



Brown & Brown, Inc. Continues to Achieve New Levels of Record Earnings

October 9, 2002

DAYTONA BEACH, Fla., and TAMPA, Fla., Oct. 9 /PRNewswire-FirstCall/ -- Brown & Brown, Inc. (NYSE: BRO) announced record quarterly earnings for the third quarter of 2002 of \$20,178,000 compared with \$13,402,000 recorded in the third quarter of 2001, an increase of 50.6%. Net income per share rose 38.1% to \$0.29 per share, compared with \$0.21 per share in the third quarter of last year. Total revenue for the quarter ended September 30, 2002 was up 23.2% to \$110,657,000 compared with the 2001 third-quarter revenue of \$89,809,000.

Total revenue for the nine months ended September 30, 2002 was \$336,595,000, compared with revenue for the same period in 2001 of \$269,152,000, up 25.1%. Net income for the nine months ended September 30, 2002 was \$61,741,000, or \$0.91 per share, compared with the \$38,698,000, or \$0.61 per share, posted during the same period last year. This represents a 59.5% and 49.2% increase in net income and net income per share, respectively, over the same period in 2001.

J. Hyatt Brown, President and CEO, commented on the results, noting, We continue to be extremely pleased with our very strong pattern of growth, which has resulted in our 39th consecutive quarter of record increased earnings per share. These results are confirmation that our culture and operating model continue to produce expected results. Also, we are pleased to report that the acquisitions completed to date are contributing nicely to our growth in both revenues and net income, and that the acquisition pipeline continues to be full with many high-quality agencies at various stages of negotiation.

Brown & Brown, Inc. and its subsidiaries provide a broad range of insurance and reinsurance products and services, as well as risk management, employee benefit administration, and managed health care services through offices located across the United States. The Company is ranked by Business Insurance magazine as the nation's sixth largest independent insurance intermediary organization. Our Web address is 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; and the potential occurrence of a disaster that affects certain areas of the States of Arizona, Florida and/or New York, where significant portions of the Company's business are concentrated. 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
(Unaudited)
(in thousands, except per share data)

	For the Three-Months Ended September 30,	For the Three-Months Ended September 30,	For the Nine-Months Ended September 30,	For the Nine-Months Ended September 30,
	2002	2001	2002	2001
REVENUES				
Commissions and fees	\$109,799	\$89,092	\$334,887	\$264,570
Investment income	924	604	2,222	2,913
Other (loss) income	(66)	113	(514)	1,669
Total revenues	110,657	89,809	336,595	269,152
EXPENSES				
Employee compensation				

and benefits	53,527	47,011	164,531	140,601
Non-cash stock				
grant compensation	1,463	487	3,025	1,472
Other operating				
expenses	15,815	13,232	47,173	40,861
Amortization	3,435	3,985	10,194	11,571
Depreciation	1,859	1,776	5,319	5,217
Interest	1,162	1,695	3,556	4,825
Total expenses	77,261	68,186	233,798	204,547
Income before income				
taxes and minority				
interest	33,396	21,623	102,797	64,605
Income taxes	12,830	7,907	39,550	24,803
Minority interest,				
net of income taxes	388	314	1,506	1,104
Net income	\$20,178	\$13,402	\$61,741	\$38,698
Net income per share:				
Basic	\$0.30	\$0.21	\$0.92	\$0.62
Diluted	\$0.29	\$0.21	\$0.91	\$0.61
Weighted average number				
of shares outstanding:				
Basic	68,266	62,575	66,979	62,398
Diluted	68,994	63,243	67,745	62,998

BROWN & BROWN, INC.

INTERNAL GROWTH SCHEDULE

CORE COMMISSIONS AND FEES (1)

NINE-MONTHS ENDED SEPTEMBER 30, 2002

(Unaudited)

(in thousands)

Quarter Ended 9/30/02	Quarter Ended 9/30/01	Total Net Change	Total Net Growth %	Less Acquisition Revenues	Internal Net Growth %
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Florida Retail	\$31,780	\$27,407	\$4,373	16.0%	\$179	15.3%
National Retail	32,810	24,201	8,609	36.6%	7,358	5.2%
Western Retail	19,874	15,629	4,245	27.2%	3,339	5.8%
Total Retail	84,464	67,237	17,227	25.6%	10,876	9.4%
Professional						
Programs	4,504	4,129	375	9.1%	--	9.1%
Special Programs	6,968	5,840	1,128	19.3%	609	8.9%
Total Programs	11,472	9,969	1,503	15.1%	609	9.0%
Brokerage	6,110	2,999	3,111	103.7%	1,573	51.3%
TPA Services	7,279	6,189	1,090	17.6%	214	14.2%
Total Core						
Commissions						
and Fees(1)	\$109,325	\$86,394	\$22,931	26.5%	\$13,272	11.2%

(1) Total Commissions and Fees excluding profit sharing contingency revenues and divestitures.

BROWN & BROWN, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands)

September 30, December 31,

2002 2001

(Unaudited)

ASSETS

Cash and cash equivalents	\$144,982	\$16,048
Restricted cash	89,530	50,328
Short-term investments	436	451
Premiums, commissions and fees receivable	112,363	101,449
Other current assets	14,657	8,230
Total current assets	361,968	176,506
Fixed assets, net	25,154	25,544
Goodwill, net	136,948	112,974
Other intangible assets, net	169,099	155,337
Investments	9,623	8,983

Deferred income taxes	3,297	1,519
Other assets	6,608	7,874
Total assets	\$712,697	\$488,737

LIABILITIES

Premiums payable to insurance companies	\$172,056	\$151,649
Premium deposits and credits due customers	18,134	12,078
Accounts payable	17,215	10,085
Accrued expenses	41,807	31,930
Current portion of long-term debt	19,456	20,855
Total current liabilities	268,668	226,597
Long-term debt	62,237	78,195
Other liabilities	5,470	6,308
Minority Interest	2,314	2,352

SHAREHOLDERS' EQUITY

Common stock, par value \$0.10 per share:

authorized 140,000 shares; issued

68,196 at 2002 and 63,194 at 2001	6,820	6,319
Additional paid-in capital	158,775	11,181
Retained earnings	205,642	153,392
Accumulated other comprehensive income	2,771	4,393
Total shareholders' equity	374,008	175,285
Total liabilities		
and shareholders' equity	\$712,697	\$488,737

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