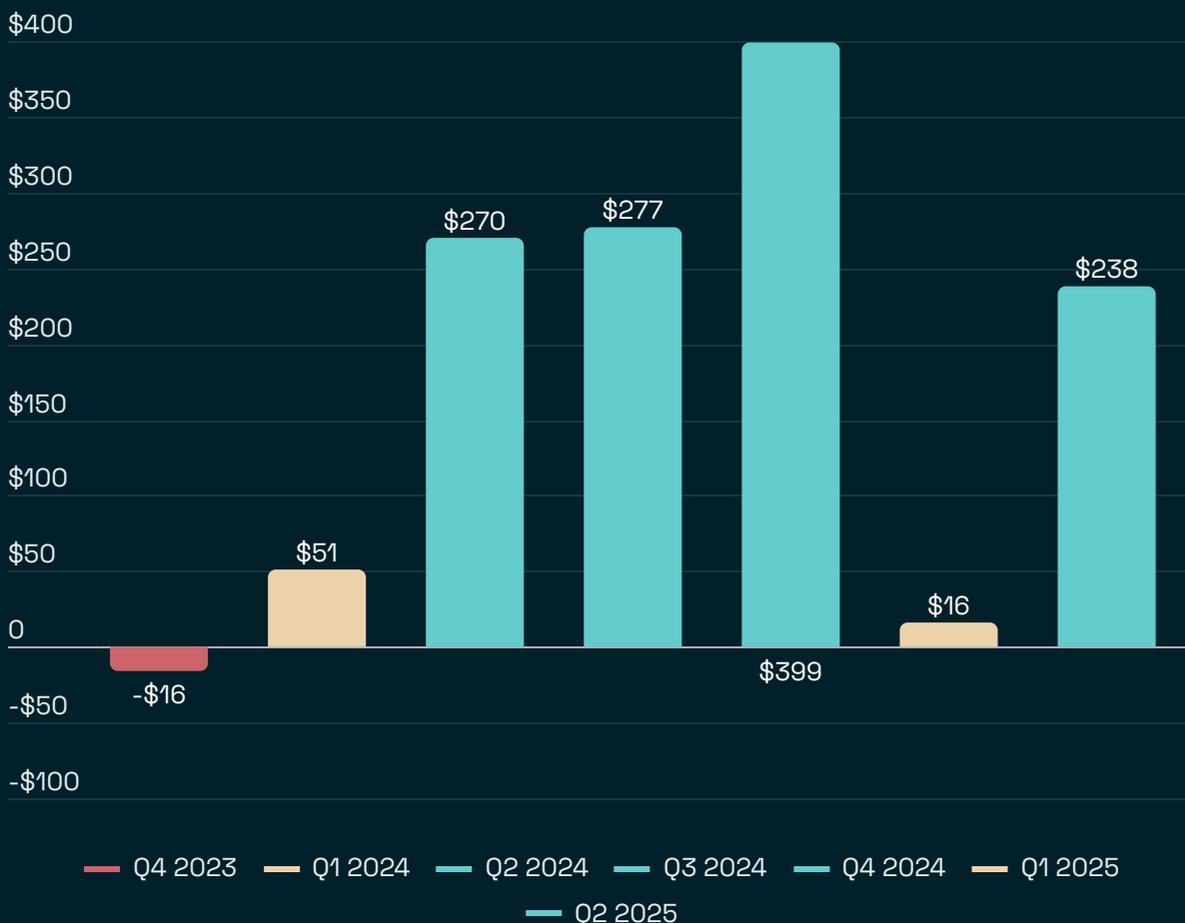


# 2025 Results

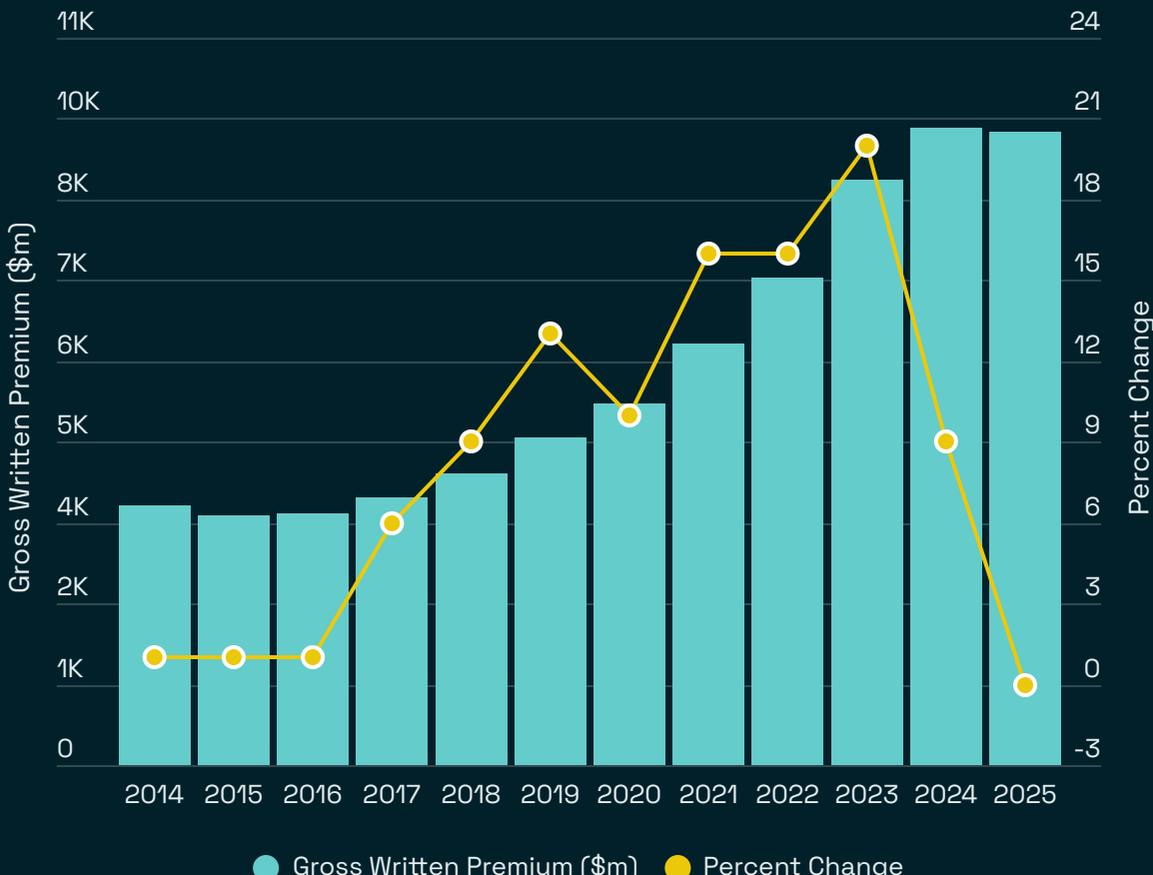
2025 P&L (Jun 2024 - Jun 2025)



Underwriting Result - last 7 quarters (\$m)



### Fire and ISR Premium Growth (\$m)

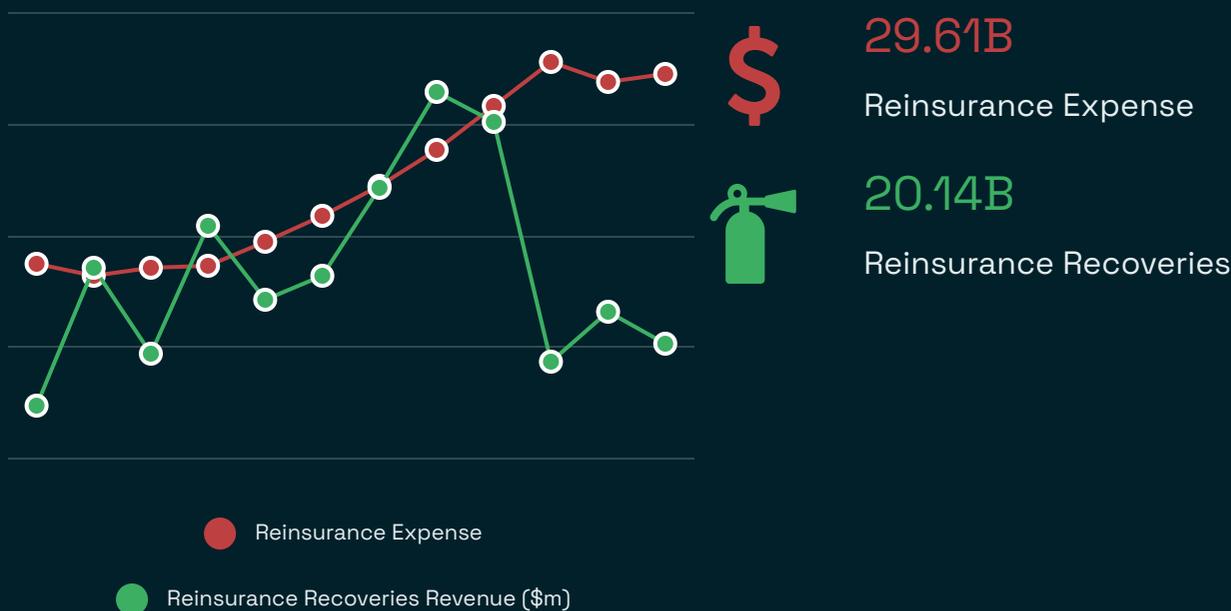


The latest figures from APRA reveal a commercial property insurance sector that remains under substantial strain, despite strong premium growth. Insurers offering Fire and Industrial Special Risks (ISR) cover recorded gross written premiums approaching \$10 billion in the most recent year, reflecting sustained double-digit increases as insurers seek to keep pace with rising claims costs.

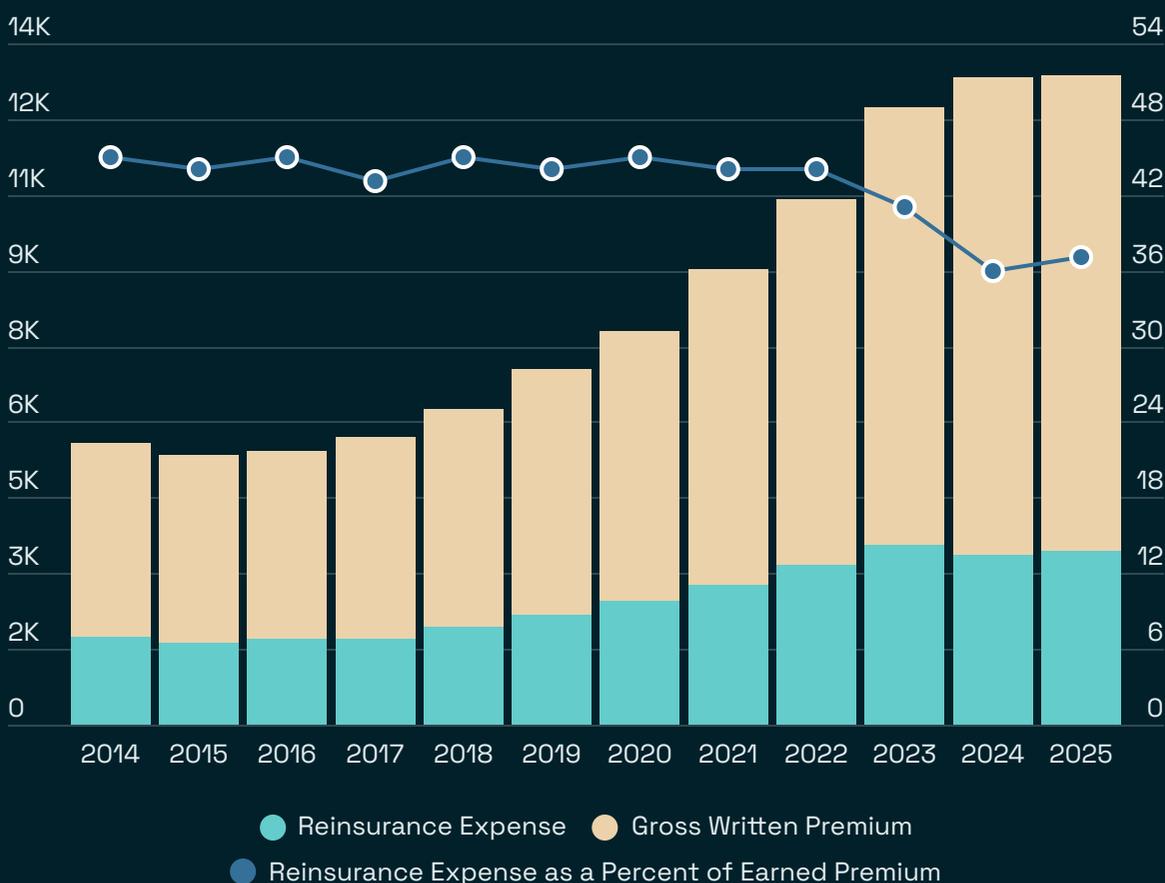
Why are these results so challenging?

The pressures stem largely from Australia’s escalating exposure to extreme weather events. Over the past decade, the sector has been hit by a series of billion-dollar catastrophes—catastrophic bushfires, severe storms, and widespread flooding—driving up claims severity and frequency.

### 12 Year Reinsurance Expense vs Recovery



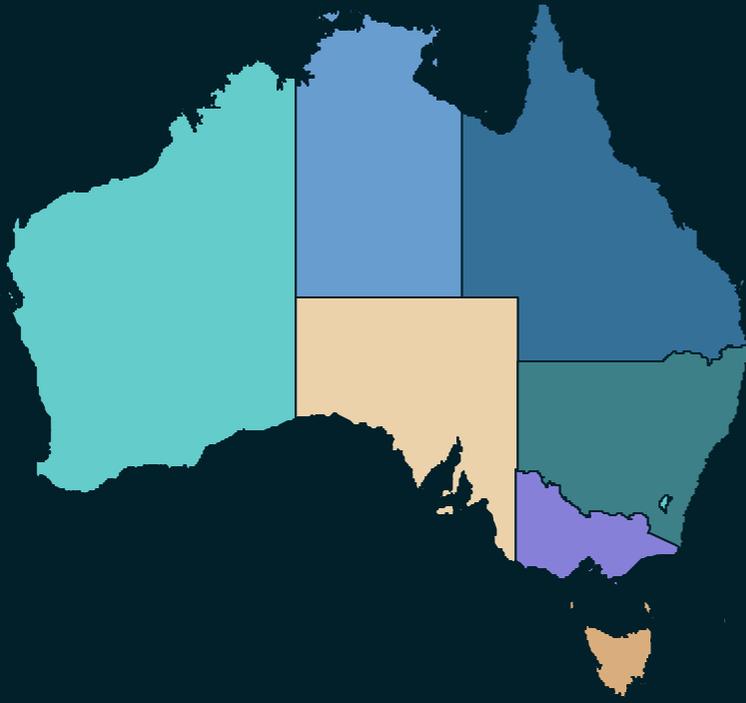
### Insurer Reinsurance Expenses as a part of Gross Written Premium



Reinsurance continues to play a critical role, with insurers ceding an average of 42% of gross written premium to reinsurers to maintain capacity and protect against catastrophic losses.

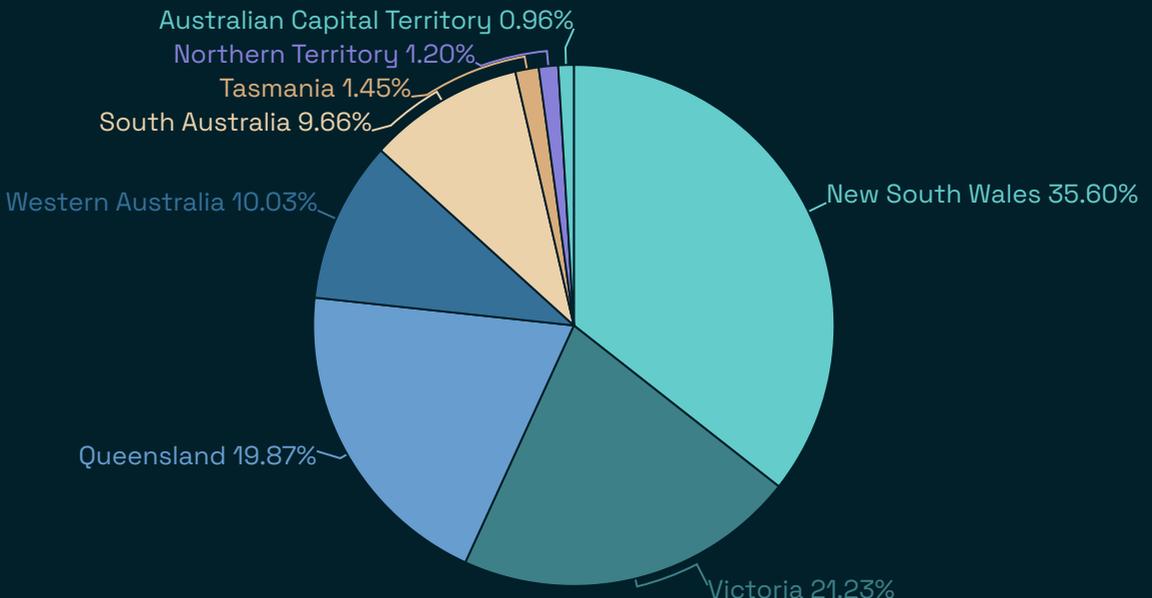
# Insights by state

Premium and average 5 year Loss Ratio by State

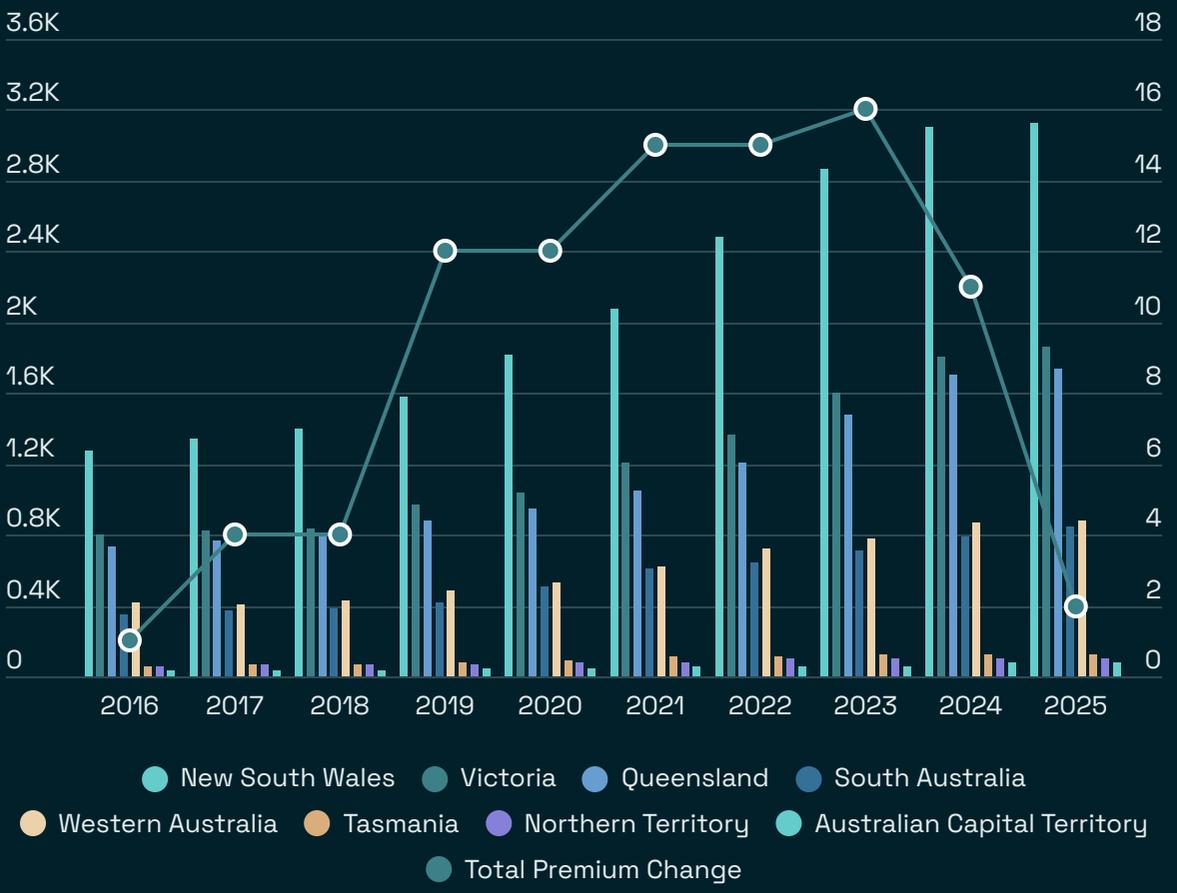


- Australian Capital Territory
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia

Premium Size by State



National Premium Change



Average Premium per Risk

