

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): February 1, 2013

BROWN & BROWN, INC.
(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

0-7201
(Commission File Number)

59-0864469
(IRS Employer
Identification No.)

220 South Ridgewood Avenue, 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 February 1, 2013, Brown & Brown, Inc. issued a press release announcing its results of operations for the fourth quarter and 2012 year-end results. 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 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.

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.

/S/ CORY WALKER

By: _____

Cory Walker
Sr. Vice President, Treasurer and
Chief Financial Officer

Date: February 1, 2013



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February 1, 2013

News Release

Cory T. Walker

Chief Financial Officer
(386) 239-7250

BROWN & BROWN, INC. ANNOUNCES RECORD FOURTH-QUARTER EARNINGS OF \$42.6 MILLION

(Daytona Beach and Tampa, Florida) . . . Brown & Brown, Inc. (NYSE:BRO) today announced its preliminary, unaudited financial results for the fourth quarter of 2012.

Net income for the fourth quarter of 2012 was \$42,637,000, or \$0.29 per share, compared with \$36,494,000, or \$0.25 per share for the same quarter of 2011, an increase of 16.8%. Total revenue for the fourth quarter was \$302,830,000, compared with 2011 fourth-quarter revenue of \$244,097,000, an increase of 24.1%.

Total revenue for the twelve months ended December 31, 2012 was \$1,200,032,000, compared with total revenue for the same period of 2011 of \$1,013,542,000, an increase of 18.4%. Net income for the twelve-month period ended December 31, 2012 was \$184,045,000, or \$1.26 per share, compared with \$163,995,000, or \$1.13 per share for the same period of 2011, an increase of 12.2%.

J. Powell Brown, President and Chief Executive Officer of the Company, noted, *“The fourth-quarter results were the culmination of the hard work of our 6,300-plus teammates throughout 2012. Two of our most important goals for 2012 - to grow our revenues organically and to improve each and every quarter - were accomplished. I am very proud of what we achieved in the fourth quarter and for the year. We will continue to work tirelessly for the benefit of our clients in 2013.”*

Brown & Brown, Inc., through its subsidiaries, offers a broad range of insurance and reinsurance 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.

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 fourth quarter of 2012. 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 fourth quarter of 2012 that its financial results differ from the current preliminary unaudited numbers set forth herein, 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, 2011, 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.

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

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
REVENUES				
Commissions and fees	\$300,296	\$241,350	\$1,189,081	\$1,005,962
Investment income	236	333	797	1,267
Other income, net	<u>2,298</u>	<u>2,414</u>	<u>10,154</u>	<u>6,313</u>
Total revenues	<u>302,830</u>	<u>244,097</u>	<u>1,200,032</u>	<u>1,013,542</u>
EXPENSES				
Employee compensation and benefits	158,467	129,389	608,506	508,675
Non-cash stock-based compensation	4,472	2,856	15,865	11,194
Other operating expenses	44,995	34,590	174,389	144,079
Amortization	16,123	13,965	63,573	54,755
Depreciation	3,990	3,116	15,373	12,392
Interest	4,004	3,352	16,097	14,132
Change in estimated acquisition earn-out payables				
	<u>1,552</u>	<u>(2,862)</u>	<u>1,418</u>	<u>(2,206)</u>
Total expenses	<u>233,603</u>	<u>184,406</u>	<u>895,221</u>	<u>743,021</u>
Income before income taxes	69,227	59,691	304,811	270,521
Income taxes	<u>26,590</u>	<u>23,197</u>	<u>120,766</u>	<u>106,526</u>
Net income	<u>\$ 42,637</u>	<u>\$ 36,494</u>	<u>\$ 184,045</u>	<u>\$ 163,995</u>
Net income per share:				
Basic	<u>\$0.30</u>	<u>\$0.25</u>	<u>\$1.28</u>	<u>\$1.15</u>
Diluted	<u>\$0.29</u>	<u>\$0.25</u>	<u>\$1.26</u>	<u>\$1.13</u>
Weighted average number of shares outstanding:				
Basic	<u>139,681</u>	<u>138,796</u>	<u>139,364</u>	<u>138,582</u>
Diluted	<u>142,314</u>	<u>140,547</u>	<u>142,010</u>	<u>140,264</u>
Dividends declared per share	<u>\$0.090</u>	<u>\$0.0850</u>	<u>\$0.3450</u>	<u>\$0.3250</u>

Brown & Brown, Inc.
INTERNAL GROWTH SCHEDULE
Core Organic Commissions and Fees⁽¹⁾
Three Months Ended December 31, 2012
(in thousands)
(unaudited)

	Quarter Ended <u>12/31/12</u>	Quarter Ended <u>12/31/11</u>	Total Net <u>Change</u>	Total Net <u>Growth</u> %	Less Acquisition <u>Revenues</u>	Internal Net <u>Growth \$</u>	Internal Net <u>Growth %</u>
Retail ⁽²⁾	\$153,230	\$139,257	\$13,973	10.0%	\$6,166	\$7,807	5.6%
National Programs	64,090	41,057	23,033	56.1%	22,957	76	0.2%
Wholesale Brokerage	40,299	35,595	4,704	13.2%	1,738	2,966	8.3%
Services	<u>34,398</u>	<u>16,482</u>	<u>17,916</u>	108.7%	<u>16,106</u>	<u>1,810</u>	11.0%
Total Core Commissions and Fees⁽¹⁾	<u>\$292,017</u>	<u>\$232,391</u>	<u>\$59,626</u>	25.7%	<u>\$46,967</u>	<u>\$12,659</u>	5.4%

**Reconciliation of Internal Growth Schedule
to Total Commissions and Fees**
Included in the Consolidated Statements of Income
For the Three Months Ended December 31, 2012 and 2011
(in thousands)
(unaudited)

	Quarter Ended <u>12/31/12</u>	Quarter Ended <u>12/31/11</u>
Total core commissions and fees ⁽¹⁾	\$292,017	\$232,391
Profit-sharing contingent commissions		
Guaranteed supplemental commissions	6,342	4,810
Divested business	1,937	2,459
	=	<u>1,690</u>
Total commissions & fees	<u>\$300,296</u>	<u>\$241,350</u>

(1) Total core commissions and fees are our total commissions and fees less (i) profit-sharing contingent commissions (revenues derived from special revenue-sharing commissions from insurance companies based upon the volume and the growth and/or profitability of the business placed with such companies during the prior year), (ii) guaranteed supplemental commissions (GSC) (revenues derived from special revenue-sharing commissions from insurance companies based solely upon the volume of the business placed with such companies during the current year), and (iii) divested business (commissions and fees generated from offices, books of business or niches sold by the Company or terminated).

(2) The Retail segment includes commissions and fees reported in the "Other" column of the Segment Information, which includes corporate and consolidation items.

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

December 31, December 31,
2012 2011

ASSETS		
Current assets:		
Cash and cash equivalents	\$ 219,821	\$ 286,305
Restricted cash and investments	164,564	130,535
Short-term investments	8,183	7,627
Premiums, commissions and fees receivable	302,725	240,257
Deferred income taxes	24,408	19,863
Other current assets	<u>39,811</u>	<u>23,540</u>
Total current assets	759,512	708,127
Fixed assets, net	74,337	61,360
Goodwill	1,711,514	1,323,469
Amortizable intangible assets, net	566,538	496,182
Other assets	<u>16,157</u>	<u>17,873</u>
Total assets	<u>\$3,128,058</u>	<u>\$2,607,011</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Premiums payable to insurance companies	\$ 406,704	\$ 327,096
Premium deposits and credits due customers	32,867	30,048
Accounts payable	48,524	22,384
Accrued expenses and other liabilities	79,593	100,865
Current portion of long-term debt	<u>93</u>	<u>1,227</u>
Total current liabilities	567,781	481,620
Long-term debt	450,000	250,033
Deferred income taxes, net	237,630	178,052
Other liabilities	65,314	53,343
Shareholders' equity:		
Common stock, par value \$0.10 per share; authorized 280,000 shares; issued and outstanding 143,878 at 2012 and 143,352 at 2011	14,388	14,335
Additional paid-in capital	335,872	307,059
Retained earnings	1,457,073	1,322,562
Accumulated other comprehensive income	-	<u>7</u>
Total shareholders' equity	<u>1,807,333</u>	<u>1,643,963</u>
Total liabilities and shareholders' equity	<u>\$3,128,058</u>	<u>\$2,607,011</u>

