

**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): September 18, 2018**

**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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01 Regulation FD Disclosure.**

Brown & Brown, Inc. (the "Company") is scheduled to host its 2018 Investor Day on September 18, 2018 beginning at approximately 8:00 a.m. EDT. The slides that will be presented at the presentation are furnished as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated by reference into this Item 7.01.

A replay of the audio webcast of the Company's remarks will be available commencing two hours after the end of the live broadcast until 11:00 a.m. EDT on Thursday, October 18, 2018; to access this replay, dial 1-888-203-1112 or 1-719-457-0820 and, when prompted, enter replay access code 9164382. The webcast will also be archived on Brown & Brown's website, [www.bbinsurance.com](http://www.bbinsurance.com), after the live broadcast. To access the replay, go to "Investor Relations" and click on "Calendar of Events." Windows Media Player software is required to access and listen to this broadcast.

The information furnished in this Item 7.01 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing, 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:

| <b>Exhibit No.</b>          | <b>Description</b>  |
|-----------------------------|---|
| <a href="#"><u>99.1</u></a> | <a href="#"><u>Brown &amp; Brown, Inc. 2018 Investor Day Slide Presentation</u></a> |

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## 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

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R. Andrew Watts  
Executive Vice President, Treasurer and  
Chief Financial Officer

Date: September 18, 2018

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**Brown & Brown, Inc.**

Investor Day

September 18, 2018

# Information Regarding Forward-Looking Statements

This presentation may contain certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbors created by those laws. These forward-looking statements include information about possible or assumed future results of our operations.

Many risks and uncertainties may impact the matters addressed in these forward-looking statements. Information about such risks and uncertainties may be found in our filings with the Securities and Exchange Commission. These risks and uncertainties could cause our results or performance to differ materially from those we express in our forward-looking statements.

Our forward-looking statements speak only as of the date made and we will not update these forward-looking statements unless the securities laws require us to do so.



# Important Disclosures Regarding Non-GAAP Measures

This presentation contains references to "non-GAAP financial measures" as defined in SEC Regulation G, including EBITDAC, EBITDAC Margin, Diluted Net Income Per Share—Adjusted, Free Cash Flow, Cash Flow Conversion, Cash Flow Yield, Net Debt Outstanding and Organic Revenue. We present these measures because we believe they are of interest to the investment community and because we believe they provide 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 generally accepted accounting principles (GAAP) basis. These financial measures should be considered in addition to, not in lieu of, the Company's consolidated income statements and balance sheets as of the relevant date. Consistent with Regulation G, a description of such information is provided below and a reconciliation of such items to GAAP information can be found in our periodic filings with the SEC. Our method of calculating these non-GAAP financial measures may differ from the methods used by other companies and, therefore, comparability may be limited.

**Earnings Measures** – We believe these non-GAAP measures, as defined below, provide a meaningful representation of the operating performance of the Company and improve the comparability of results between periods by eliminating the impact of certain items that have a high degree of variability.

- **EBITDAC** is defined as income before interest, income taxes, depreciation, amortization and the change in estimated acquisition earn-out payables.
- **EBITDAC Margin** is defined as EBITDAC divided by total revenues.
- **Diluted Net Income Per Share—Adjusted** is defined as diluted net income per share, excluding (i) the beneficial revenue impact of a \$20.0 million legal settlement and the associated legal costs of \$1.2 million in the first quarter of 2017 (the "Legal Settlement") for the full year of 2017, (ii) the change in estimated acquisition earn-out payables, (iii) the net pretax loss on disposal of certain assets of Axiom Re in 2014 and (iv) the impact of the change in the effective tax rate associated with the impact of the Tax Cut and Jobs Act of 2017 (the "Tax Reform Act").
- **Free Cash Flow** is defined as net cash provided from operations less capital expenditures.
- **Cash Flow Conversion** is defined as free cash flow divided by total revenue.
- **Cash Flow Yield** is defined as net cash provided from operations less capital expenditures, divided by fully diluted shares, as measured by the average share price for the year.
- **Net Debt Outstanding** is defined as total debt outstanding less cash and cash equivalents.

**Revenue Measures** – We believe that Organic Revenue, as defined below, provides a meaningful representation of the Company's operating performance and improves the comparability of results between periods by eliminating the impact of certain items that have a high degree of variability. The Company has historically viewed Organic Revenue growth as an important indicator when assessing and evaluating the performance of its four segments.

- **Organic Revenue**, a non-GAAP measure, is defined as commissions and fees less (i) the first twelve months of commission and fee revenues generated from acquisitions, 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, and books of business sold by the Company) with the associated revenue removed from the corresponding period of the prior year. Organic Revenue can be expressed as a dollar amount or a percentage rate when describing Organic Revenue growth. We view Organic Revenue and Organic Revenue growth as important indicators when assessing and evaluating our performance on a consolidated basis and for each of our segments, because it allows us to determine a comparable, but non-GAAP, measurement of revenue growth that is associated with the revenue sources that were a part of our business in both the current and prior year and that are expected to continue in the future.





## Company Overview

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# Investment Highlights

- ✓ Proven track record of growing revenue profitably both organically & through acquisitions
- ✓ Experienced leadership team & strong performance-based culture
- ✓ Balanced & highly diversified revenue base
- ✓ Platform operating model with broad distribution network that generates industry-leading financial metrics
- ✓ Strong liquidity & cash flow conversion supported by disciplined capital strategy

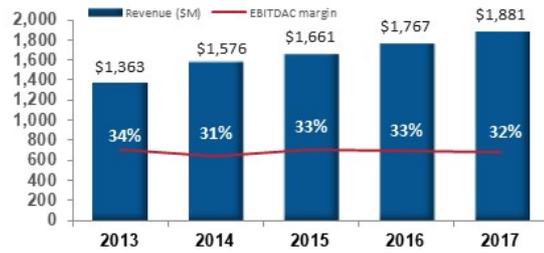


# Brown & Brown At A Glance

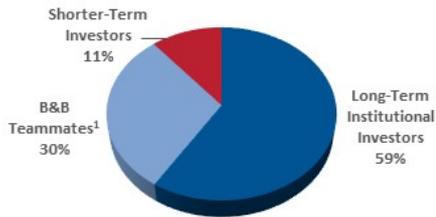
## Key Facts

- Headquartered in Daytona Beach, Florida
- Founded in 1939 - 79 years of serving customers
- 8,491 teammates as of December 31, 2017
- Doing business in all 50 states, England, Bermuda, Cayman Islands & Canada; 238 locations in 40 states
- Primarily focused on Property, Casualty, Personal Lines, Employee Benefits, and Ancillary Services

## Historical Revenue & EBITDAC Margin

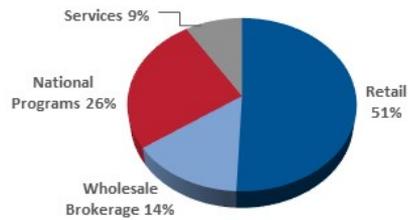


## Ownership



<sup>1</sup> Estimated based upon public filings and data gathered from Brown family and teammates.

## 2017 Revenue by Segment



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

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# Power Of Our Culture



# Vision

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To be the leading insurance broker delivering innovative solutions to our customers



People  
Recruiting &  
Enhancing  
Business



Money  
Making  
Business



Selling &  
Servicing  
Insurance  
Business



Innovative  
Solutions  
Business



# History



**Sustained track record of profitable growth & integrating acquisitions**



# Market Profile

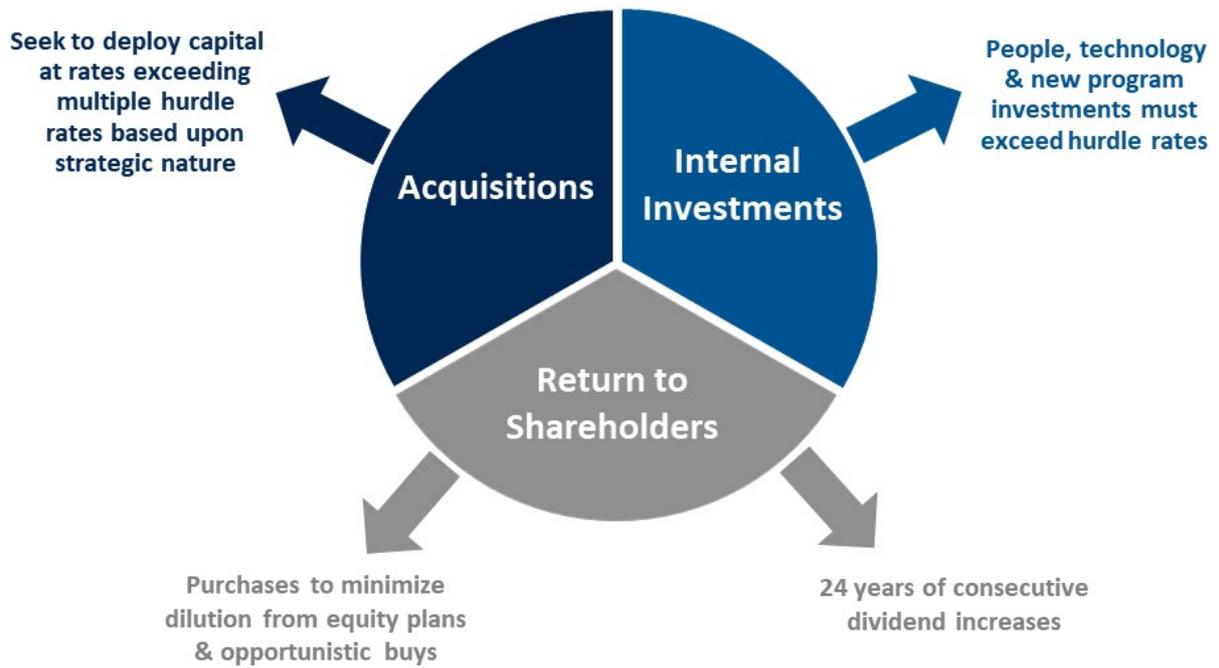
All Segments Offer Attractive Growth Opportunities

|                  | Source of Revenue | Margin       |
|------------------|-------------------|--------------|
| National Account | Fees              | Low - Medium |
| Middle - Market  | Commissions       | Medium       |
| Small Commercial | Commissions       | Medium       |

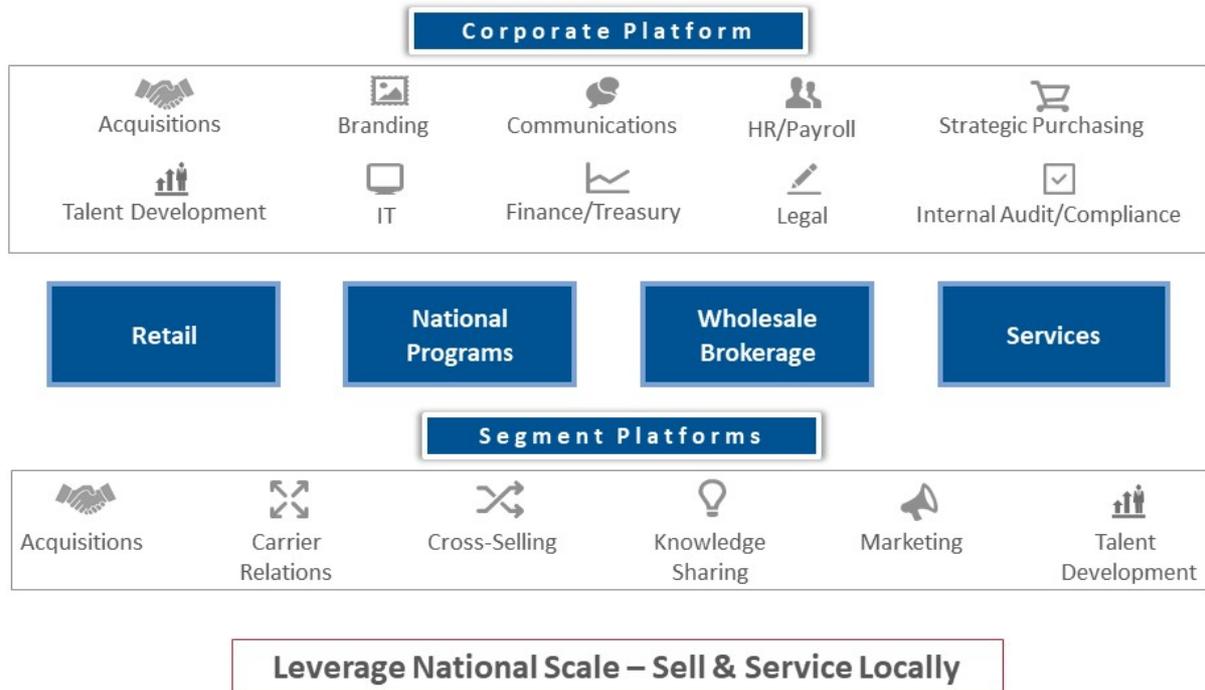
<sup>1</sup> Middle-market defined as businesses with between 20 and 1,000 employees



# Shareholder Value Creation

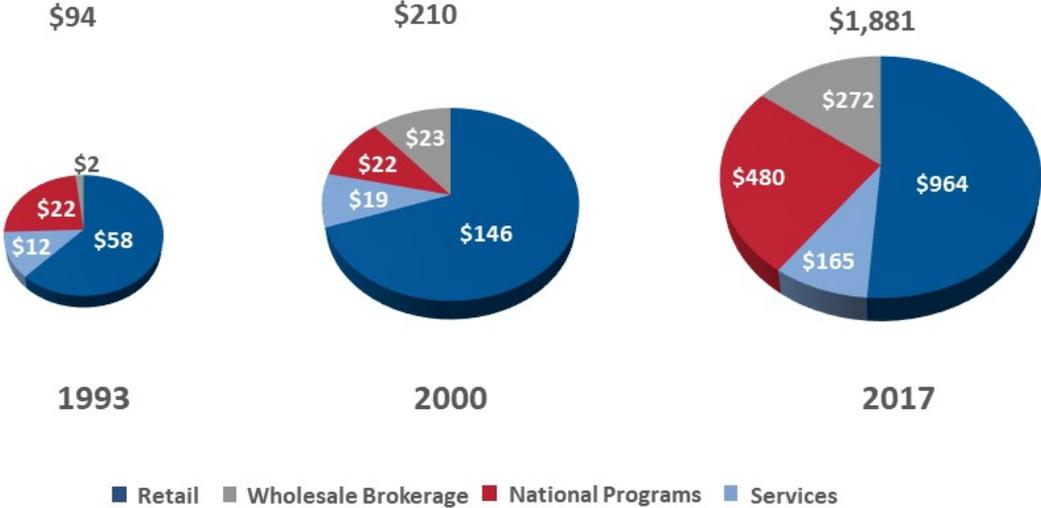


# Decentralized Sales & Service Model

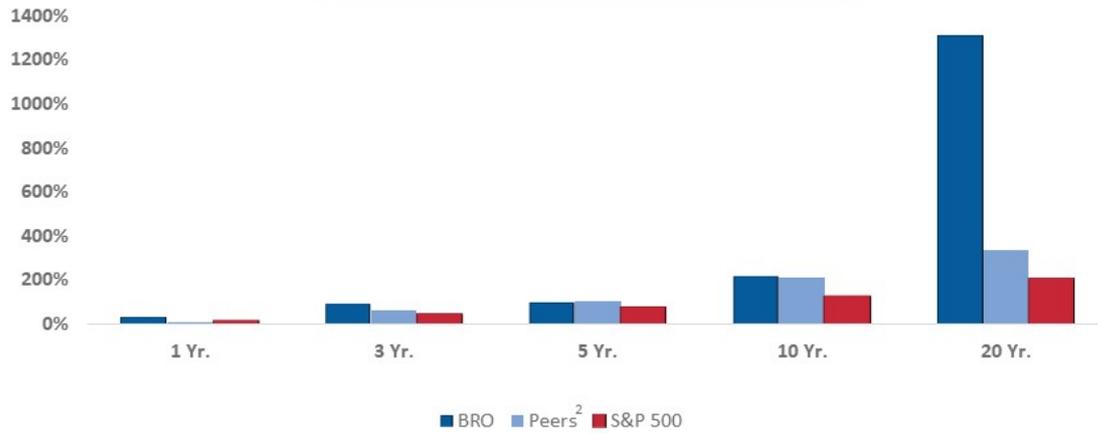


# Balanced & Diversified Business Mix

Revenues by Segment (\$M)



# Total Shareholder Returns<sup>1</sup>



| Total Shareholder Returns | 1 Yr. | 3 Yr. | 5 Yr.  | 10 Yr. | 20 Yr.  |
|---------------------------|-------|-------|--------|--------|---------|
| BRO                       | 36.9% | 95.2% | 103.7% | 220.2% | 1313.6% |
| Peers <sup>2</sup>        | 8.0%  | 62.8% | 106.3% | 212.1% | 333.1%  |
| S&P 500                   | 17.4% | 47.1% | 77.7%  | 126.2% | 203.1%  |

Source: FactSet as of 8/30/2018

<sup>1</sup> Calculated as change in share price plus total dividends paid

<sup>2</sup> Represents median total shareholder returns of Arthur J. Gallagher & Co, Aon plc, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company.





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Retail  
Segment

B  
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# Segment Overview - Retail

## Key Metrics

|   | 2017    | Avg. 3 Yr. | Avg. 5 Yr. |
|---|---------|------------|------------|
| Revenue Growth                            | 2.8%    | 4.6%       | 7.7%       |
| Organic Revenue Growth                    | 2.9%    | 2.1%       | 1.9%       |
| EBITDAC Margin                            | 30.0%   | 31.0%      | 31.4%      |
| Revs/Teammate (in thousands) <sup>1</sup> | \$235.5 | \$231.4    | \$228.0    |

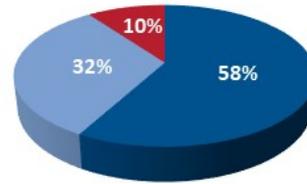
## Differentiation

- Culture of ownership & entrepreneurial thinking
- Breadth & depth of capabilities available to customers from small businesses to large multi-national entities
- Delivering solutions across all lines of business for our customers with proximity to their markets
- Specialized products tailored to meet our customers specific needs



<sup>1</sup> Represents total revenues divided by the average number of full-time equivalent employees at the beginning of the year and the number of full-time equivalent employees at the end of the year.  
See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

## Business Mix



■ Commercial Lines ■ Employee Benefits ■ Personal Lines

## Market Profile

- Hundreds of thousands of middle market businesses ensuring low customer concentration
- Customer base values advice & service that can be difficult for small, local competitors to provide
- Highly fragmented, providing attractive opportunity for market share growth
- Primary competition is the local broker/agent

# Breadth & Depth Of Expertise

## INDUSTRY

Customers span hundreds of industry classifications with 14 primary industries

## COVERAGE

Coverage placed for almost every line, with 15 primary lines

## MARKETS

Placing coverage for 1,000+ carrier partners & with 50 significant carriers

The Retail Segment provides broad and deep expertise to our customers, while maintaining close proximity to the communities in which our customers operate their businesses.



# Capabilities



# Investing For The Future

## CAPABILITIES

- Employee benefits technology & compliance tools
- Customer experience
- Acquisitions

## TECHNOLOGY

- Data & analytics
- Standardized agency management platform
- Operational efficiency

## TEAMMATES

- Ownership
- Producer incentives
- Brown & Brown University

The Retail Segment continuously invests in our business to develop teammates, increase capabilities, and enhance operational effectiveness in order to deliver world-class solutions & service to our customers.





## National Programs Segment

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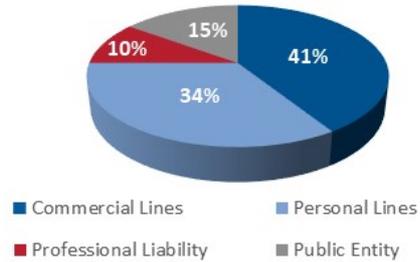
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# Segment Overview – National Programs

## Key Metrics

|   | 2017    | Avg. 3 Yr. | Avg. 5 Yr. |
|---|---------|------------|------------|
| Revenue Growth                            | 7.0%    | 5.9%       | 13.5%      |
| Organic Revenue Growth                    | 6.1%    | 4.0%       | 5.6%       |
| EBITDAC Margin                            | 37.5%   | 37.8%      | 37.3%      |
| Revs/Teammate (in thousands) <sup>1</sup> | \$249.1 | \$244.3    | \$241.3    |

## Business Mix



## Business Overview

- Brown & Brown National Programs is a leading program administrator in the insurance industry.
- Our National Programs team partners with insurance companies and provides services such as underwriting, distribution management, policy administration, and claims handling.

## Programs

- Our National Programs Segment works with over 40 carrier partners, offering more than 60 programs nationwide.
- Examples include earthquake; flood; personal lines; habitational, lender-placed coverage for financial institutions; and public entity risk management.



<sup>1</sup> Represents total revenues divided by the average number of full-time equivalent employees at the beginning of the year and the number of full-time equivalent employees at the end of the year.  
See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

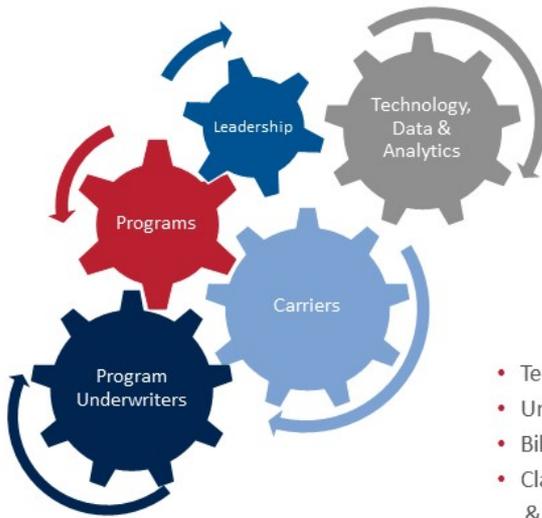
# Breadth & Depth Of Expertise & Capabilities

|                     |   |
|---------------------|---|
| <b>INDUSTRY</b>     | <ul style="list-style-type: none"><li>• 60+ programs</li><li>• \$2.8B+ in written premium</li><li>• Management team</li></ul>   |
| <b>CAPABILITIES</b> | <ul style="list-style-type: none"><li>• Turnkey &amp; bespoke solutions</li><li>• Underwriting expertise</li><li>• Product development</li><li>• Technology, data &amp; analytics</li></ul> |
| <b>MARKETS</b>      | <ul style="list-style-type: none"><li>• 40+ carrier relationships</li><li>• Robust marketing team</li><li>• Nationwide distribution network</li></ul>                                       |

The National Programs Segment delivers broad and deep expertise to its carrier partners and tailored solutions for distribution partners to drive efficient and effective placement of coverage.



# Solutions



## Carriers Focus On:

- Capital investments
- Established program metrics
- Portfolio underwriting management
- Reinsurance
- Risk management

## Daily Program Support & Servicing:

- Technology
- Underwriting
- Billing & collection
- Claims administration & management
- Operations & mailroom
- Policy administration
- Program management
- Marketing & distribution

National Programs provides carriers with the complete infrastructure to launch and manage broad or niche programs.



# Arrowhead Core Commercial

- Program launched in July 2017
- QBE signed a multi-year commitment for underwriting authority in North America
- Target market is standard commercial business with premiums generally under \$100K
- Core commercial program consists of business owner and commercial package policies
- Increased nationwide independent agency partners
- Early losses due to investment in technology platform and program start-up costs
- Will leverage new technology platform for other programs
- EBITDAC Margin for the core commercial program is projected to be commensurate with the EBITDAC Margin of the National Programs Segment by end of 2021

| Original Estimates Made at Program Launch |             |             |
|---|-------------|-------------|
| (\$ Millions; unaudited)                  | 2017        | 2018        |
| Core commissions and fees                 | \$6-\$8     | \$15-\$17   |
| Income before income taxes                | (\$3)-(\$1) | (\$4)-(\$2) |
| EBITDAC                                   | (\$3)-(\$1) | (\$4)-(\$2) |



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

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## Wholesale Brokerage Segment

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# Segment Overview – Wholesale Brokerage

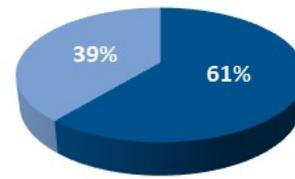
## Key Metrics

|   | 2017    | Avg. 3 Yr. | Avg. 5 Yr. |
|---|---------|------------|------------|
| Revenue Growth                            | 11.8%   | 8.6%       | 10.1%      |
| Organic Revenue Growth                    | 6.6%    | 5.6%       | 7.9%       |
| EBITDAC Margin                            | 32.7%   | 33.8%      | 29.4%      |
| Revs/Teammate (in thousands) <sup>1</sup> | \$233.3 | \$225.3    | \$215.9    |

## Business Overview

- The Wholesale Brokerage Segment primarily distributes excess & surplus commercial insurance through a broad, nationwide network of retail agents, including Brown & Brown retail agents.

## Business Mix



■ Binding Authority ■ Brokerage

## Key Go-to-Market Brands

- APEX Insurance Services
- Decus Insurance Brokers
- ECC Insurance Brokers
- Halcyon Underwriters
- Hull & Company
- MacDuff Underwriters
- Morstan General Agency
- National Risk Solutions
- Peachtree Special Risk Brokers
- Texas Security General Insurance Agency



<sup>1</sup> Represents total revenues divided by the average number of full-time equivalent employees at the beginning of the year and the number of full-time equivalent employees at the end of the year. See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

# Product & Underwriting Expertise

| Areas of Expertise   | Underwriting & Products   | Distribution   |
|--|---|--|
| <ul style="list-style-type: none"><li>• Open market brokerage &amp; full underwriting binding authority</li><li>• Product-specific expertise</li><li>• Layering expertise</li><li>• Modeling expertise</li><li>• Product development team</li><li>• Policy forms</li></ul> | <ul style="list-style-type: none"><li>• High-risk property/casualty exposures</li><li>• Transportation, auto, garage</li><li>• Personal lines</li><li>• Financial &amp; professional exposures</li><li>• Rental car programs</li><li>• Police department liability</li><li>• Marine</li><li>• Workers' compensation</li><li>• Environmental</li></ul> | <ul style="list-style-type: none"><li>• 16,000+ independent retail agency customers</li><li>• 50 States, Canada, UK, EU</li><li>• 20+ binding authority contracts</li><li>• Represent 200+ carriers</li><li>• London broker providing Lloyd's and Bermuda access</li></ul> |





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Services  
Segment

B  
B

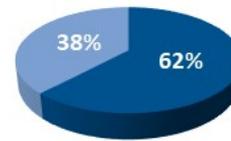
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# Segment Overview - Services

## Key Metrics

|   | 2017    | Avg. 3 Yr. | Avg. 5 Yr. |
|---|---------|------------|------------|
| Revenue Growth                            | 5.8%    | 6.6%       | 7.1%       |
| Organic Revenue Growth                    | 5.1%    | 5.2%       | 4.0%       |
| EBITDAC Margin                            | 24.3%   | 22.8%      | 24.5%      |
| Revs/Teammate (in thousands) <sup>1</sup> | \$179.7 | \$175.3    | \$172.9    |

## Business Mix



- Claims Third-Party Administrators (TPAs)
- Medicare Set-Aside/Social Security Advocacy

## Business Overview

- The Services Segment is composed of claims advocacy businesses, claims adjusting, claims processing, including property, auto, and workers compensation.
- These businesses work on behalf of our carrier partners, public institutions, and private companies.

## Businesses

- The Advocator Group, LLC
- American Claims Management
- ICA
- NuQuest
- Professional Disability Associates
- Preferred Governmental Claims Solutions
- Social Security Advocates for the Disabled
- USIS

<sup>1</sup> Represents total revenues divided by the average number of full-time equivalent employees at the beginning of the year and the number of full-time equivalent employees at the end of the year.



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

# Services Capabilities

## Medicare Set-Aside / Social Security

- Specialized claims services
- Compliance solutions
- Experience and scope
- Data and analytics
- Nationwide expert network

## Claims TPA

- Nationwide coverage
- Customer-centric service model
- Robust claims management
- Scalable & flexible technology
- Loss control/safety programs





## Acquisitions

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# Disciplined M&A Strategy

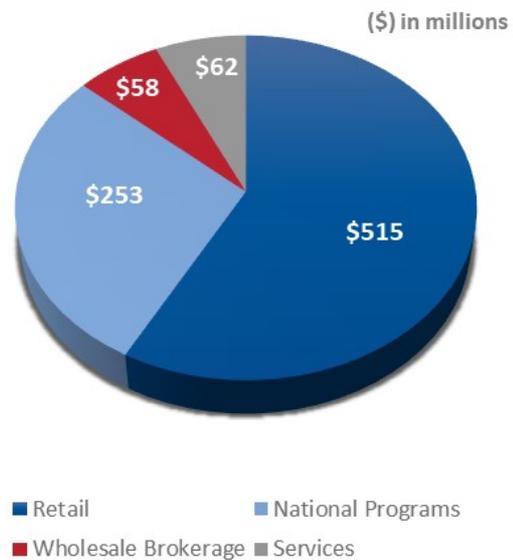
## Strategic Rationale

- Create long-term shareholder value
- Find high-quality businesses & teams that fit culturally
- Target strategic stand-alone and fold-in opportunities
- Evaluate each opportunity in a consistent fashion and price accordingly
- Identify and involve senior operating leaders early in the process to make for a smooth transition

## M&A Screening & Integration Process

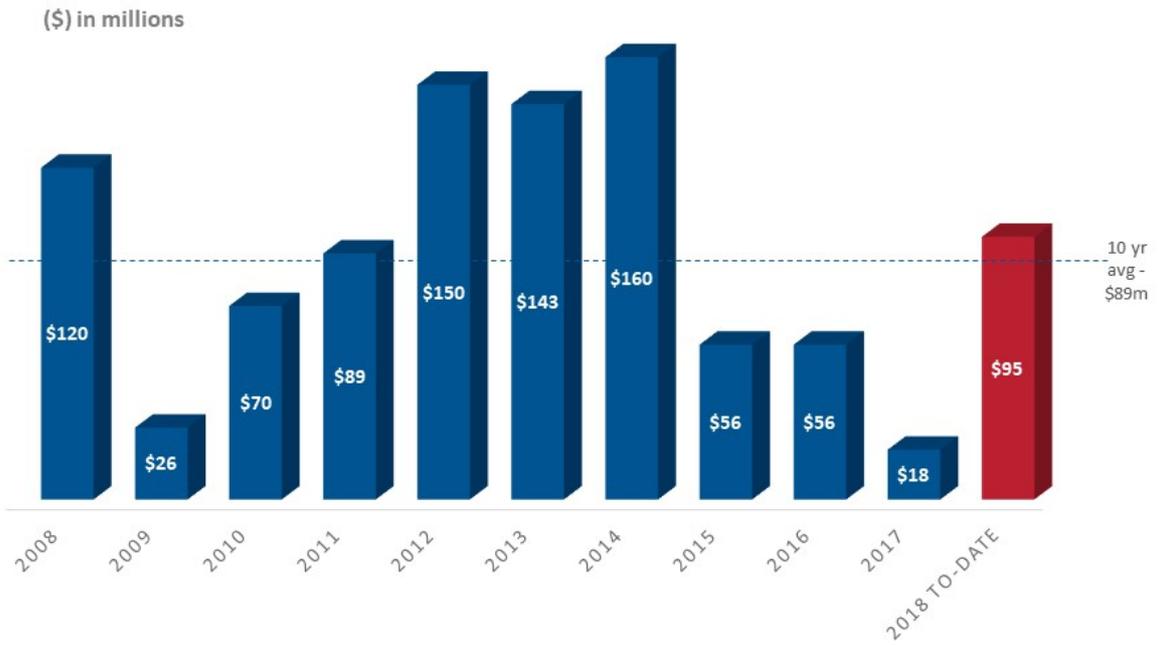
- Consistent due diligence process
- Corporate & segment teams involved
- Sponsor responsible post acquisition
- Integrate Finance, IT, and HR
- Leverage carrier relationships & capabilities to drive value

## 10-Year Total Acquired Revenue - \$888M<sup>1</sup>



<sup>1</sup> Represents the approximate annual revenue of businesses and books of business acquired between 2008 and 2017.

# Acquired Revenue<sup>1</sup> By Year



<sup>1</sup> Represents the approximate annual revenue of businesses and books of business acquired between 2008 and 2018 to-date.



## Closed Transactions - 2018



16 Transactions / \$95M Annual Revenue



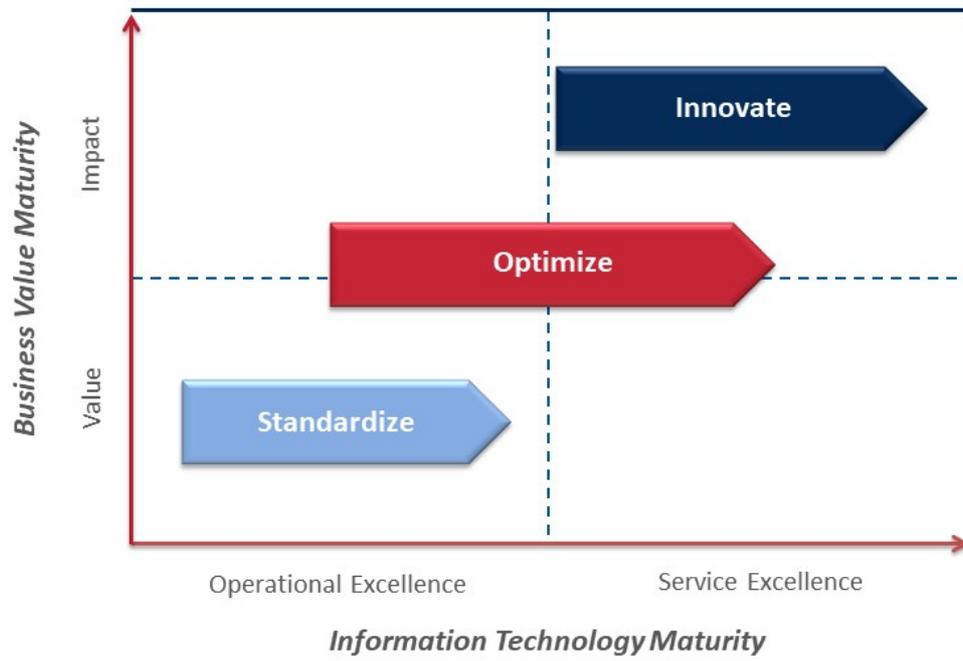


# Technology & Innovation

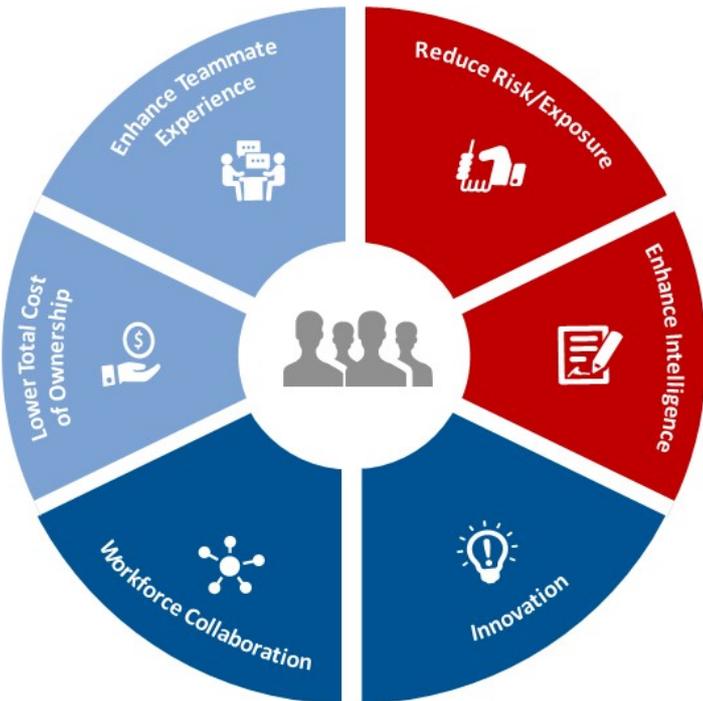
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# Technology Evolution



# Connected Teammate



# Information Technology Update

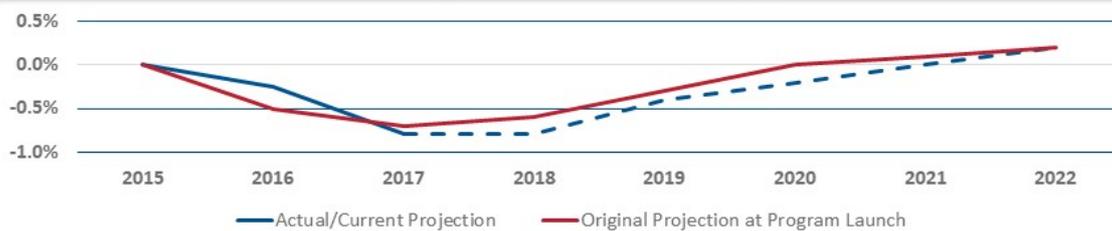
## Program Objectives

- Upgrade core financial and management reporting systems
- Streamline and simplify core architecture
- Upgrade and enhance agency/policy management systems
- Enhance data capture and analytics
- Reduce inefficient technology spend
- Improve technology platforms to support growth

|   | Original Estimate | Updated Estimate |
|---|-------------------|------------------|
| <b>Potential investment<sup>(1)</sup></b> | \$30-\$40M        | \$30-\$40M       |
| <b>Time horizon of investment</b>         | 2-3 years         | 3-4 years        |
| <b>Breakeven</b>                          | 4-6 years         | 5-7 years        |
| <b>Interim EBITDAC Margin impact</b>      | 35-60bps          | 50-60bps         |

(1) Represents impact to EBITDAC

## Actual & Projected EBITDAC Margin Effect



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

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# Innovation Agenda

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**AI Based Driven Applications**  
*Chatbots, Policy Checking,  
& Commercial Underwriting*



**New Product Development**



**Robotic Process Automation**



**Predictive Analytics**  
*Claims, Marketing,  
Underwriting, Pricing &  
Operations*



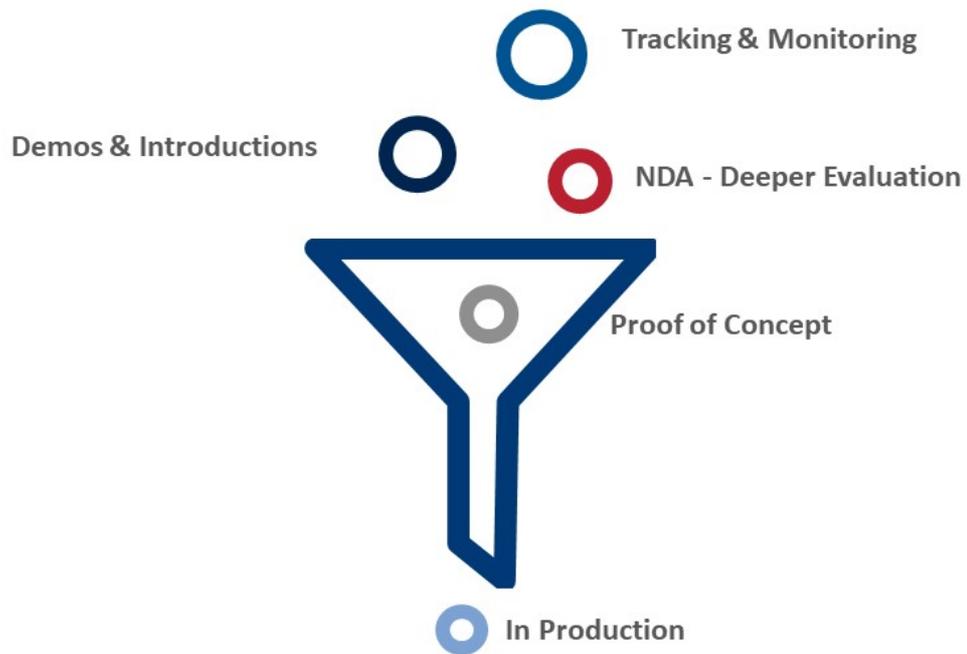
**Claims Settlement Automation**



**Prefill**  
*External, Third Party  
Data Aggregation*



# InsurTech Engagement



# Financial Performance



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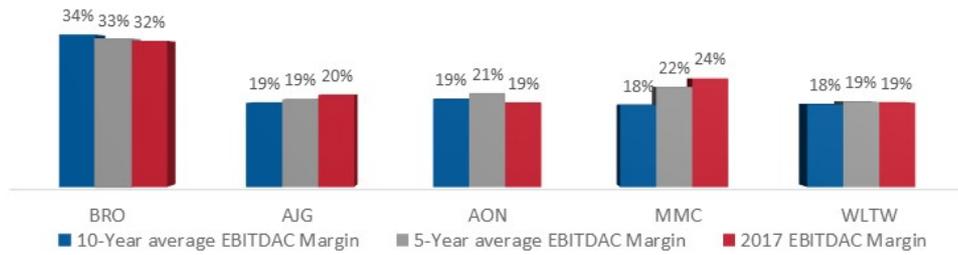
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# Outperforming Peers<sup>1</sup> & Market

## Revenue Growth



## EBITDAC Margin



Source: FactSet

<sup>1</sup> Peers are Arthur J. Gallagher & Co, Aon plc, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company.

<sup>2</sup> The 2017 revenue growth percentages are: BRO at 6.49%, Peers at 6.09%, and the S&P 500 at 6.14%



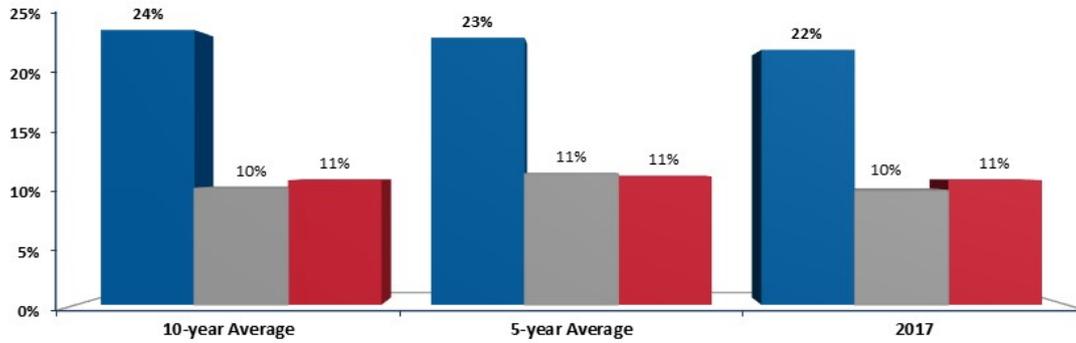
See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

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# Strong & Consistent Financial Performance

## Brown & Brown Cash Flow Conversion Comparison

■ BRO ■ Peers<sup>1</sup> ■ S&P 500



Source: FactSet, SNL Financial; Note: Willis Towers Watson Public Limited Company numbers represent legacy Willis business and do not include amounts for 2016 or 2017 due to merger-related adjustments

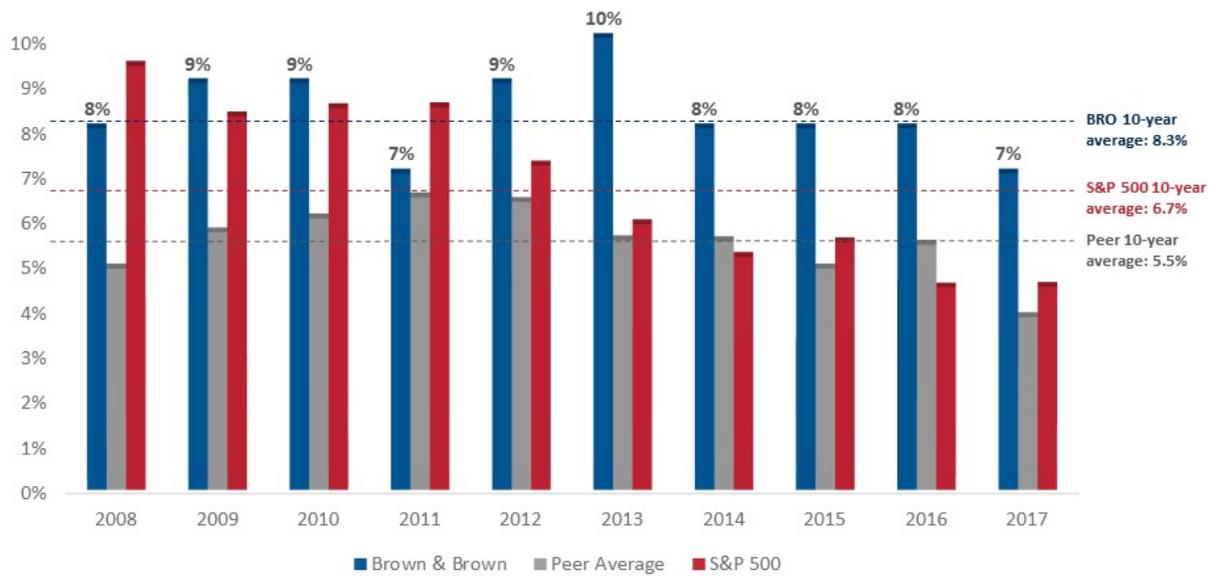
<sup>1</sup> Peers are Arthur J. Gallagher & Co, Aon plc, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company.



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# Industry-Leading Cash Flow Yield



Source: FactSet  
 Peers are Arthur J. Gallagher & Co, Aon plc, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company.



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# Strong Cash Generation<sup>1</sup>

(\$) in millions

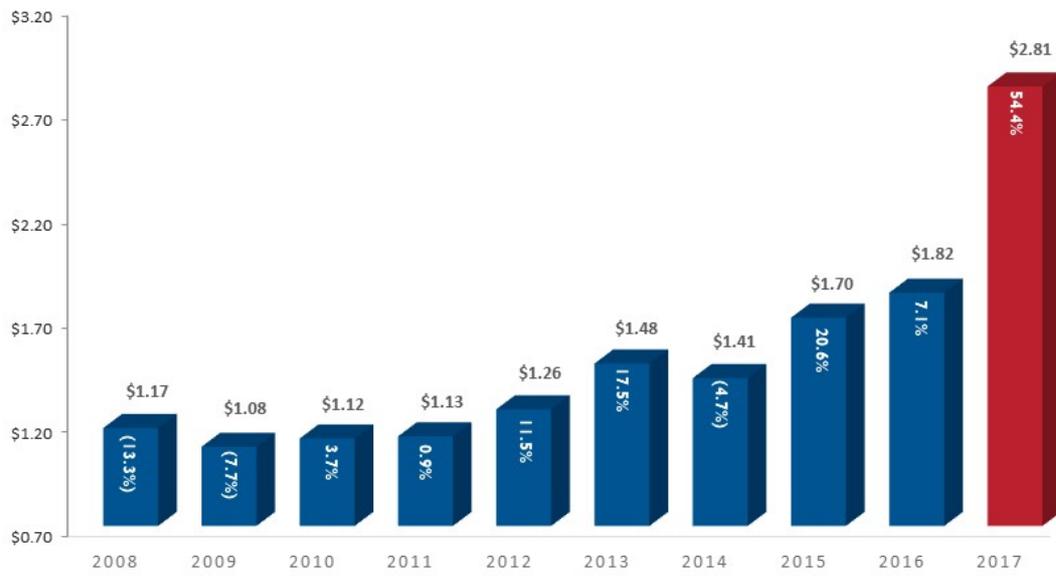


<sup>1</sup> Defined as Net cash provided by operating activities.

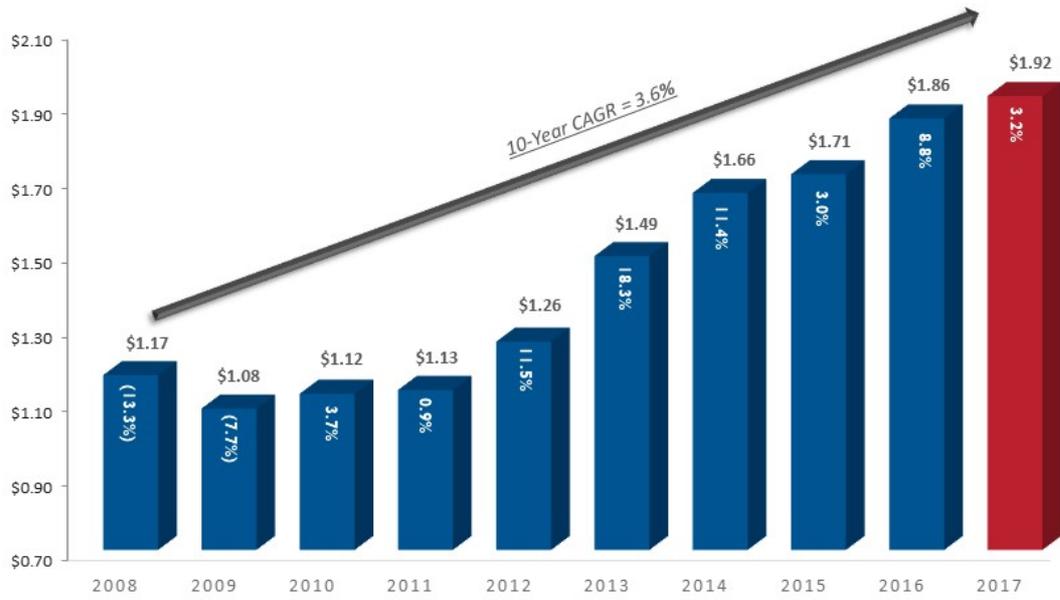
<sup>2</sup> Reflects acceleration of \$50M in annual bonus payments from January 2013 into December 2012 reducing accrued expenses classification, as bonuses are traditionally paid in January.



# Diluted Net Income Per Share Growth



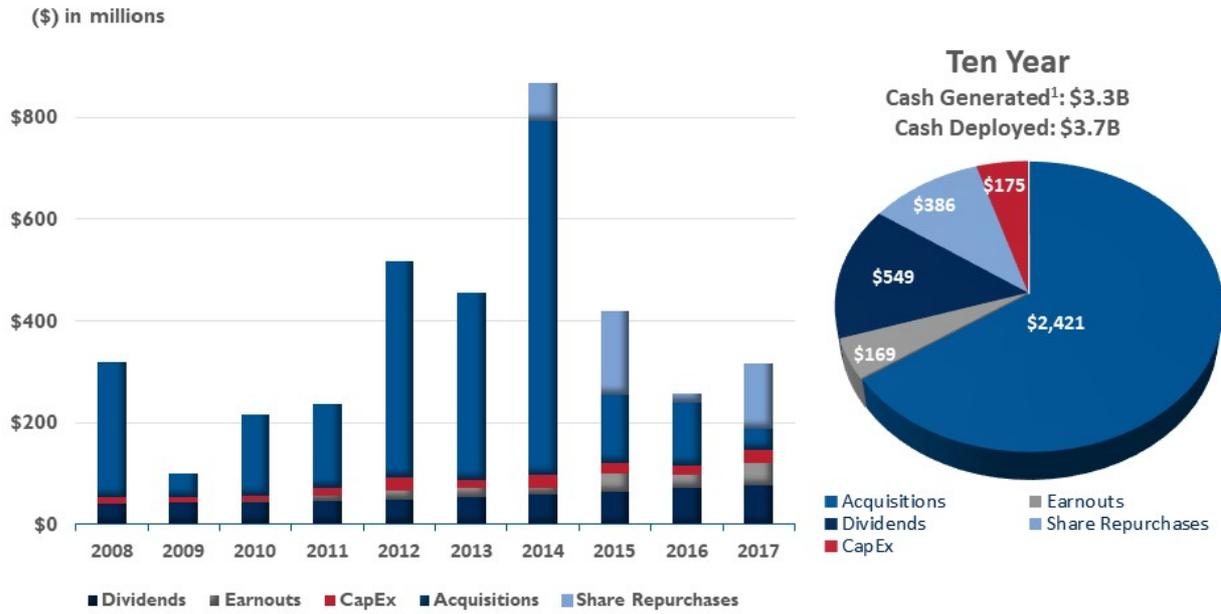
# Growth Of Diluted Net Income Per Share - Adjusted



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 53-64

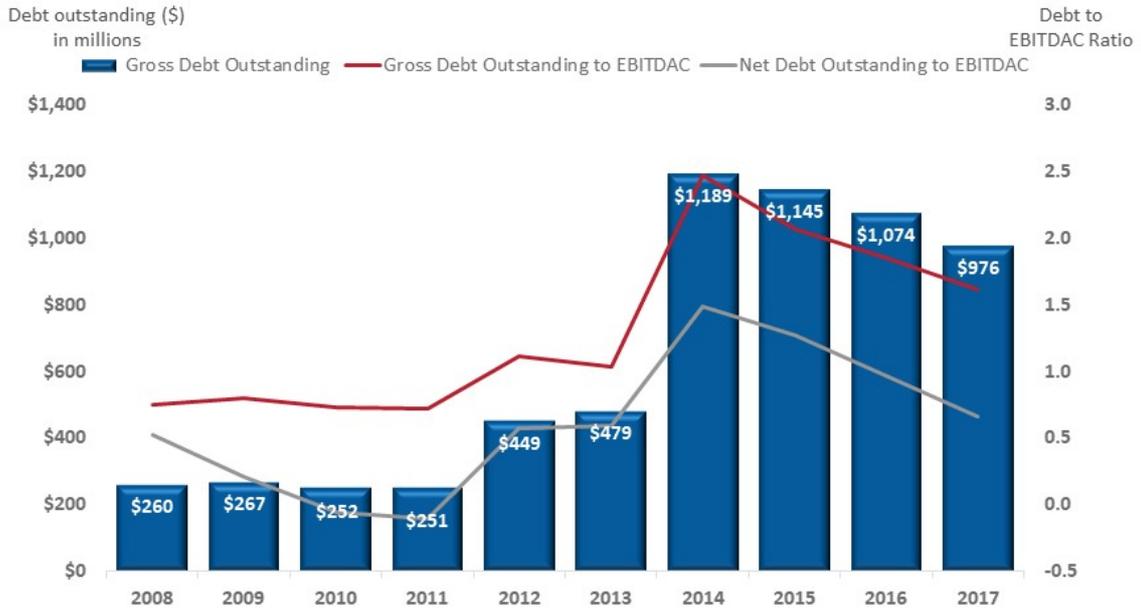
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# Balanced Long-Term Capital Deployment



<sup>1</sup> Defined as net cash provided by operating activities.

# Debt Outstanding To EBITDAC



"Gross Debt Outstanding" is defined as current portion of long-term debt plus long-term debt less unamortized discount and debt issuance costs

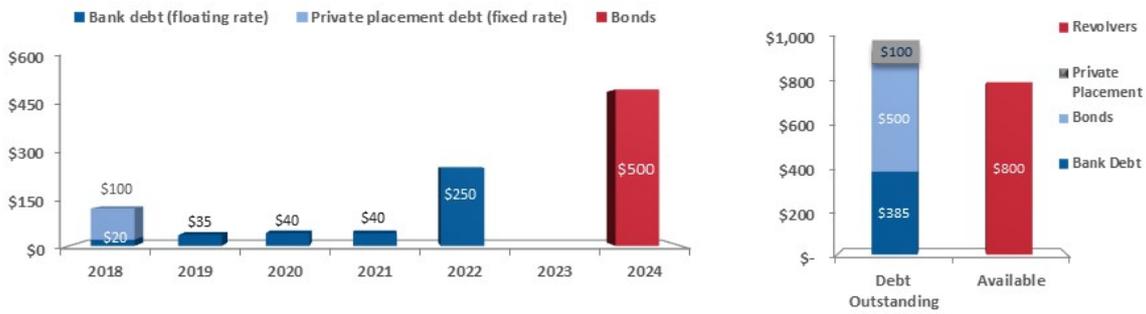


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# Balanced Leverage To Support Growth

## Maturity Profile



## Debt Leverage Policy

- Debt minimalization model
- Operating ranges:
  - Net debt outstanding to EBITDAC ratio of 0 – 2.5
  - Gross debt outstanding to EBITDAC ratio 0 – 3.0

## Revolver

- Amended and extended in June 2017 to June 2022
- \$800M of capacity, with expansion feature of up to \$500M
- Max of 3.25 net debt to EBITDA ratio, with ability to spring up to 3.75 twice



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# Outlook

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- ✓ Economy
- ✓ Carrier changes
- ✓ Technology investments & core commercial
- ✓ Acquisition impact
- ✓ Weather related events



## Closing Comments

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BB

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## Closing Comments

- ✓ Business well positioned to capture future growth opportunities
- ✓ Market outlook for exposure growth is positive & premium rates are improving slightly
- ✓ Balanced capital strategy & liquidity to deliver long-term shareholder value
- ✓ Investing in technology to improve customer & teammate experience, data analytics & workflow efficiency
- ✓ Operating model consistently delivers industry leading margins & cash flow yield





# GAAP To Non-GAAP Reconciliation

## APPENDIX



## Reconciliation Of Net Income & Net Income Margin To EBITDAC<sup>1</sup> & EBITDAC Margin<sup>2</sup>

(\$ millions, except per  
share data; unaudited)

|  | 2008    | 2009    | 2010    | 2011      | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      |
|--|---------|---------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Net income   | \$166.1 | \$153.3 | \$161.8 | \$164.0   | \$184.0   | \$217.1   | \$206.9   | \$243.3   | \$257.5   | \$399.6   |
| Net Income Margin <sup>3</sup>                       | 17%     | 16%     | 17%     | 16%       | 15%       | 16%       | 13%       | 15%       | 15%       | 21%       |
| Income taxes   | \$106.4 | \$101.5 | \$104.3 | \$106.5   | \$120.8   | \$140.5   | \$132.8   | \$159.3   | \$166.0   | \$50.1    |
| Income before income taxes                           | \$272.5 | \$254.8 | \$266.1 | \$270.5   | \$304.8   | \$357.6   | \$339.7   | \$402.6   | \$423.5   | \$449.7   |
| Interest   | \$14.7  | \$14.6  | \$14.5  | \$14.1    | \$16.1    | \$16.4    | \$28.4    | \$39.2    | \$39.5    | \$38.3    |
| Depreciation   | \$13.3  | \$13.2  | \$12.6  | \$12.4    | \$15.4    | \$17.5    | \$20.9    | \$20.9    | \$21.0    | \$22.7    |
| Amortization   | \$46.6  | \$49.9  | \$51.4  | \$54.8    | \$63.6    | \$67.9    | \$82.9    | \$87.4    | \$86.7    | \$85.4    |
| Change in estimated<br>acquisition earn-out payables | -       | -       | (\$1.7) | (\$2.2)   | \$1.4     | \$2.5     | \$9.9     | \$3.0     | \$9.2     | \$9.2     |
| EBITDAC  | \$347.1 | \$332.5 | \$342.9 | \$349.6   | \$401.3   | \$461.9   | \$481.8   | \$553.1   | \$579.9   | \$605.3   |
| EBITDAC Margin                                       | 36%     | 34%     | 35%     | 34%       | 33%       | 34%       | 31%       | 33%       | 33%       | 32%       |
| Total revenues                                       | \$977.6 | \$967.9 | \$973.5 | \$1,013.5 | \$1,200.0 | \$1,363.3 | \$1,575.8 | \$1,660.5 | \$1,766.6 | \$1,881.3 |

<sup>1</sup> "EBITDAC" is defined as income before interest, income taxes, depreciation, amortization and change in estimated earn-out payables.

<sup>2</sup> "EBITDAC Margin" is defined as EBITDAC divided by total revenue.

<sup>3</sup> "Net Income Margin" is defined as net income divided by total revenue.



## Reconciliation Of Net Income & Net Income Margin To EBITDAC<sup>1</sup> & EBITDAC Margin<sup>2</sup>

| (\$ millions, except per share data; unaudited)   | Retail  |         |         |         |         | National Programs |         |         |         |         |
|---|---------|---------|---------|---------|---------|-------------------|---------|---------|---------|---------|
|   | 2013    | 2014    | 2015    | 2016    | 2017    | 2013              | 2014    | 2015    | 2016    | 2017    |
| Income before income taxes                        | \$161.8 | \$157.5 | \$181.9 | \$188.0 | \$196.6 | \$61.2            | \$73.2  | \$67.7  | \$91.8  | \$110.0 |
| Income Before Income Taxes Margin <sup>3</sup>    | 22%     | 19%     | 21%     | 20%     | 21%     | 20%               | 18%     | 16%     | 20%     | 23%     |
| Interest  | \$34.7  | \$43.5  | \$41.0  | \$38.2  | \$31.1  | \$24.0            | \$49.7  | \$55.7  | \$45.7  | \$35.6  |
| Depreciation                                      | \$5.9   | \$6.5   | \$6.6   | \$6.2   | \$5.2   | \$5.5             | \$7.8   | \$7.3   | \$7.9   | \$6.3   |
| Amortization                                      | \$38.5  | \$42.9  | \$45.1  | \$43.4  | \$42.2  | \$15.0            | \$25.1  | \$28.5  | \$27.9  | \$27.3  |
| Change in estimated acquisition earn-out payables | (\$1.4) | \$7.5   | \$2.0   | \$10.3  | \$8.1   | (\$0.8)           | \$0.3   | \$0.2   | \$0.2   | \$0.8   |
| EBITDAC   | \$239.5 | \$257.9 | \$276.7 | \$286.1 | \$283.2 | \$104.9           | \$156.1 | \$159.4 | \$173.5 | \$179.9 |
| EBITDAC Margin                                    | 32%     | 31%     | 32%     | 31%     | 30%     | 35%               | 39%     | 37%     | 39%     | 38%     |
| Total revenues                                    | \$737.3 | \$823.7 | \$870.3 | \$917.4 | \$943.5 | \$301.4           | \$404.2 | \$428.7 | \$448.5 | \$479.8 |

<sup>1</sup> "EBITDAC" is defined as income before interest, income taxes, depreciation, amortization and change in estimated earn-out payables.

<sup>2</sup> "EBITDAC Margin" is defined as EBITDAC divided by total revenue.

<sup>3</sup> "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenue.



## Reconciliation Of Net Income & Net Income Margin to EBITDAC<sup>1</sup> & EBITDAC Margin<sup>2</sup>

| (\$ millions, except per share data; unaudited)   | Wholesale Brokerage |         |         |         |         | Services |         |         |         |         |
|---|---------------------|---------|---------|---------|---------|----------|---------|---------|---------|---------|
|   | 2013                | 2014    | 2015    | 2016    | 2017    | 2013     | 2014    | 2015    | 2016    | 2017    |
| Income before income taxes                        | \$47.5              | \$8.3   | \$64.7  | \$62.6  | \$68.8  | \$25.8   | \$17.9  | \$19.7  | \$24.3  | \$30.5  |
| Income Before Income Taxes Margin <sup>3</sup>    | 25%                 | 4%      | 30%     | 26%     | 25%     | 20%      | 13%     | 14%     | 16%     | 18%     |
| Interest  | \$2.3               | \$1.3   | \$0.9   | \$4.0   | \$6.3   | \$7.3    | \$7.7   | \$6.0   | \$5.0   | \$3.5   |
| Depreciation                                      | \$2.7               | \$2.5   | \$2.1   | \$2.0   | \$1.9   | \$1.6    | \$2.2   | \$2.0   | \$1.9   | \$1.6   |
| Amortization                                      | \$10.7              | \$10.7  | \$9.7   | \$10.8  | \$11.5  | \$3.7    | \$4.1   | \$4.0   | \$4.5   | \$4.5   |
| Change in estimated acquisition earn-out payables | \$2.0               | \$2.6   | \$0.8   | (\$0.3) | \$0.3   | \$2.8    | (\$0.4) | \$0.0   | (\$1.0) | \$0.0   |
| EBITDAC   | \$65.2              | \$25.4  | \$78.2  | \$79.1  | \$88.8  | \$41.2   | \$31.5  | \$31.7  | \$34.7  | \$40.1  |
| EBITDAC Margin                                    | 34%                 | 12%     | 36%     | 33%     | 33%     | 31%      | 23%     | 22%     | 22%     | 24%     |
| Total revenues                                    | \$193.7             | \$211.9 | \$217.0 | \$243.1 | \$271.7 | \$131.5  | \$136.6 | \$145.4 | \$156.4 | \$165.4 |

<sup>1</sup> "EBITDAC" is defined as income before interest, income taxes, depreciation, amortization and change in estimated earn-out payables.

<sup>2</sup> "EBITDAC Margin" is defined as EBITDAC divided by total revenue.

<sup>3</sup> "Income Before Income Taxes Margin" is defined as income before income taxes divided by total revenue.



## Reconciliation Of Net Cash Provided By Operating Activities to Free Cash Flow<sup>1</sup>, Cash Flow Conversion<sup>2</sup> and Cash Flow Yield<sup>3</sup>

| (\$ millions, except per share data; unaudited)                |           |           |           |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|  | 2008      | 2009      | 2010      | 2011      | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      |
| Stock Price, as of the 10 <sup>th</sup> day of the fiscal year | \$19.52   | \$18.81   | \$19.75   | \$22.63   | \$25.46   | \$31.39   | \$32.91   | \$32.10   | \$36.42   | \$45.33   |
| Total Shares   | 136,884   | 137,507   | 139,318   | 140,264   | 142,010   | 142,624   | 142,891   | 140,112   | 137,804   | 138,793   |
| Equity Market Capitalization                                   | \$2,652.8 | \$2,589.8 | \$2,755.7 | \$3,242.9 | \$3,597.1 | \$4,461.3 | \$4,451.1 | \$4,546.6 | \$5,018.8 | \$6,291.5 |
| Net cash provided by operating activities                      | \$232.1   | \$232.1   | \$264.4   | \$244.5   | \$254.3   | \$474.8   | \$394.8   | \$381.8   | \$411.0   | \$442.0   |
| Less Capital Expenditures                                      | \$14.1    | \$11.3    | \$10.5    | \$13.6    | \$24.0    | \$16.4    | \$24.9    | \$18.4    | \$17.8    | \$24.2    |
| Free Cash Flow   | \$218.0   | \$220.8   | \$253.9   | \$230.9   | \$230.3   | \$458.4   | \$369.9   | \$363.4   | \$393.3   | \$417.8   |
| Free Cash Flow   | \$218.0   | \$220.8   | \$253.9   | \$230.9   | \$230.3   | \$458.4   | \$369.9   | \$363.4   | \$393.3   | \$417.8   |
| Total Revenue  | \$977.6   | \$967.9   | \$973.5   | \$1,013.5 | \$1,200.0 | \$1,363.3 | \$1,575.8 | \$1,660.5 | \$1,766.6 | \$1,881.3 |
| Cash Flow Conversion   | 22%       | 23%       | 26%       | 23%       | 19%       | 34%       | 23%       | 22%       | 22%       | 22%       |
| Free Cash Flow   | \$218.0   | \$220.8   | \$253.9   | \$230.9   | \$230.3   | \$458.4   | \$369.9   | \$363.4   | \$393.3   | \$417.8   |
| Divided by Equity Market Capitalization                        | 2,652.8   | 2,589.8   | 2,755.7   | 3,242.9   | 3,597.1   | 4,461.3   | 4,451.1   | 4,546.6   | 5,018.8   | 6,291.5   |
| Cash Flow Yield  | 8%        | 9%        | 9%        | 7%        | 9%        | 10%       | 8%        | 8%        | 8%        | 7%        |



<sup>1</sup> "Free Cash Flow" is defined as net cash provided from operations less capital expenditures.

<sup>2</sup> "Cash Flow Conversion" is defined as free cash flow divided by total revenue.

<sup>3</sup> "Cash Flow Yield" is defined as net cash provided from operations less capital expenditures, divided by equity market capitalization, as measured by average share price for year every 10<sup>th</sup> day of the year.

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## Reconciliation Of Diluted Net Income Per Share To Diluted Net Income Per Share - Adjusted

(\$ millions, except per share data; unaudited)

|  | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Diluted Net income per share                     | \$1.17 | \$1.08 | \$1.12 | \$1.13 | \$1.26 | \$1.48 | \$1.41 | \$1.70 | \$1.82 | \$2.81 |
| Change in estimated acquisition earn-out payable | -      | -      | -      | -      | -      | 0.01   | 0.04   | 0.01   | 0.04   | 0.04   |
| Loss on disposal - Axiom                         | -      | -      | -      | -      | -      | -      | 0.21   | -      | -      | -      |
| Legal Settlement                                 | -      | -      | -      | -      | -      | -      | -      | -      | -      | (0.08) |
| Tax Reform Act                                   | -      | -      | -      | -      | -      | -      | -      | -      | -      | (0.85) |
| Diluted Net Income per Share - Adjusted          | \$1.17 | \$1.08 | \$1.12 | \$1.13 | \$1.26 | \$1.49 | \$1.66 | \$1.71 | \$1.86 | \$1.92 |



## Reconciliation of Commissions & Fees To Organic Revenue

|                                     | 2017    |         |          |         |           |         |          |         |           |           |
|-------------------------------------|---------|---------|----------|---------|-----------|---------|----------|---------|-----------|-----------|
|                                     | Retail  |         | Programs |         | Wholesale |         | Services |         | Total     |           |
|                                     | 2017    | 2016    | 2017     | 2016    | 2017      | 2016    | 2017     | 2016    | 2017      | 2016      |
| Commissions and fees                | \$942.1 | \$916.1 | \$479.0  | \$447.8 | \$271.1   | \$242.8 | \$165.1  | \$156.1 | \$1,857.3 | \$1,762.8 |
| Total Change                        | 26.0    |         | 31.2     |         | 28.3      |         | 9.0      |         | 94.5      |           |
| Total Growth %                      | 2.8%    |         | 7.0%     |         | 11.7%     |         | 5.8%     |         | 5.4%      |           |
| Contingent Commissions              | (23.4)  | (25.2)  | (20.1)   | (17.3)  | (8.7)     | (11.5)  | 0.0      | 0.0     | (52.2)    | (54.0)    |
| Guaranteed Supplemental Commissions | (9.2)   | (9.8)   | (0.0)    | (0.0)   | (1.2)     | (1.7)   | 0.0      | 0.0     | (10.4)    | (11.5)    |
| Core commissions and fees           | \$909.5 | \$881.1 | \$458.9  | \$430.5 | \$261.2   | \$229.6 | \$165.1  | \$156.1 | \$1,794.7 | \$1,697.3 |
| Acquisition revenues                | (8.1)   |         | (2.3)    |         | (16.4)    |         | (0.9)    |         | (27.7)    |           |
| Divested business                   |         | (4.8)   |          | (0.3)   |           | 0.0     |          | 0.2     |           | (4.9)     |
| Organic Revenue                     | \$901.4 | \$876.3 | \$456.6  | \$430.2 | \$244.8   | \$229.6 | \$164.3  | \$156.3 | \$1,767.0 | \$1,692.4 |
| Organic Revenue growth              | \$25.1  |         | \$26.4   |         | \$15.2    |         | \$7.9    |         | \$74.6    |           |
| Organic Revenue growth %            | 2.9%    |         | 6.1%     |         | 6.6%      |         | 5.1%     |         | 4.4%      |           |



## Reconciliation of Commissions & Fees To Organic Revenue

| (\$ millions; Unaudited)            | 2016    |         |          |         |           |         |          |         |           |           |
|-------------------------------------|---------|---------|----------|---------|-----------|---------|----------|---------|-----------|-----------|
|                                     | Retail  |         | Programs |         | Wholesale |         | Services |         | Total     |           |
|                                     | 2016    | 2015    | 2016     | 2015    | 2016      | 2015    | 2016     | 2015    | 2016      | 2015      |
| Commissions and fees                | \$916.1 | \$866.5 | \$447.8  | \$428.5 | \$242.8   | \$216.6 | \$156.1  | \$145.4 | \$1,762.8 | \$1,657.0 |
| Total Change                        | 49.6    |         | 19.3     |         | 26.2      |         | 10.7     |         | 105.8     |           |
| Total Growth %                      | 5.7%    |         | 4.5%     |         | 12.1%     |         | 7.4%     |         | 6.4%      |           |
| Contingent Commissions              | (25.2)  | (22.1)  | (17.3)   | (15.6)  | (11.5)    | (14.1)  | 0.0      | 0.0     | (54.0)    | (51.8)    |
| Guaranteed Supplemental Commissions | (9.8)   | (8.3)   | (0.0)    | (0.0)   | (1.7)     | (1.7)   | 0.0      | 0.0     | (11.5)    | (10.0)    |
| Core commissions and fees           | \$881.1 | \$836.1 | \$430.5  | \$412.9 | \$229.6   | \$200.8 | \$156.1  | \$145.4 | \$1,697.3 | \$1,595.2 |
| Acquisition revenues                | (31.2)  |         | (1.7)    |         | (20.2)    |         | (8.8)    |         | (61.9)    |           |
| Divested business                   |         | (1.9)   |          | (1.3)   |           | 0.0     |          | (3.5)   |           | (6.7)     |
| Organic Revenue                     | \$849.9 | \$834.2 | \$428.8  | \$411.6 | \$209.4   | \$200.8 | \$147.3  | \$141.9 | \$1,635.4 | \$1,588.5 |
| Organic Revenue growth              | \$15.7  |         | \$17.2   |         | \$8.6     |         | \$5.4    |         | \$46.9    |           |
| Organic Revenue growth %            | 1.9%    |         | 4.2%     |         | 4.3%      |         | 3.8%     |         | 3.0%      |           |



## Reconciliation of Commissions & Fees To Organic Revenue

| (\$ millions; Unaudited)            | 2015    |         |          |         |           |         |          |         |           |           |
|-------------------------------------|---------|---------|----------|---------|-----------|---------|----------|---------|-----------|-----------|
|                                     | Retail  |         | Programs |         | Wholesale |         | Services |         | Total     |           |
|                                     | 2015    | 2014    | 2015     | 2014    | 2015      | 2014    | 2015     | 2014    | 2015      | 2014      |
| Commissions and fees                | \$866.5 | \$822.1 | \$428.5  | \$397.3 | \$216.6   | \$211.5 | \$145.4  | \$136.5 | \$1,657.0 | \$1,567.4 |
| Total Change                        | 44.4    |         | 31.2     |         | 5.1       |         | 8.9      |         | 89.6      |           |
| Total Growth %                      | 5.4%    |         | 7.9%     |         | 2.4%      |         | 6.5%     |         | 5.7%      |           |
| Contingent Commissions              | (22.1)  | (21.6)  | (15.6)   | (20.8)  | (14.1)    | (15.3)  | 0.0      | 0.0     | (51.8)    | (57.7)    |
| Guaranteed Supplemental Commissions | (8.3)   | (7.7)   | (0.0)    | (0.0)   | (1.7)     | (2.1)   | 0.0      | 0.0     | (10.0)    | (9.8)     |
| Core commissions and fees           | \$836.1 | \$792.8 | \$412.9  | \$376.5 | \$200.8   | \$194.1 | \$145.4  | \$136.5 | \$1,595.2 | \$1,499.9 |
| Acquisition revenues                | (35.6)  |         | (38.5)   |         | (2.5)     |         | 0.0      |         | (76.6)    |           |
| Divested business                   |         | (3.3)   |          | (8.8)   |           | (6.9)   |          | (0.3)   |           | (19.3)    |
| Organic Revenue                     | \$800.5 | \$789.5 | \$374.4  | \$367.7 | \$198.3   | \$187.2 | \$145.4  | \$136.2 | \$1,518.6 | \$1,480.6 |
| Organic Revenue growth              | \$11.0  |         | \$6.7    |         | \$11.1    |         | \$9.2    |         | \$38.0    |           |
| Organic Revenue growth %            | 1.4%    |         | 1.8%     |         | 5.9%      |         | 6.8%     |         | 2.6%      |           |



## Reconciliation of Commissions & Fees To Organic Revenue

|                                     | 2014    |         |          |         |           |         |          |         |           |           |
|-------------------------------------|---------|---------|----------|---------|-----------|---------|----------|---------|-----------|-----------|
|                                     | Retail  |         | Programs |         | Wholesale |         | Services |         | Total     |           |
|                                     | 2014    | 2013    | 2014     | 2013    | 2014      | 2013    | 2014     | 2013    | 2014      | 2013      |
| Commissions and fees                | \$822.1 | \$730.9 | \$397.3  | \$300.3 | \$211.5   | \$193.3 | \$136.5  | \$131.0 | \$1,567.4 | \$1,355.5 |
| Total Change                        | 91.2    |         | 97.0     |         | 18.2      |         | 5.5      |         | 211.9     |           |
| Total Growth %                      | 12.5%   |         | 32.3%    |         | 9.4%      |         | 4.2%     |         | 15.6%     |           |
| Contingent Commissions              | (21.6)  | (17.5)  | (20.8)   | (19.6)  | (15.3)    | (14.2)  | 0.0      | 0.0     | (57.7)    | (51.3)    |
| Guaranteed Supplemental Commissions | (7.7)   | (6.8)   | (0.0)    | (0.0)   | (2.1)     | (1.5)   | 0.0      | 0.0     | (9.8)     | (8.3)     |
| Core commissions and fees           | \$792.8 | \$706.6 | \$376.5  | \$280.7 | \$194.1   | \$177.6 | \$136.5  | \$131.0 | \$1,499.9 | \$1,295.9 |
| Acquisition revenues                | (77.3)  |         | (93.8)   |         | (0.1)     |         | (15.6)   |         | (186.8)   |           |
| Divested business                   |         | (5.3)   |          | (3.6)   |           | 0.0     |          | 0.5     |           | (8.4)     |
| Organic Revenue                     | \$715.5 | \$701.3 | \$282.7  | \$277.1 | \$194.0   | \$177.6 | \$120.9  | \$131.5 | \$1,313.1 | \$1,287.5 |
| Organic Revenue growth              | \$14.2  |         | \$5.6    |         | \$16.4    |         | (\$10.6) |         | \$25.6    |           |
| Organic Revenue growth %            | 2.0%    |         | 2.0%     |         | 9.2%      |         | (8.1%)   |         | 2.0%      |           |



## Reconciliation of Commissions & Fees To Organic Revenue

|                                     | 2013    |         |          |         |           |         |          |         |           |           |
|-------------------------------------|---------|---------|----------|---------|-----------|---------|----------|---------|-----------|-----------|
|                                     | Retail  |         | Programs |         | Wholesale |         | Services |         | Total     |           |
|                                     | 2013    | 2012    | 2013     | 2012    | 2013      | 2012    | 2013     | 2012    | 2013      | 2012      |
| Commissions and fees                | \$730.9 | \$646.0 | \$300.3  | \$259.4 | \$193.3   | \$167.5 | \$131.0  | \$116.2 | \$1,355.5 | \$1,189.1 |
| Total Change                        | 84.9    |         | 40.9     |         | 25.8      |         | 14.8     |         | 166.4     |           |
| Total Growth %                      | 13.1%   |         | 15.8%    |         | 15.4%     |         | 12.7%    |         | 14.0%     |           |
| Contingent Commissions              | (17.5)  | (12.8)  | (19.6)   | (18.5)  | (14.1)    | (12.3)  | 0.0      | 0.0     | (51.2)    | (43.6)    |
| Guaranteed Supplemental Commissions | (6.8)   | (6.7)   | (0.0)    | (0.3)   | (1.4)     | (2.2)   | 0.0      | 0.0     | (8.2)     | (9.2)     |
| Core commissions and fees           | \$706.6 | \$626.5 | \$280.7  | \$240.6 | \$177.8   | \$153.0 | \$131.0  | \$116.2 | \$1,296.1 | \$1,136.3 |
| Acquisition revenues                | (79.5)  |         | (7.1)    |         | (4.3)     |         | (0.7)    |         | (91.6)    |           |
| Divested business                   |         | (7.4)   |          | 0.0     |           | 0.0     |          | 0.0     |           | (7.4)     |
| Organic Revenue                     | \$627.1 | \$619.1 | \$273.6  | \$240.6 | \$173.5   | \$153.0 | \$130.3  | \$116.2 | \$1,204.5 | \$1,128.9 |
| Organic Revenue growth              | \$8.0   |         | \$33.0   |         | \$20.5    |         | \$14.1   |         | \$75.6    |           |
| Organic Revenue growth %            | 1.3%    |         | 13.7%    |         | 13.4%     |         | 12.2%    |         | 6.7%      |           |



## Reconciliation of Current and Long-Term Debt to Net Debt Outstanding<sup>1</sup>

(\$ Millions, except per share data; unaudited)

|  | 2008           | 2009           | 2010            | 2011            | 2012           | 2013           | 2014             | 2015             | 2016             | 2017           |
|--|----------------|----------------|-----------------|-----------------|----------------|----------------|------------------|------------------|------------------|----------------|
| Current portion of long-term debt                                | \$6.2          | \$17.1         | \$1.7           | \$1.2           | \$0.1          | \$100.0        | \$45.6           | \$73.1           | \$55.5           | \$120.0        |
| Long-term debt less unamortized discount and debt issuance costs | \$253.6        | \$250.2        | \$250.1         | \$250.0         | \$450.0        | \$380.0        | \$1,143.8        | \$1,071.6        | \$1,018.4        | \$856.1        |
| <b>Total Debt Outstanding</b>                                    | <b>\$259.8</b> | <b>\$267.3</b> | <b>\$251.8</b>  | <b>\$251.2</b>  | <b>\$450.1</b> | <b>\$480.0</b> | <b>\$1,189.4</b> | <b>\$1,144.7</b> | <b>\$1,073.9</b> | <b>\$976.1</b> |
| Cash and cash equivalents  | \$78.6         | \$197.1        | \$273.0         | \$286.3         | \$219.8        | \$203.0        | \$470.0          | \$443.4          | \$515.6          | \$573.4        |
| <b>Net Debt Outstanding</b>                                      | <b>\$181.2</b> | <b>\$70.2</b>  | <b>(\$21.2)</b> | <b>(\$35.1)</b> | <b>\$230.3</b> | <b>\$277.0</b> | <b>\$719.4</b>   | <b>\$701.3</b>   | <b>\$558.3</b>   | <b>\$402.7</b> |

<sup>1</sup> "Net Debt Outstanding" is defined as Total Debt Outstanding less cash and cash equivalents.





**For additional information:**

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***The Cheetah:***

*Since our beginning, we've known that doing the best for our customers requires constant persistence and vision. The cheetah, which represents vision, swiftness, strength, and agility, embodies our company culture and has served as a symbol for our company since the 1980's.*