

Fire and ISR

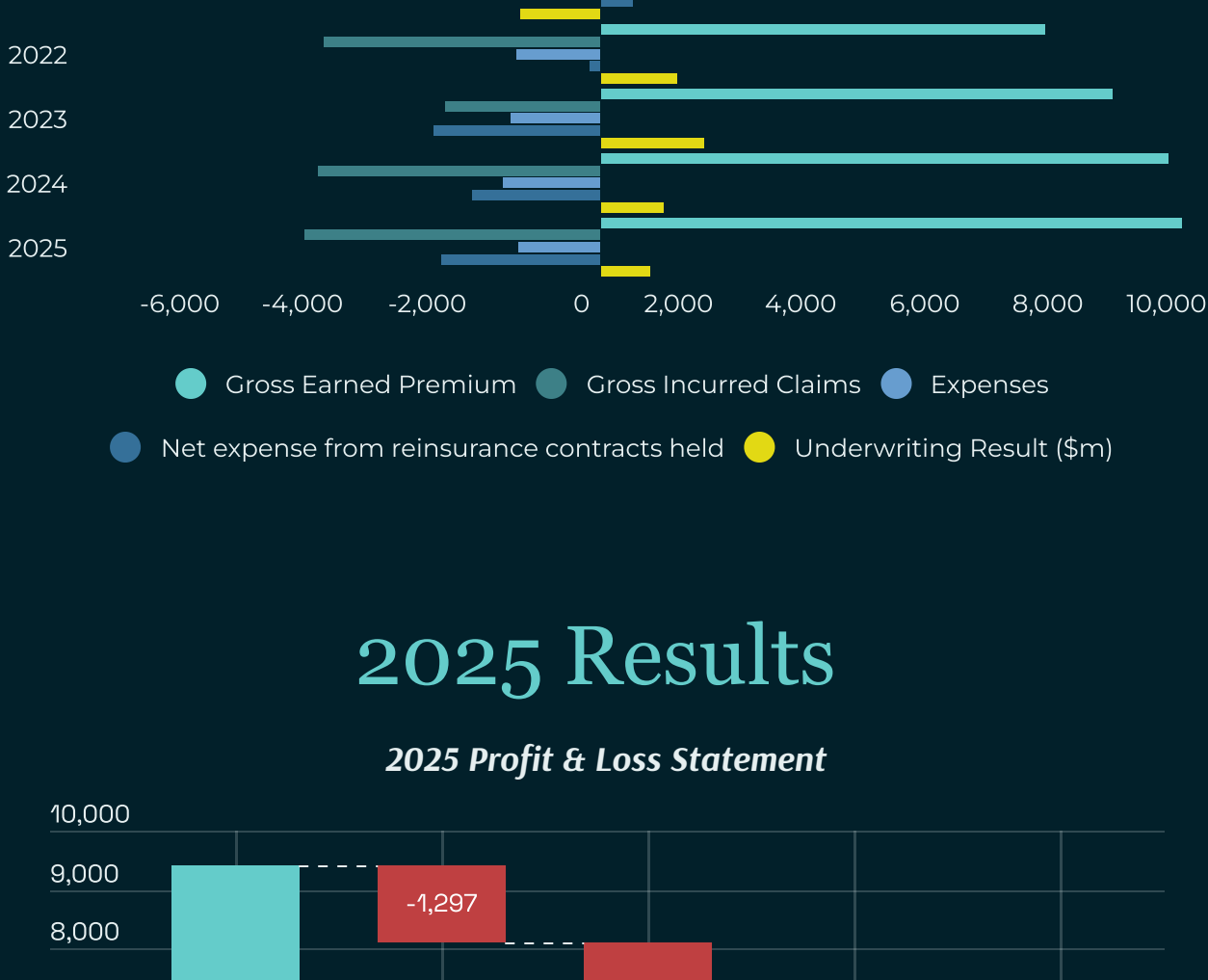
Market data and insights

2025 Fire and ISR Insurance Market Update

Australia's property insurance market is becoming more buyer friendly, driven by easing inflation, supportive interest rates, and renewed participation from global insurers, all of which are increasing competition and improving pricing and coverage consistency. Organisations that actively engage with the market by revisiting risk assumptions, adjusting retention levels, and considering alternative risk transfer options are securing more favourable outcomes than those taking a passive approach. While recent catastrophe events have had limited impact on commercial property pricing and the sector remains well capitalised, ongoing climate volatility continues to warrant close attention, with insurers increasingly favouring well managed and adaptable risk profiles.

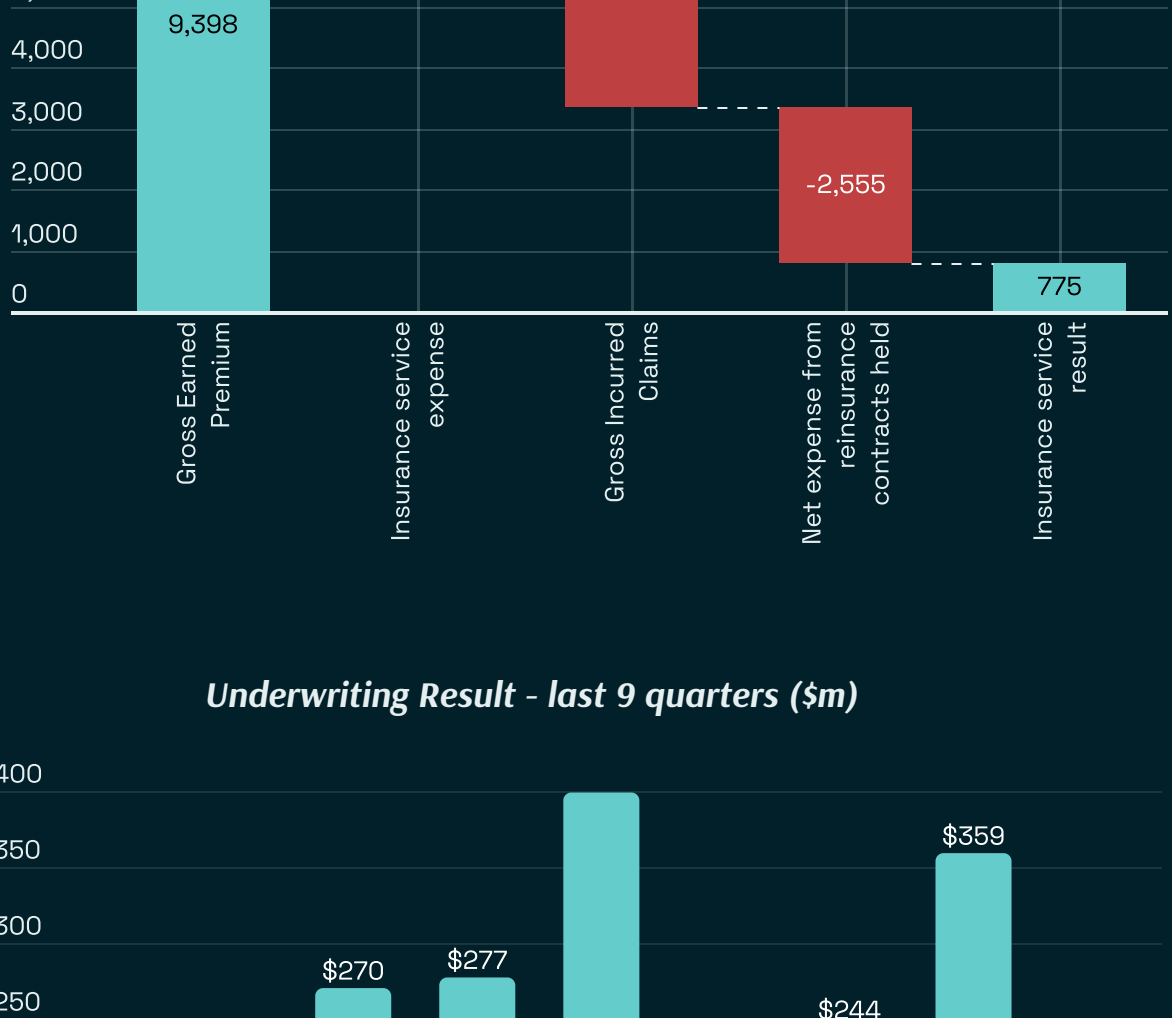
How does the market perform in Australia?

10 Year Profit and Loss (\$m)

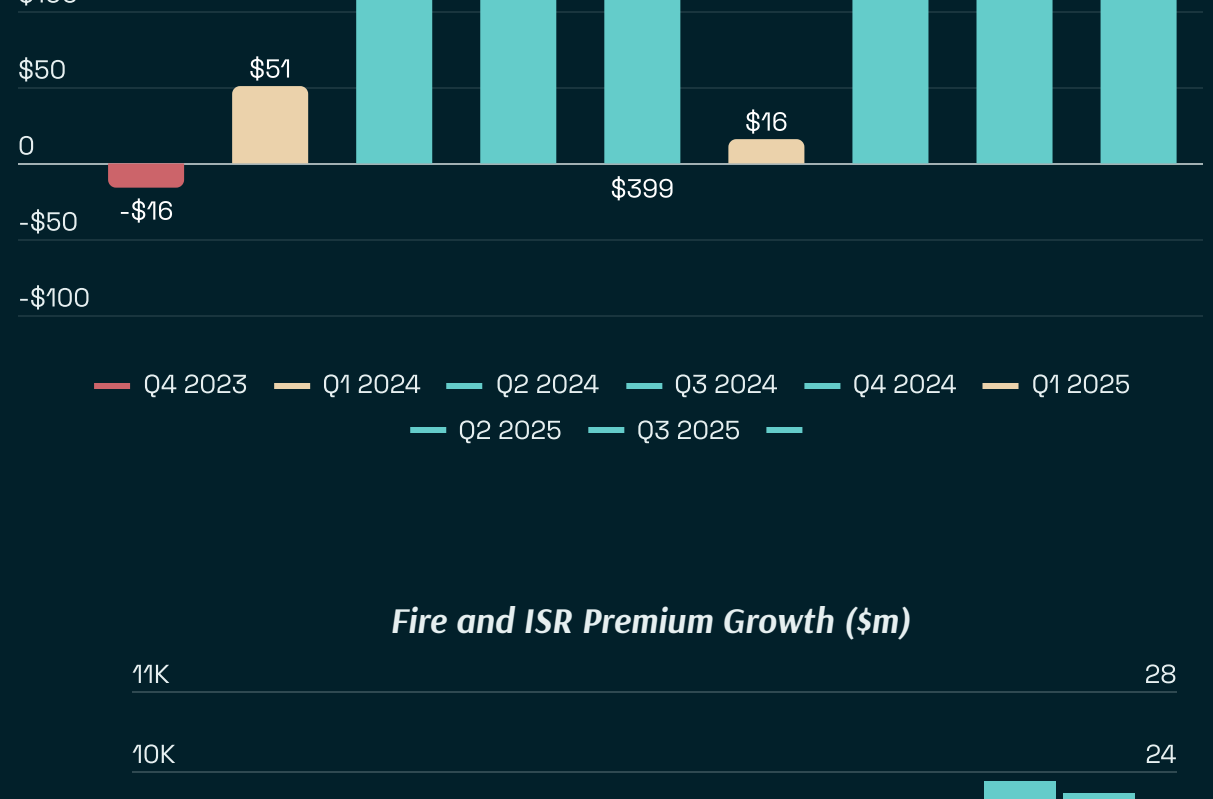


2025 Results

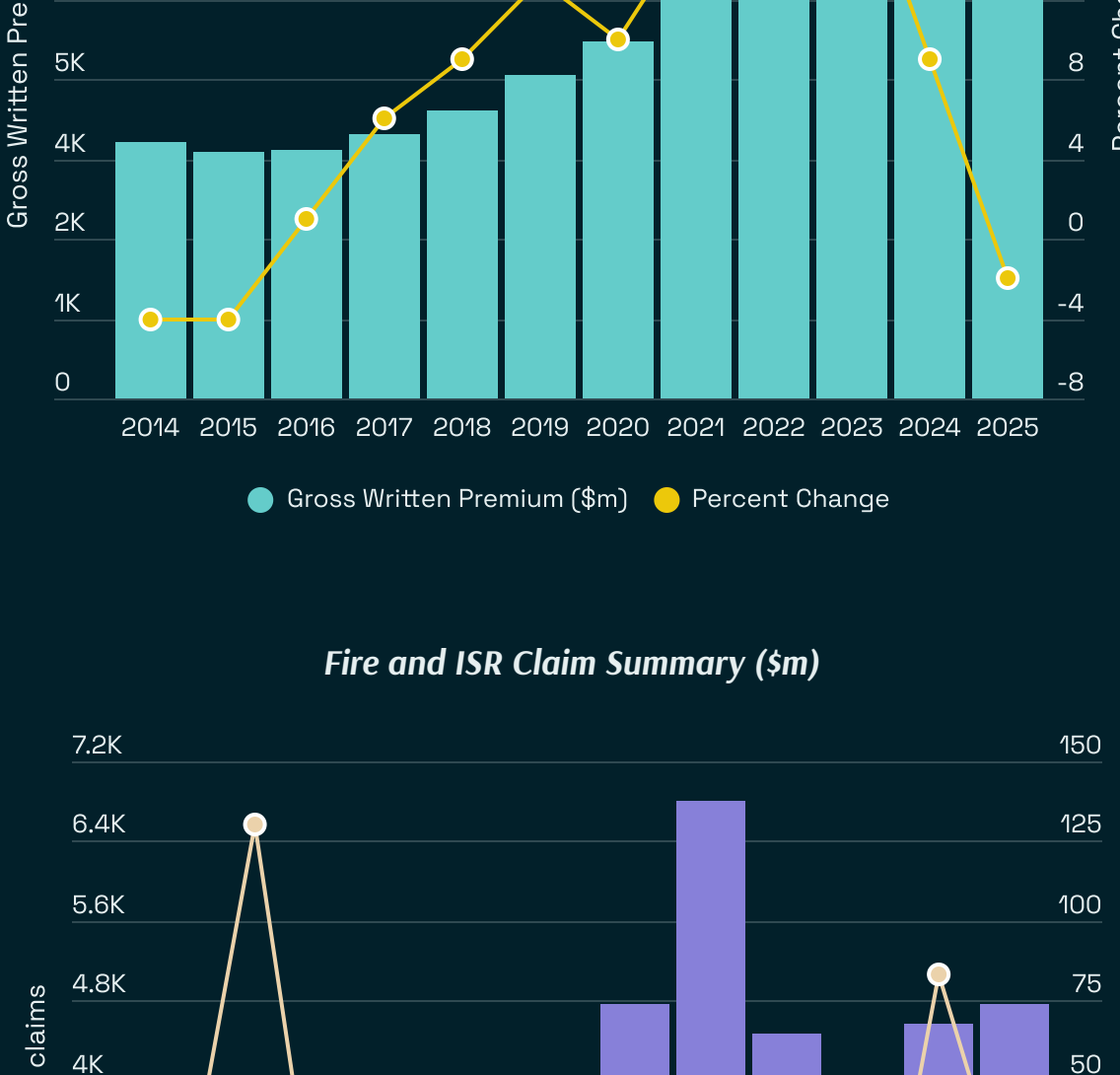
2025 Profit & Loss Statement



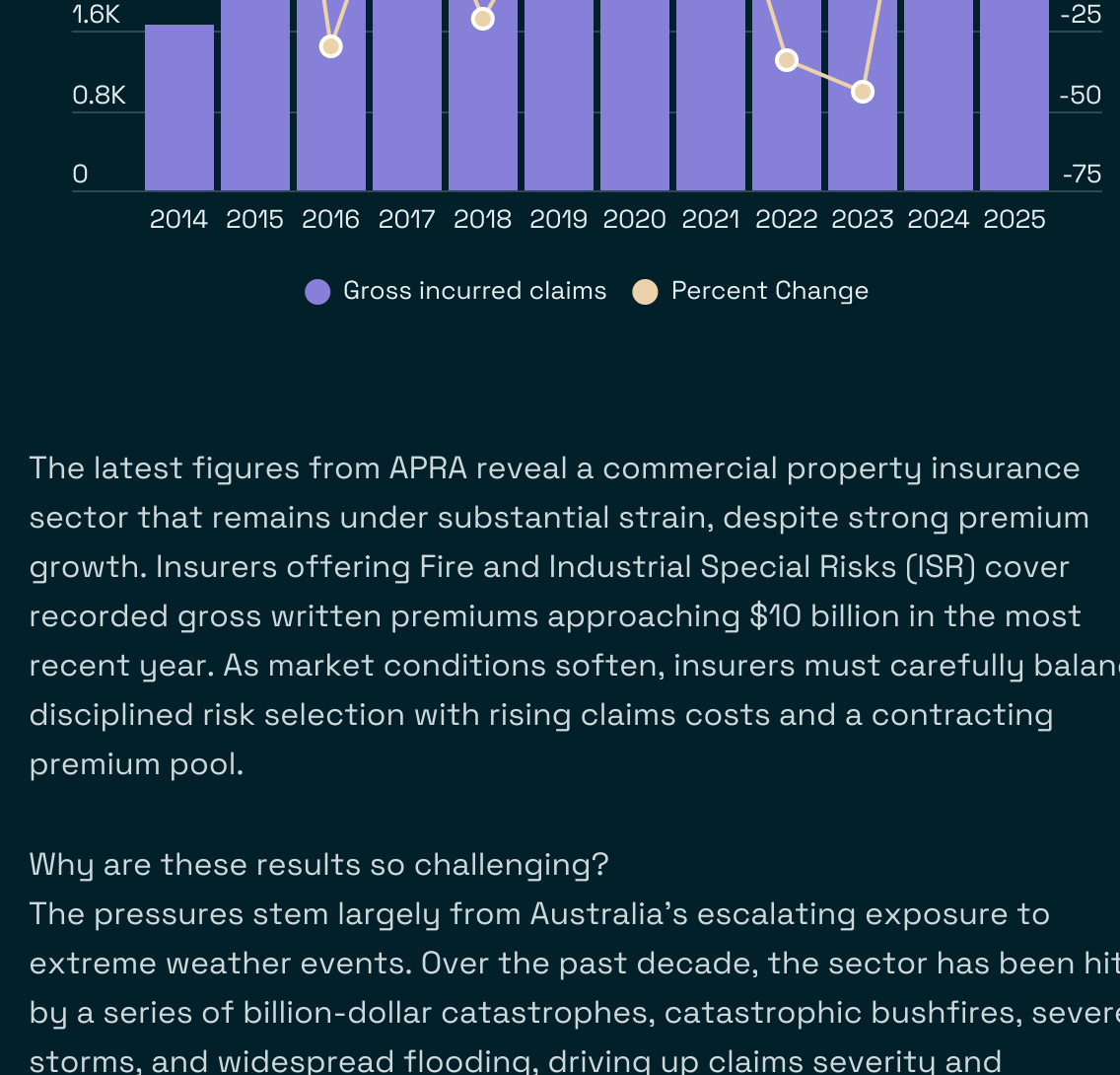
Underwriting Result - last 9 quarters (\$m)



Fire and ISR Premium Growth (\$m)



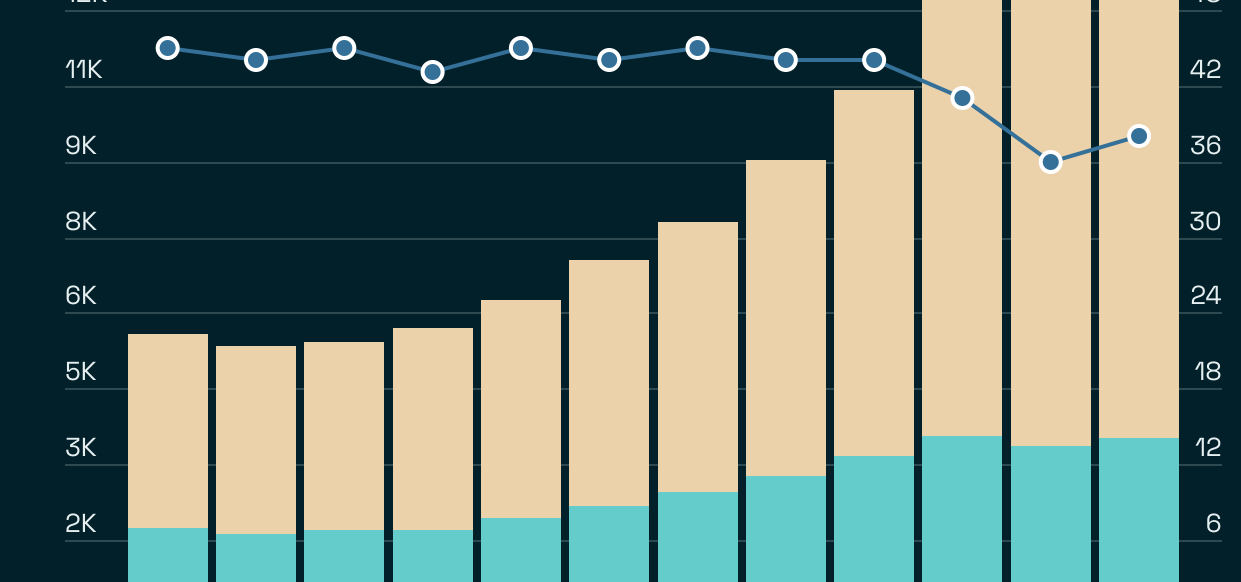
Fire and ISR Claim Summary (\$m)



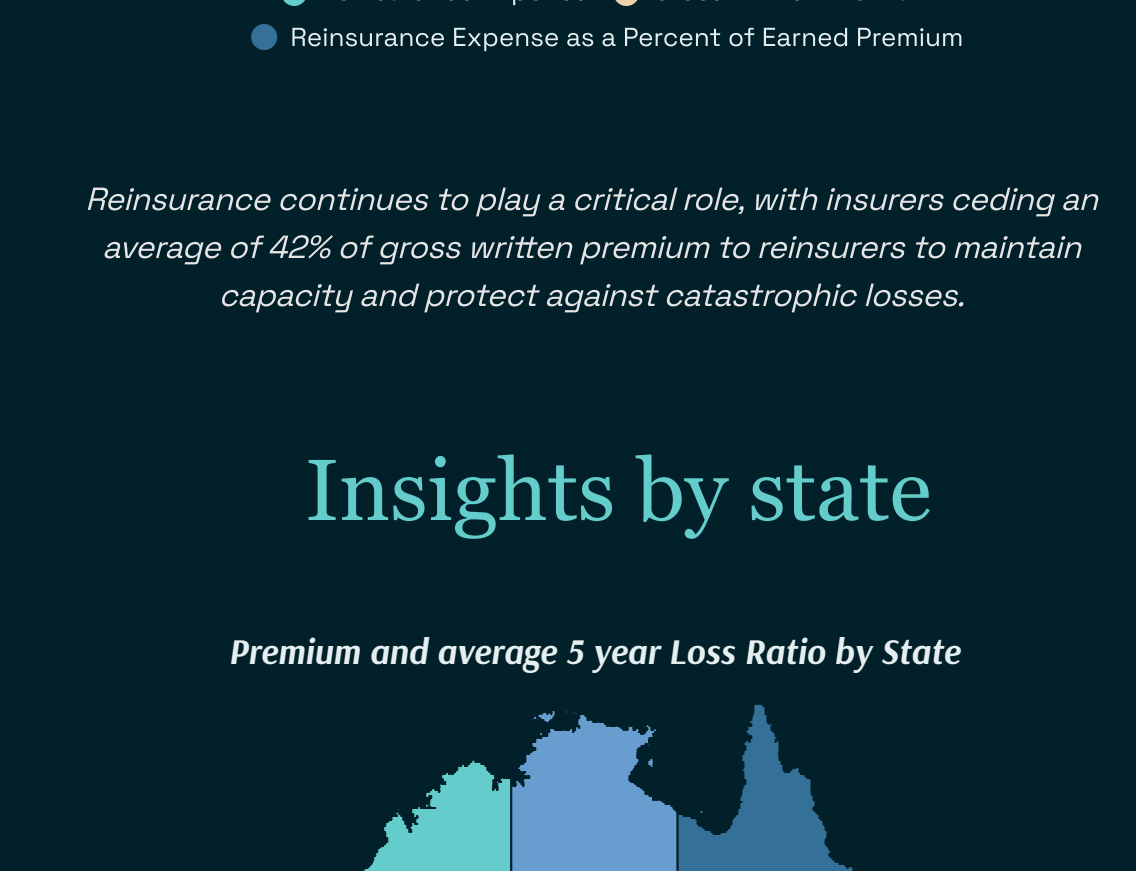
The latest figures from APRA reveal a commercial property insurance sector that remains under substantial strain, despite strong premium growth. Insurers offering Fire and Industrial Special Risks (ISR) cover recorded gross written premiums approaching \$10 billion in the most recent year. As market conditions soften, insurers must carefully balance disciplined risk selection with rising claims costs and a contracting pool.

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



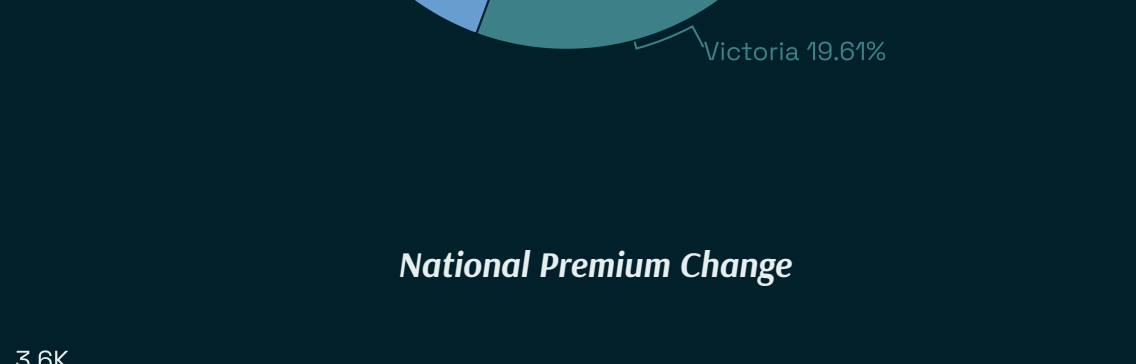
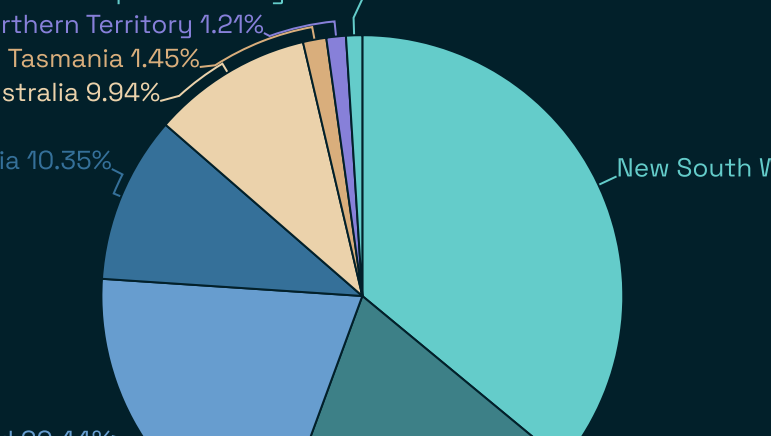
Insurer Reinsurance Expenses as a part of Gross Written Premium



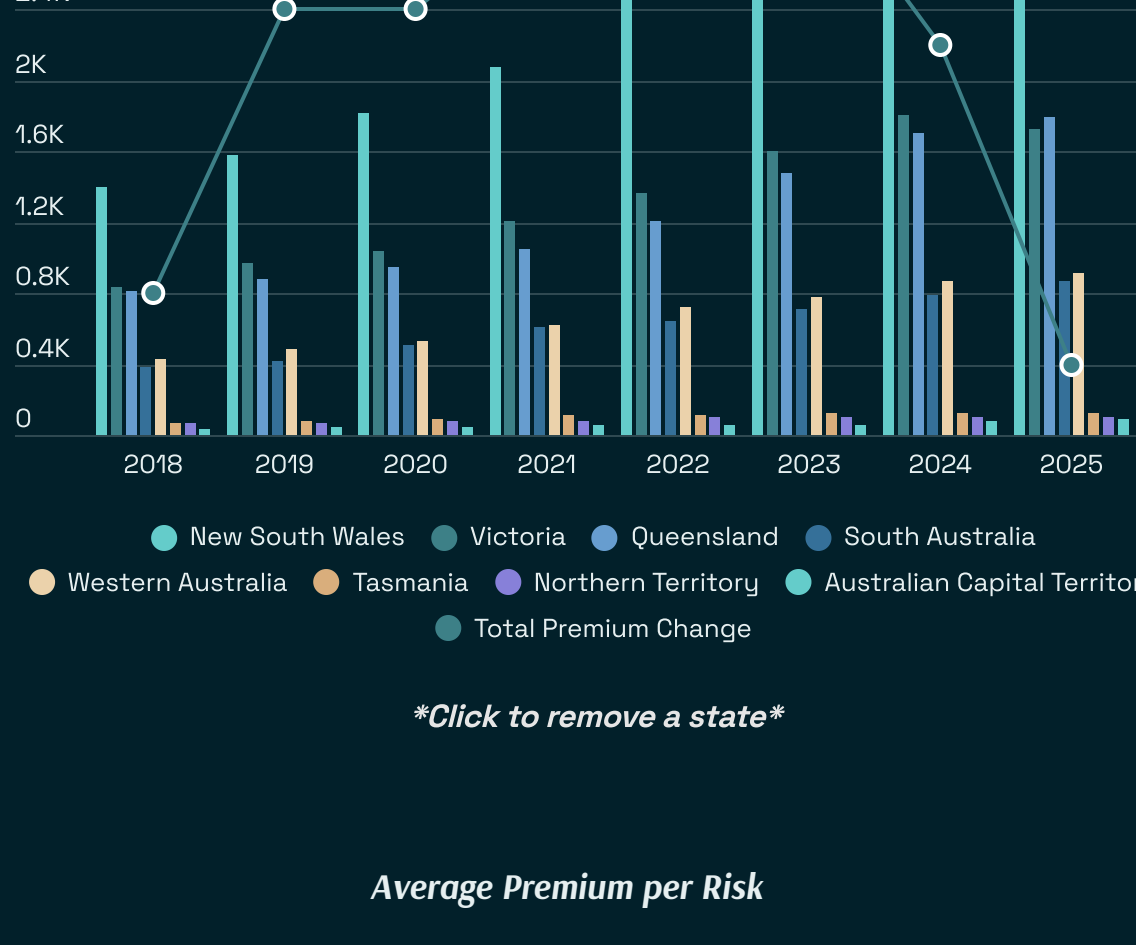
Reinsurance continues to play a critical role, with insurers ceding an average of 42% of gross written premium to maintain capacity and protect against catastrophic losses.

Insights by state

Premium and average 5 year Loss Ratio by State



National Premium Change



Click to remove a state

Average Premium per Risk

