



Brown & Brown, Inc. Enters Into Agreement to Acquire Servco Pacific Insurance

May 1, 2018

DAYTONA BEACH, Fla., May 01, 2018 (GLOBE NEWSWIRE) -- J. Scott Penny, Chief Acquisitions Officer of Brown & Brown, Inc. (NYSE:BRO), and Mark Fukunaga and Graham Gardner, on behalf of Servco Pacific Insurance (SPI), today announced that Brown & Brown, Inc. (Brown & Brown) has entered into an agreement to acquire the Servco Pacific Insurance operations in Hawaii and the Pacific Northwest. The transaction is expected to close in June 2018, subject to certain closing conditions.

The Fukunaga family founded Servco Pacific Inc. (Servco), the parent company of SPI, in 1919. In 1971, Servco established a base for its wholly owned insurance brokerage firm in Hawaii and expanded its operations to the Pacific Northwest in 2010. With annual revenues of \$24 million, SPI is a multi-line insurance brokerage firm with multiple offices in Hawaii and the Pacific Northwest, offering a suite of insurance solutions including commercial and personal property & casualty, employee benefits and multiple specialties, including marine, construction and professional liability. The SPI team is dedicated to the "Expert Model" approach in which all team members are experts in the industries they serve. SPI is the second largest insurance brokerage firm in Hawaii and the largest marine insurance broker in the Pacific Northwest.

SPI's Hawaii operations will become Brown & Brown's primary retail presence in the Hawaiian Islands, and SPI's Pacific Northwest operations will merge with Brown & Brown's existing office in Seattle, under the leadership of Alex Bogaard. The Hawaii operations will be led by Dean Hirahara and Malcolm Tajiri. The marine operation in the Pacific Northwest will continue to be led by Graham Gardner. All SPI operations will report up to John Esposito, Regional President of Brown & Brown.

Powell Brown, chief executive officer of Brown & Brown, stated, "We share a common history with Servco of growing our family businesses into a market leader while building a strong culture that empowers our teammates. Because of our similar DNA, we look forward to continuing the success of the Hawaii team and adding the depth and breadth of experience that will enhance our operations in the Pacific Northwest."

Mark Fukunaga, chairman and chief executive officer of Servco, stated, "I am proud of our teams and the success we've had in Hawaii and the Pacific Northwest and am confident Brown & Brown is the right choice in terms of resources, expertise and values to take Servco Pacific Insurance to the next level."

Graham Gardner added, "We're excited to join an industry leader like Brown & Brown that can provide increased support to continue growing our marine practice while giving us the scale to offer the best products and services to our clients."

Brown & Brown, Inc., through its subsidiaries, offers a broad range of insurance products and related 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, Brown & Brown is ranked by *Business Insurance* magazine as the United States' sixth largest independent insurance intermediary. For more information on Brown & Brown, visit www.bbinsurance.com. Servco Pacific Insurance's current operations can be reviewed at www.servcoinsurance.com.

This press release may contain certain statements relating to future results which are forward-looking statements, including those associated with this acquisition; the appointments of those individuals currently employed by SPI to leadership positions with Brown & Brown after the transaction; and the integration of the current SPI operations with Brown & Brown after the transaction. These statements are not historical facts, but instead represent only Brown & Brown's current belief regarding future events, many of which, by their nature, are inherently uncertain and outside of Brown & Brown's control. It is possible that actual results may differ, possibly materially, from the anticipated results indicated in these forward-looking statements due to a number of risks and uncertainties. These risks and uncertainties include, but are not limited to: Brown & Brown's consummation and integration of the announced acquisition, including adequately addressing any matters analyzed in the due diligence process; Brown & Brown's ability to retain SPI's clients following the transaction; the post-transaction performance of the operations acquired from SPI combined with Brown & Brown's operations; material adverse changes in the business and financial condition of SPI, Brown & Brown, or both, and their respective clients; material adverse changes in economic conditions in the markets Brown & Brown serves and in the general economy; management's decisions after the transaction regarding employment positions with Brown & Brown; the inability of certain individuals to fill certain positions with Brown & Brown after the transaction; changes to management's strategy, including the future strategic decisions regarding its insurance carrier relationships and/or the products and services it offers its distribution partners; future regulatory actions and conditions in the states in which Brown & Brown conducts its business; competition from others in the insurance agency, wholesale brokerage, insurance programs and service business. Further information concerning Brown & Brown and its business, including factors that potentially could materially affect Brown & Brown's financial results and condition, as well as its other achievements, is contained in Brown & Brown's filings with the Securities and Exchange Commission. All forward-looking statements made herein are made only as of the date of this release, and Brown & Brown 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 Brown & Brown hereafter becomes aware.

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Brown & Brown, Inc.