

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): July 20, 2015**

**BROWN & BROWN, INC.**

(Exact name of registrant as specified in its charter)

**Florida**  
(State or other jurisdiction  
of incorporation)

**001-13619**  
(Commission  
File Number)

**59-0864469**  
(IRS Employer  
Identification No.)

**220 South Ridgewood Avenue, Daytona Beach, Florida 32114**  
(Address of principal executive offices) (Zip Code)

**Registrant's telephone number, including area code: (386) 252-9601**

**N/A**  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02 Results of Operations and Financial Condition.**

On July 20, 2015, Brown & Brown, Inc. issued a press release announcing its results of operations for the first quarter ended June 30, 2015. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

The information furnished herewith pursuant to Item 2.02 of this Current Report, including Exhibit 99.1, shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

The following exhibit is furnished herewith:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated July 20, 2015.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BROWN & BROWN, INC.  
(Registrant)

By:           /S/ R. ANDREW WATTS            
      R. Andrew Watts, Chief Financial Officer

Date: July 20, 2015



## News Release

R. Andrew Watts

(386) 239-5770

July 20, 2015

Chief Financial Officer

**BROWN & BROWN, INC. ANNOUNCES QUARTERLY REVENUES OF \$419.4 MILLION, AN INCREASE OF 5.4%; EARNINGS PER SHARE OF \$0.43; AUTHORIZATION FOR UP TO AN ADDITIONAL \$400 MILLION SHARE BUYBACK AND QUARTERLY DIVIDEND OF \$0.11 PER SHARE**

(Daytona Beach, Florida) . . . Brown & Brown, Inc. (NYSE:BRO) (the "Company") today announced its unaudited financial results for the second quarter of 2015.

Revenues for the second quarter of 2015 under U.S. generally accepted accounting principles ("GAAP") were \$419.4 million, increasing \$21.6 million, or 5.4%, as compared to the second quarter of the prior year, with Organic Revenue (as defined below) increasing by 1.9%. Diluted earnings per share under GAAP were \$0.43 compared to \$0.42 in the second quarter of the prior year, representing a 2.4% increase.

Revenues for the six months ended June 30, 2015 were \$823.7 million, increasing \$62.3 million, or 8.2%, as compared to the same period of 2014, with Organic Revenue (as defined below) increasing by 2.8%. Diluted earnings per share for the six months ended June 30, 2015 under GAAP were \$0.82 compared to \$0.78 in the first half of 2014, representing a 5.1% increase.

J. Powell Brown, President and Chief Executive Officer of the Company noted, "We are pleased with another quarter of organic growth across all divisions. During the second quarter we also acquired several new firms and invested in additional teammates that will position us for further growth in the future."

As part of its disciplined capital allocation strategy, the Company's Board of Directors has authorized the purchasing of up to an additional \$400 million of the Company's outstanding common stock. With this authorization, the Company will now have outstanding approval to purchase up to \$450 million, in the aggregate, of the Company's outstanding common stock. The shares will be repurchased from time to time, at the Company's discretion and subject to the availability of stock, market conditions, the trading price of the stock, alternative uses for capital, the Company's financial performance and other potential factors. These purchases may be carried out through open market purchases, block trades, accelerated share repurchase plans of up to \$100 million each (unless otherwise approved by the Board of Directors), negotiated private transactions or pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934.

In addition, today the Company's Board of Directors has declared a regular quarterly cash dividend of \$0.11 per share. The dividend is payable on August 12, 2015, to shareholders of record on August 7, 2015.

**Brown & Brown, Inc.**  
**INTERNAL GROWTH SCHEDULE**  
**Organic Revenue Growth<sup>(1)</sup>**  
**Three Months Ended June 30, 2015**  
**(in millions, unaudited)**

	Quarter Ended		Change		Acquisition Revenues	Organic Revenue Growth <sup>(1)</sup>	
	6/30/2015	6/30/2014	\$	%		\$	%
Retail <sup>(2)</sup>	\$ 217.5	\$ 208.1	\$ 9.4	4.5%	\$ 8.0	\$ 1.4	0.7%
National Programs	101.7	90.4	11.3	12.5%	10.7	0.6	0.6%
Wholesale Brokerage	53.9	50.8	3.1	6.1%	0.5	2.6	5.1%
Services	38.4	35.6	2.8	7.9%	—	2.8	7.8%
<b>Total Core Comm. and Fees</b>	<b>\$ 411.5</b>	<b>\$ 384.9</b>	<b>\$ 26.6</b>	<b>6.9%</b>	<b>\$ 19.2</b>	<b>\$ 7.4</b>	<b>1.9%</b>

**Brown & Brown, Inc.**  
**INTERNAL GROWTH SCHEDULE**  
**Organic Revenue Growth<sup>(1)</sup>**  
**Six Months Ended June 30, 2015**  
**(in millions, unaudited)**

	Six Months Ended		Change		Acquisition Revenues	Organic Revenue Growth <sup>(1)</sup>	
	6/30/2015	6/30/2014	\$	%		\$	%
Retail <sup>(2)</sup>	\$ 413.9	\$ 391.4	\$ 22.5	5.7%	\$ 18.1	\$ 4.4	1.1%
National Programs	194.9	155.5	39.4	25.3%	36.1	3.3	2.2%
Wholesale Brokerage	100.0	93.3	6.7	7.2%	1.0	5.7	6.1%
Services	73.2	67.1	6.1	9.1%	—	6.1	9.0%
<b>Total Core Comm. and Fees</b>	<b>\$ 782.0</b>	<b>\$ 707.3</b>	<b>\$ 74.7</b>	<b>10.6%</b>	<b>\$ 55.2</b>	<b>\$ 19.5</b>	<b>2.8%</b>

(1) "Organic Revenue" is defined as total commissions and fees less (i) the first twelve months of net commission and fee revenues generated from acquisitions accounted for as purchases less (ii) profit-sharing contingent commissions (revenues from insurance companies based upon the volume and the growth and/or profitability of the business placed with such companies during the prior year - "Contingents"), less (iii) guaranteed supplemental commissions (commissions from insurance companies based solely upon the volume of the business placed with such companies during the current year - "GSCs"), and less (iv) divested business (net commissions and fees generated from offices, books of business or niche businesses sold by the Company) with the associated revenue removed from the corresponding period of the prior year.

(2) The Retail Segment includes commissions and fees, which will be reported in the "Other" column of the Segment Information in the Notes to the Condensed Consolidated Financial Statements on the Company's Form 10-Q, which includes corporate and consolidation items.

**Brown & Brown, Inc.**  
**RECONCILIATION OF INTERNAL GROWTH SCHEDULE**  
**TO TOTAL COMMISSIONS AND FEES**  
**Included in the Consolidated Statements of Income**  
**Three and Six Months Ended June 30, 2015 and 2014**  
**(in millions, unaudited)**

	Quarter Ended		Six Months Ended	
	6/30/2015	6/30/2014	6/30/2015	6/30/2014
<b>Total Core Commissions and Fees</b>	\$ 411.5	\$ 384.9	\$ 782.0	\$ 707.2
<i>Profit-Sharing Contingent Commissions</i>	3.5	2.8	33.4	34.5
<i>Guaranteed Supplemental Commissions</i>	2.2	2.1	5.6	5.0
<i>Divested Businesses</i>	—	4.9	—	10.0
<b>Total Commissions and Fees</b>	<u>\$ 417.2</u>	<u>\$ 394.7</u>	<u>\$ 821.0</u>	<u>\$ 756.7</u>

In order to provide a better understanding of underlying business performance, we evaluate EBITDAC (defined below). EBITDAC for the second quarter of 2015 was \$137.8 million, an increase of \$3.0 million or 2.2%, compared to the second quarter of the prior year. The associated EBITDAC margin decreased to 32.9%.

**Brown & Brown, Inc.**  
**GAAP RECONCILIATION -**  
**INCOME BEFORE INCOME TAXES TO EBITDAC<sup>(3)</sup>**  
**Three Months Ended June 30, 2015 and 2014**  
**(in millions, unaudited)**

	Quarter Ended	
	6/30/2015	6/30/2014
<b>Income before income taxes</b>	\$ 100.9	\$ 101.8
<i>Amortization</i>	21.6	20.6
<i>Depreciation</i>	5.2	5.3
<i>Interest</i>	9.7	7.0
<i>Change in estimated acquisition earn-out payables</i>	0.4	0.1
<b>EBITDAC</b>	<u>\$ 137.8</u>	<u>\$ 134.8</u>
<b>EBITDAC margin</b>	<b>32.9%</b>	<b>33.9%</b>

(3) "EBITDAC" is defined as net income before interest, income taxes, depreciation, amortization and the change in estimated acquisition earn-out payables.

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

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
<b>REVENUES</b>				
Commissions and fees	\$ 417.2	\$ 394.7	\$ 821.0	\$ 756.7
Investment income	0.3	0.2	0.5	0.3
Other income, net	1.9	2.9	2.2	4.4
Total revenues	<u>419.4</u>	<u>397.8</u>	<u>823.7</u>	<u>761.4</u>
<b>EXPENSES</b>				
Employee compensation and benefits	211.5	196.4	416.8	380.5
Non-cash stock-based compensation	6.1	6.0	12.5	13.5
Other operating expenses	64.3	60.6	125.5	113.1
Gain on disposal	(0.3)	—	(0.6)	—
Amortization	21.6	20.6	43.2	38.5
Depreciation	5.2	5.3	10.4	9.9
Interest	9.7	7.0	19.5	11.1
Change in estimated acquisition earn-out payables	0.4	0.1	1.7	6.2
Total expenses	<u>318.5</u>	<u>296.0</u>	<u>629.0</u>	<u>572.8</u>
Income before income taxes	100.9	101.8	194.7	188.6
Income taxes	39.9	40.0	76.7	74.4
Net income	<u>\$ 61.0</u>	<u>\$ 61.8</u>	<u>\$ 118.0</u>	<u>\$ 114.2</u>
Net income per share:				
Basic	<u>\$ 0.43</u>	<u>\$ 0.43</u>	<u>\$ 0.83</u>	<u>\$ 0.79</u>
Diluted	<u>\$ 0.43</u>	<u>\$ 0.42</u>	<u>\$ 0.82</u>	<u>\$ 0.78</u>
Weighted average number of shares outstanding:				
Basic	<u>137,518</u>	<u>141,250</u>	<u>138,434</u>	<u>141,428</u>
Diluted	<u>139,828</u>	<u>143,032</u>	<u>140,647</u>	<u>143,169</u>
Dividends declared per share	<u>\$ 0.11</u>	<u>\$ 0.10</u>	<u>\$ 0.22</u>	<u>\$ 0.20</u>

**Brown & Brown, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
(in millions, except per share data, unaudited)

	<b>June 30, 2015</b>	<b>December 31, 2014</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 412.6	\$ 470.0
Restricted cash and investments	245.9	259.8
Short-term investments	10.7	11.2
Premiums, commissions and fees receivable	415.5	424.6
Reinsurance recoverable	79.2	13.0
Prepaid reinsurance premiums	302.6	321.0
Deferred income taxes	16.1	25.4
Other current assets	64.8	45.5
Total current assets	1,547.4	1,570.5
Fixed assets, net	82.8	84.7
Goodwill	2,559.9	2,460.6
Amortizable intangible assets, net	772.1	784.6
Investments	21.2	19.9
Other assets	37.4	36.6
Total assets	\$ 5,020.8	\$ 4,956.9
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Premiums payable to insurance companies	\$ 605.7	\$ 568.1
Losses and loss adjustment reserve	79.2	13.0
Unearned premiums	302.6	321.0
Premium deposits and credits due customers	85.5	83.3
Accounts payable	58.9	57.3
Accrued expenses and other liabilities	162.0	181.3
Current portion of long-term debt	34.4	45.6
Total current liabilities	1,328.3	1,269.6
Long-term debt	1,132.3	1,152.8
Deferred income taxes, net	340.2	341.5
Other liabilities	106.9	79.2
Shareholders' equity:		
Common stock, par value \$0.10 per share; authorized 280,000 shares; issued 145,874 shares and outstanding 140,821 shares at 2015, issued 145,871 shares and outstanding 143,486 shares at 2014 - in thousands	14.6	14.6
Additional paid-in capital	403.6	406.0
Treasury stock, at cost 5,053 and 2,385 shares at 2015 and 2014, respectively - in thousands	(160.0)	(75.0)
Retained earnings	1,854.9	1,768.2
Total shareholders' equity	2,113.1	2,113.8
Total liabilities and shareholders' equity	\$ 5,020.8	\$ 4,956.9



### **Conference call, webcast and slide presentation**

A conference call to discuss the results of the second quarter of 2015 will be held on Tuesday, July 21, 2015 at 8:00 AM (EDT). The Company may refer to a slide presentation during its conference call. You can access the webcast and the slides from the “Investor Relations” section of the Company’s website at [www.bbinsurance.com](http://www.bbinsurance.com).

### **About Brown & Brown**

Brown & Brown, Inc., through its subsidiaries, offers a broad range of insurance products and services. Additionally, certain Brown & Brown subsidiaries offer a variety of risk management, third-party administration, and other services. Serving 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. The Company’s Web address is [www.bbinsurance.com](http://www.bbinsurance.com).

### **Forward-looking statements**

This press release may contain certain statements relating to future results which are forward-looking statements, including those relating to the Company’s anticipated financial results for the second quarter of 2015 and those relating to potential repurchases of the Company’s common stock. These statements are not historical facts, but instead represent only the Company’s current 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, financial condition and achievements may differ, possibly materially, from the anticipated results, financial condition and achievements contemplated by these forward-looking statements. These risks and uncertainties include, but are not limited to, the Company’s determination as it finalizes its financial results for the second quarter of 2015 that its financial results differ from the current preliminary unaudited numbers set forth herein; fluctuations in the Company’s stock’s market price; fluctuations in operating results and cash flows; material adverse changes in economic conditions in the markets we serve and in the general economy; downward commercial property and casualty premium pressures; future regulatory actions and conditions in the states in which the Company conducts business; competition from others in the insurance agency, wholesale brokerage, insurance programs and service business; 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; and the potential occurrence of a disaster that affects certain areas including, but not limited to, the States of California, Florida, Georgia, Illinois, Indiana, Kansas, Massachusetts, Michigan, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Texas, Virginia and/or Washington, where significant portions of the Company’s business are conducted; other factors that the Company may not have currently identified or quantified, and other risks, relevant factors and uncertainties identified in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014, and the Company’s other filings with the Securities and Exchange Commission. All forward-looking statements made herein are made only as of the date of this release, and the Company does not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which the Company hereafter becomes aware.

**Non-GAAP supplemental financial information**

This press release contains references to non-GAAP financial measures as defined in Regulation G of SEC rules, including Organic Revenue, EBITDAC and EBITDAC margins. A reconciliation of this supplemental non-GAAP financial information to the Company's GAAP information is contained in this earnings release. We present such non-GAAP supplemental financial information, as we believe such information is of interest to the investment community because it provides additional meaningful methods of evaluating certain aspects of the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis. This supplemental financial information should be considered in addition to, not in lieu of, the Company's condensed consolidated financial statements.

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