



Brown & Brown, Inc. Second Quarter Results Again Set Record Levels for Revenues and Income

July 13, 2004

DAYTONA BEACH, Fla., and TAMPA, Fla., July 12 /PRNewswire-FirstCall/ -- Brown & Brown, Inc. (NYSE: BRO) announced net income for the second quarter of 2004 of \$32,153,000, or \$0.46 per share, an increase of 15.1% over the \$27,935,000, or \$0.41 per share, reported for the quarter ended June 30, 2003. Total revenue for the quarter ended June 30, 2004 was \$157,942,000 compared with 2003 second-quarter revenue of \$137,858,000 an increase of 14.6%.

Total revenue for the six months ended June 30, 2004 was \$323,507,000, compared with first-half 2003 revenue of \$282,594,000, up 14.5%. Net income for the first six months of 2004 was \$68,501,000 versus \$58,471,000 during the same period in 2003, an increase of 17.2%. Net income per share for the six months ended June 30, 2004 was \$0.99, versus the \$0.85 per share posted during the comparable 2003 period, an increase of 16.5%.

J. Hyatt Brown, Chairman and CEO, commenting on the results said, "We are very pleased with our second quarter results. The internal growth rate of 5.1% exceeded our expectations, particularly in view of continued rate erosion; which was possibly offset by increases in exposure units. Brown & Brown's high quality sustained growth continues to be recognized by investors as our market capitalization recently crossed the \$3 billion level."

President and Chief Operating Officer, Jim W. Henderson added, "We continue our steady march to our intermediate goal of B-40. We have been assisted in this march by the addition of many fine, high quality, insurance agencies that have joined our team during the second quarter of 2004. Since April 1, 2004, we have completed ten acquisitions with estimated annual revenues of \$38 million, bringing the total for the year to 21 with \$86 million of estimated annual revenues. Among those most recently joining us is The McDuffee Insurance Agency, which represented our initial entry into New Hampshire and Massachusetts. We continue to be quite pleased with the active pipeline of high-quality agencies."

Brown & Brown, Inc. and its subsidiaries offer a broad range of insurance and reinsurance products and services, as well as risk management, employee benefit administration, and managed health care programs. Providing service to business, public entity, individual, trade and professional association clients nationwide, the Company is ranked by Business Insurance magazine as the United States' sixth largest independent insurance intermediary. Our Web address is <http://www.bbinsurance.com>.

This press release may contain certain statements relating to future results which are forward-looking statements. These statements are not historical facts, but instead represent only the Company's belief regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's control. It is possible that the Company's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, are contained in the Company's filings with the Securities and Exchange Commission. Some factors include: general economic conditions around the country; downward commercial property and casualty premium pressures; the competitive environment; the integration of the Company's operations with those of businesses or assets the Company has acquired or may acquire in the future and the failure to realize the expected benefits of such integration; the potential occurrence of a disaster that affects certain areas of the States of Arizona, California, Florida, New Jersey, New York and/or Washington, where significant portions of the Company's business are concentrated; the actual costs of resolution of contingent liabilities; and those factors relevant to Brown & Brown's consummation and integration of announced acquisitions, including any matters analyzed in the due diligence process, material adverse changes in the customers of the companies whose operations are acquired, and material adverse changes in the business and financial condition of either or both companies and their respective customers. All forward-looking statements included in this press release are made only as of the date of this press release, and we do not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which we hereafter become aware.

Brown & Brown, Inc.
 CONSOLIDATED STATEMENTS OF INCOME
 (in thousands, except per share data)
 (unaudited)

	For the Three Months Ended June 30 2004	For the Six Months Ended June 30 2004	For the Three Months Ended June 30 2003	For the Six Months Ended June 30 2003
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REVENUES

Commissions and fees	\$156,749	\$137,257	\$321,063	\$281,509
Investment income	333	442	1,021	775
Other income, net	860	159	1,423	310
Total revenues	157,942	137,858	323,507	282,594

EXPENSES

Employee compensation and benefits	76,270	66,092	152,552	134,333
Non-cash stock grant compensation	665	632	1,510	1,449
Other operating expenses	19,983	19,229	41,379	38,635
Amortization	5,483	4,416	10,300	8,753
Depreciation	2,269	2,019	4,423	3,946
Interest	743	946	1,454	1,953
Total expenses	105,413	93,334	211,618	189,069

Income before income taxes 52,529 44,524 111,889 93,525

Income taxes 20,376 16,589 43,388 35,054

Net income \$32,153 \$27,935 \$68,501 \$58,471

Net income per share:

Basic	\$0.47	\$0.41	\$1.00	\$0.86
Diluted	\$0.46	\$0.41	\$0.99	\$0.85

Weighted average number of shares

outstanding:

Basic	68,790	68,270	68,736	68,222
Diluted	69,370	68,943	69,283	68,927

Brown & Brown, Inc.

INTERNAL GROWTH SCHEDULE

Core Commissions and Fees(1)

Three Months Ended June 30, 2004

(in thousands)

(unaudited)

	Quarter Ended 6/30/04	Quarter Ended 6/30/03	Total Net Change	Total Net Growth%	Less Acquisition	Internal Net Revenues	Internal Net Growth%
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Florida Retail	\$36,032	\$34,762	\$1,270	3.7%	\$ -	3.7%
National Retail	47,508	33,673	13,835	41.1%	13,815	0.1%
Western Retail	29,146	24,212	4,934	20.4%	2,581	9.7%
Total Retail	112,686	92,647	20,039	21.6%	16,396	3.9%

Professional Programs	10,087	8,885	1,202	13.5%	849	4.0%
Special Programs	14,659	9,540	5,119	53.7%	4,997	1.3%
Total Programs	24,746	18,425	6,321	34.3%	5,846	2.6%

Brokerage 8,270 6,351 1,919 30.2% 895 16.1%

TPA Services 6,086 4,952 1,134 22.9% - 22.9%

Total Core Commissions and Fees (1) \$151,788 \$122,375 \$29,413 24.0% \$23,137 5.1%

Reconciliation of Internal Growth Schedule
to Total Commissions and Fees
Included in the Consolidated Statements of Income
for the Three Months Ended June 30, 2004 and 2003
(in thousands)
(unaudited)

Quarter Ended 6/30/04	Quarter Ended 6/30/03
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SOURCE Brown & Brown, Inc.

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(BRO)

CO: Brown & Brown, Inc.

ST: Florida

IN: INS

SU: ERN

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