

Brown & Brown, Inc.

Investor Presentation – 2020

May 2020



Information Regarding Forward-Looking Statements

This presentation and the statements made during our 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.

All statements, other than statements of historical facts, included in this document that address activities, events or developments that we expect or anticipate may occur in the future, including those relating to the potential effects of the COVID-19 pandemic on our business, operations, financial performance and prospects, the market performance of our business segments, quarterly interest expense, share repurchases, margin expansion, changes in exposure units, the pipeline of acquisition candidates, future capital expenditures, growth in commissions and fees including Organic Revenue growth, business strategies, competitive strengths, goals, the benefits of new initiatives, plans, and references to future successes are forward-looking statements. Also, when we use words such as ‘anticipate’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘plan’, ‘probably’ or similar expressions, we are making forward-looking statements.

There are important uncertainties, events and factors that could cause our actual results or performance to differ materially from those forward-looking statements contained in this document or made during our presentation, including the following: the COVID-19 pandemic and the resulting governmental and societal responses, the severity and duration of the pandemic, and the resulting impact on the U.S. economy, the global economy, and the Company’s business, liquidity, customers, insurance carriers, and third parties; the inability to retain or hire qualified employees, as well as the loss of any of our executive officers or other key employees; acquisition-related risks that could negatively affect the success of our growth strategy, including the possibility that we may not be able to successfully identify suitable acquisition candidates, complete acquisitions, integrate acquired businesses into our operations and expand into new markets; a cybersecurity attack or any other interruption in information technology and/or data security and/or outsourcing relationships; the requirement for additional resources and time to adequately respond to dynamics resulting from rapid technological change; changes in data privacy and protection laws and regulations or any failure to comply with such laws and regulations; the loss of or significant change to any of our insurance company relationships, which could result in additional expense, loss of market share or material decrease in our profit-sharing contingent commission, guaranteed supplemental commissions or incentive commissions; adverse economic conditions, natural disasters, or regulatory changes in states where we have a high concentration of our business; the inability to maintain our culture or a change in management, management philosophy or our business strategy; risks facing us in our Services Segment, including our third-party claims administration operations, that are distinct from those we face in our insurance intermediary operations; our failure to comply with any covenants contained in our debt agreements; the possibility that covenants in our debt agreements could prevent use from engaging in certain potentially beneficial activities; changes in estimates, judgments or assumptions used in the preparation of our financial statements; improper disclosure of confidential information; the limitations of our system of disclosure and internal controls and procedures in preventing errors or fraud, or in informing management of all material information in a timely manner; the potential adverse effect of certain actual or potential claims, regulatory actions or proceedings on our businesses, results of operations, financial condition or liquidity; changes in the U.S.-based credit markets that might adversely affect our business, results of operations and financial condition; the significant control certain existing shareholders have over the Company; risks related to our international operations, which may require more time and expense than our domestic options to achieve or maintain profitability; risks associated with the current interest rate environment, and to the extent we use debt to finance our investments, changes in interest rates will affect our cost of capital and net investment income; disintermediation within the insurance industry, including increased competition from insurance companies, technology companies and the financial services industry, as well as the shift away from traditional insurance markets; changes in current U.S. or global economic conditions; effects related to pandemics, epidemics, or outbreaks of infectious diseases, including COVID-19; conditions that result in reduced insurer capacity; quarterly and annual variations in our commissions that result from the timing of policy renewals and the net effect of new and lost business production; the possibility that one of the financial institutions we use fails or is taken over by the U.S. Federal Deposit Insurance Corporation (FDIC); uncertainty in our business practices and compensation arrangements due to potential changes in regulations; regulatory changes that could reduce our profitability or growth by increasing compliance costs, technology compliance, restricting the products or services we may sell, the markets we may enter, the methods by which we may sell our products and services, or the prices we may charge for our services and the form of compensation we may accept from our customers, carriers and third parties; intangible asset risk, including the possibility that our goodwill may become impaired in the future; a decrease in demand for liability insurance as a result of tort reform litigation; changes in our credit ratings; volatility in our stock price; and other risks, relevant factors and uncertainties identified in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019, 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 presentation, 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.

In particular, our forward-looking statements are subject to risks and uncertainties related to the COVID-19 pandemic and the resulting governmental and societal responses. Our forward-looking statements may also be subject to risks and uncertainties including those we may discuss in this presentation or in our SEC filings.



Information Regarding Non-GAAP Financial 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, Net Debt, Total Debt Outstanding to EBITDAC, Net Debt Outstanding to EBITDAC, Free Cash Flow, Free Cash Flow Conversion, Free Cash Flow Yield, and Organic Revenue. We present these measures because we believe such information is of interest to the investment community and because we believe 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 generally accepted accounting principles ("GAAP") basis. This supplemental financial information 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 industry peers and, therefore, comparability may be limited.

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 our core commissions and fees less: (i) the core commissions and fees earned for the first 12 months by newly-acquired operations and (ii) divested business (core commissions and fees generated from offices, books of business or niches sold or terminated during the comparable period), and for the calculation of Organic Revenue growth in 2018 only (iii) the impact of the adoption of Accounting Standards Update No.2014-09, "Revenue from Contracts with Customers (Topic 606)" and Accounting Standards Codification Topic 340 – Other Assets and Deferred Cost (the "New Revenue Standard") in order to be on a comparable basis with 2017. The term "core commissions and fees" excludes profit-sharing contingent commissions and guaranteed supplemental commissions, and therefore represents the revenues earned directly from specific insurance policies sold, and specific fee-based services rendered. "Organic Revenue" is reported in this manner in order to express the current year's core commissions and fees on a comparable basis with the prior year's core commissions and fees. The resulting net change reflects the aggregate changes attributable to: (i) net new and lost accounts, (ii) net changes in our customers' exposure units, (iii) net changes in insurance premium rates or the commission rate paid to us by our carrier partners, and (iv) the net change in fees paid to us by our customers.

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 change in estimated acquisition earn-out payables, (ii) the net pretax loss on disposal of certain assets of Axiom Re in 2014, (iii) the impact of the change in the effective tax rate in 2017 only, associated with the one-time, non-cash impact of the Tax Cut and Jobs Act of 2017 (the "Tax Reform Act").

Other Non-GAAP Financial Measures – We believe these non-GAAP measures, as defined below, are useful to monitor our leverage and evaluate our balance sheet.

- **Net Debt** is defined as total debt outstanding less cash and cash equivalents
- **Total Debt Outstanding to EBITDAC** is defined as total debt outstanding divided by EBITDAC.
- **Net Debt Outstanding to EBITDAC** is defined as Net Debt outstanding divided by EBITDAC.
- **Free Cash Flow** is defined as net cash provided by operating activities less capital expenditures.
- **Free Cash Flow Conversion** is defined as free cash flow divided by total revenues.
- **Free Cash Flow Yield** is defined as free cash flow divided by fully diluted shares, as measured by the average share price for the year.





Company Overview



Investment Highlights



Proven track record of profitable revenue growth – organic & acquired



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 and cash flow conversion supported by disciplined capital strategy

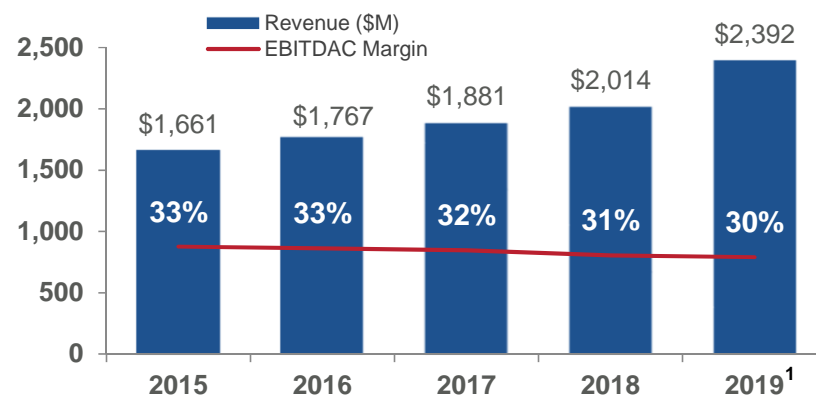


Brown & Brown At-A-Glance

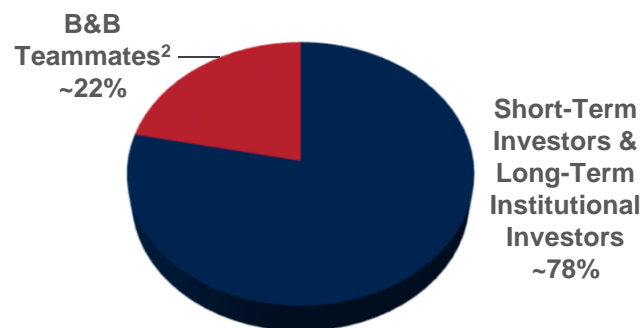
Key Facts

- Headquartered in Daytona Beach, Florida
- Founded in 1939 - 81 years of serving customers
- 10,000+ teammates as of December 31, 2019
- Doing business in all 50 states, Bermuda, Canada, Cayman Islands and England; 311 locations in 44 states
- Primarily focused on Property, Casualty, Employee Benefits, Personal Lines, and Ancillary Services

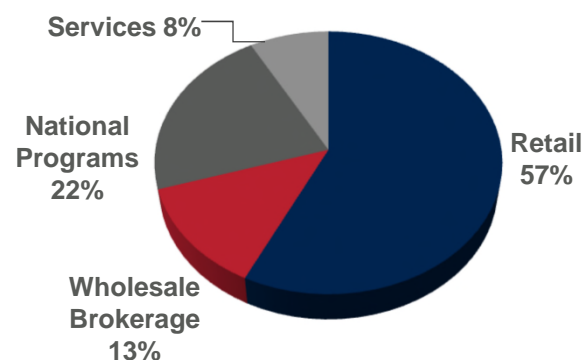
Historical Revenue & EBITDAC Margin



Ownership



2019 Revenue by Segment



¹ 2019 includes first full year of Hays' results of \$220.8 million in revenue; Hays' 2019 results decreased the total company's EBITDAC Margin by 80 bps vs. the prior year

² Estimated based upon 2019 public filings and data gathered from Brown family and teammates



Power of Our Culture

Lean

Decentralized

Profit Oriented

Sales & Service Focused

High Quality & Integrity

Ownership & Entrepreneur

Prideful Relationships

Highly Competitive

Common Goals



Vision

**To Be the Leading Insurance Broker Delivering
Innovative Solutions to Our Customers**



People Recruiting
& Enhancing Business



Money
Making Business



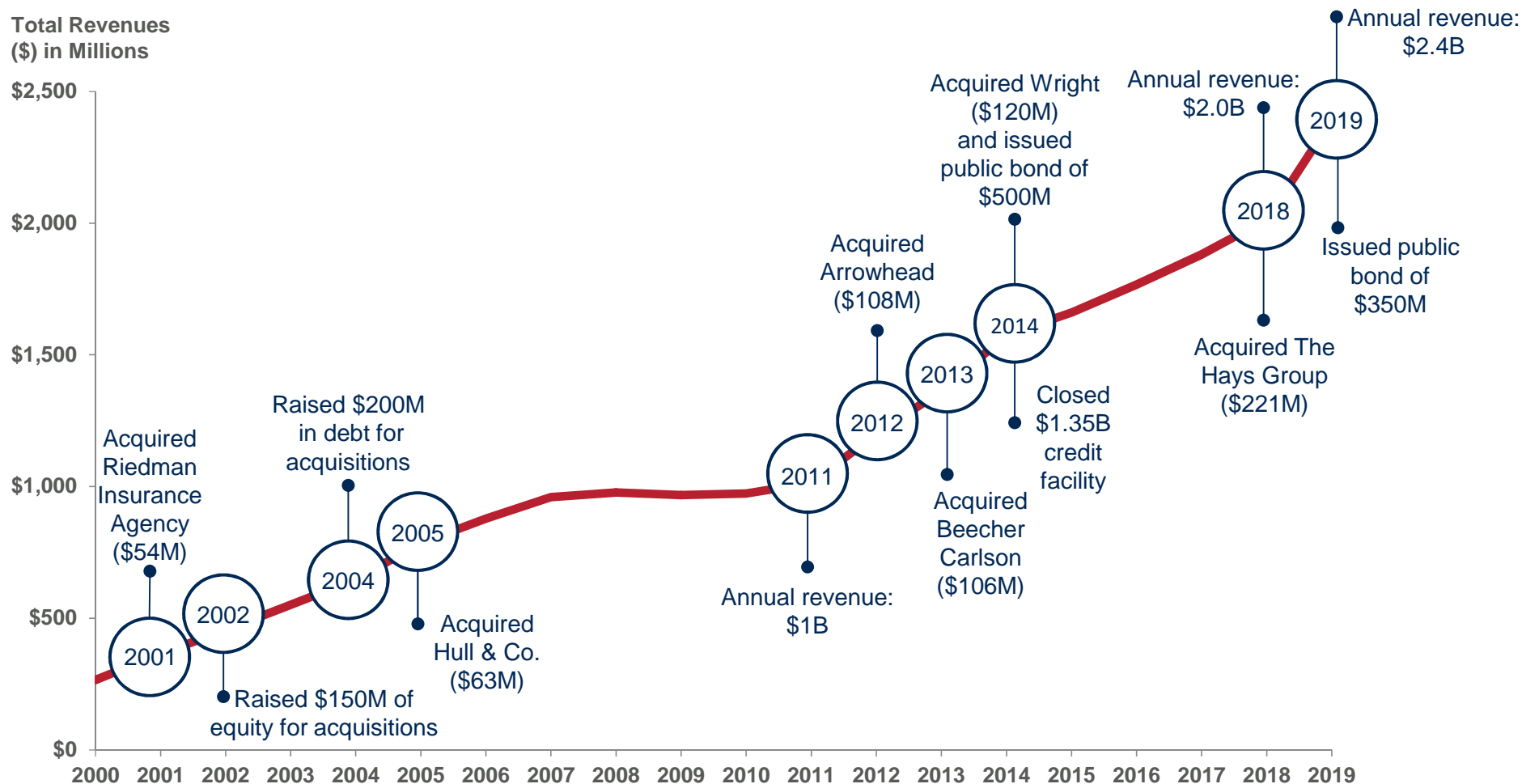
Selling & Servicing
Insurance Business



Innovative
Solutions Business



Sustained Track Record of Profitable Growth & Integrating Acquisitions

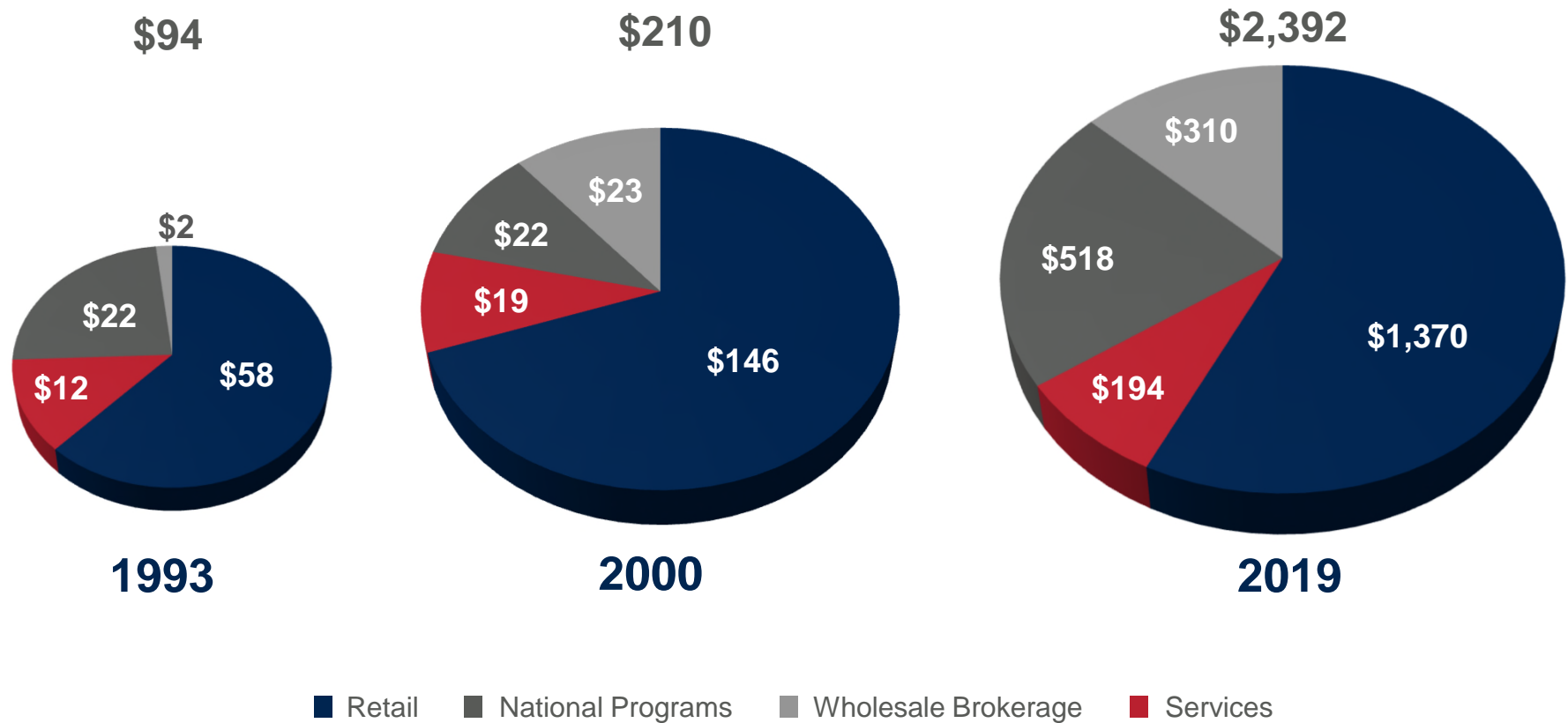


Numbers in parenthesis denote approximate annual acquired revenue



Balanced & Diversified Business Mix

Revenues by Segment (\$M)



Market Profile

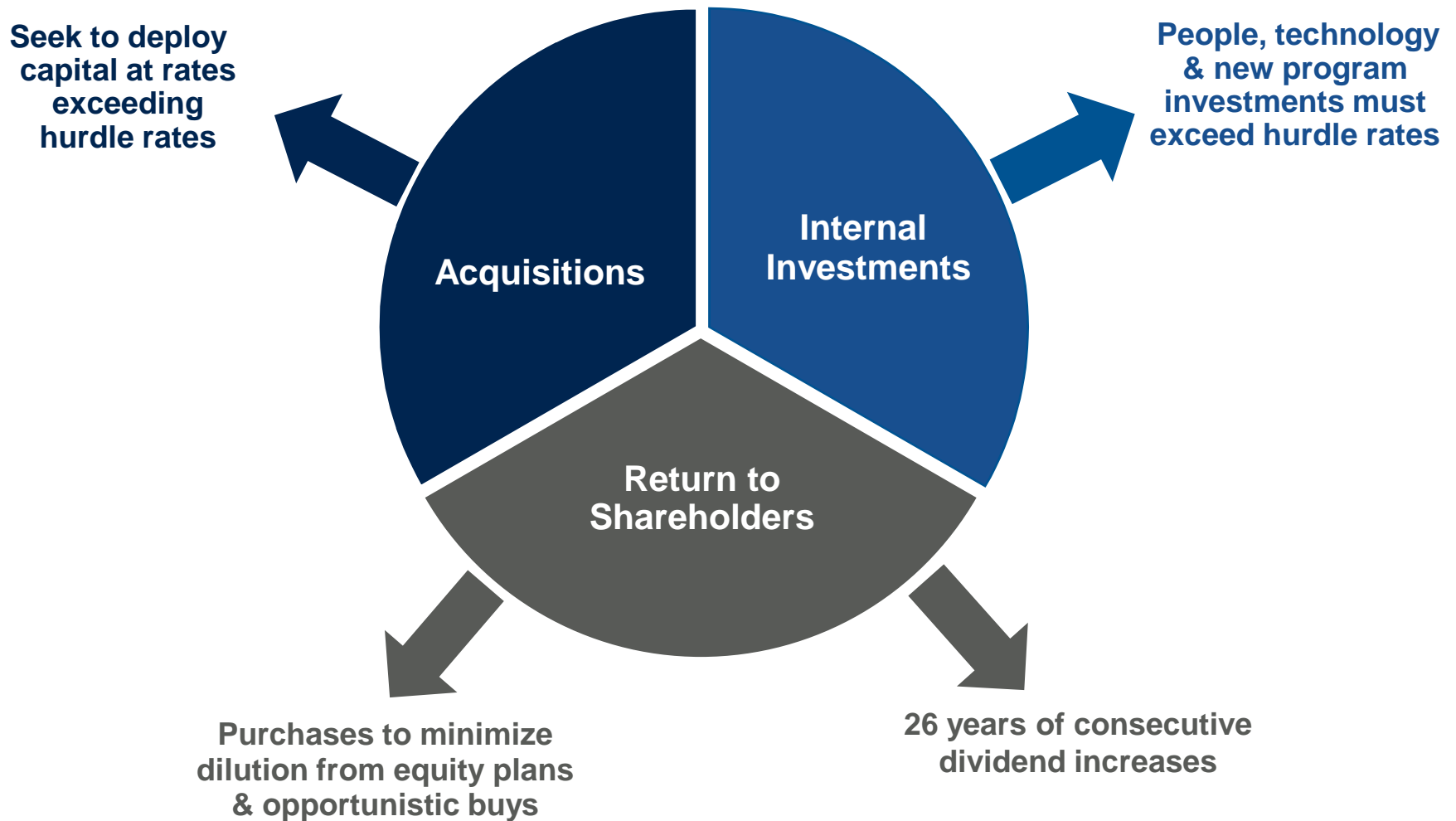
All Segments Offer Attractive Growth Opportunities

	Source of Revenue	Margin
National Account	Fees	Low - Medium
Middle - Market ¹	Commissions	Medium
Small Commercial	Commissions	Medium

¹ Middle-market defined as businesses with between 50 and 2,500 employees



Shareholder Value Creation

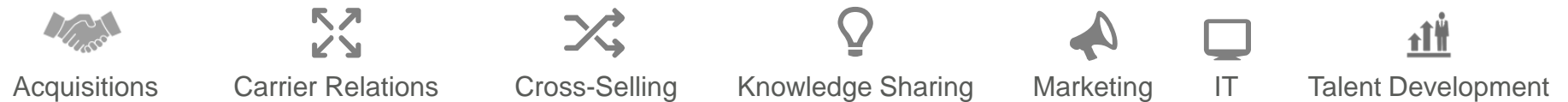


Decentralized Sales & Service Model

Corporate Platforms



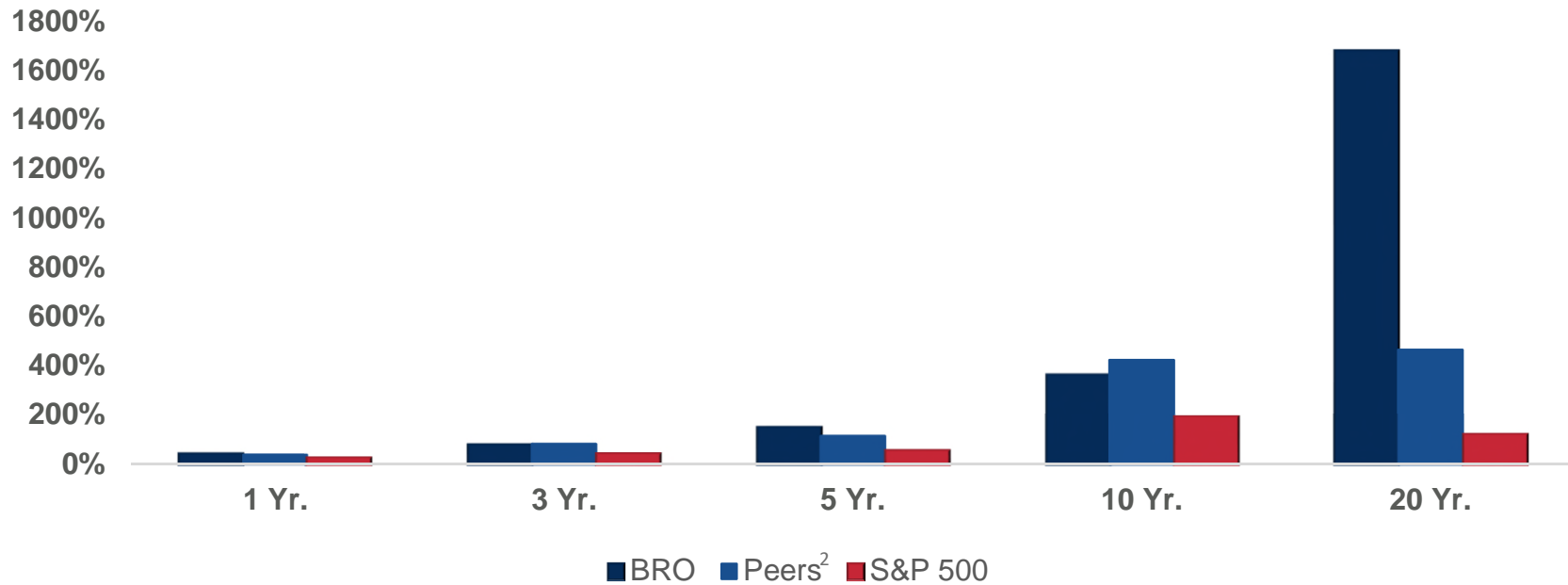
Segment Platforms



Leverage National Scale – Sell & Service Locally



Total Shareholder Returns¹



Total Shareholder Returns

	1 Yr.	3 Yr.	5 Yr.	10 Yr.	20 Yr.
BRO	44%	80%	148%	365%	1680%
Peers²	38%	81%	113%	423%	464%
S&P 500	29%	44%	57%	190%	120%

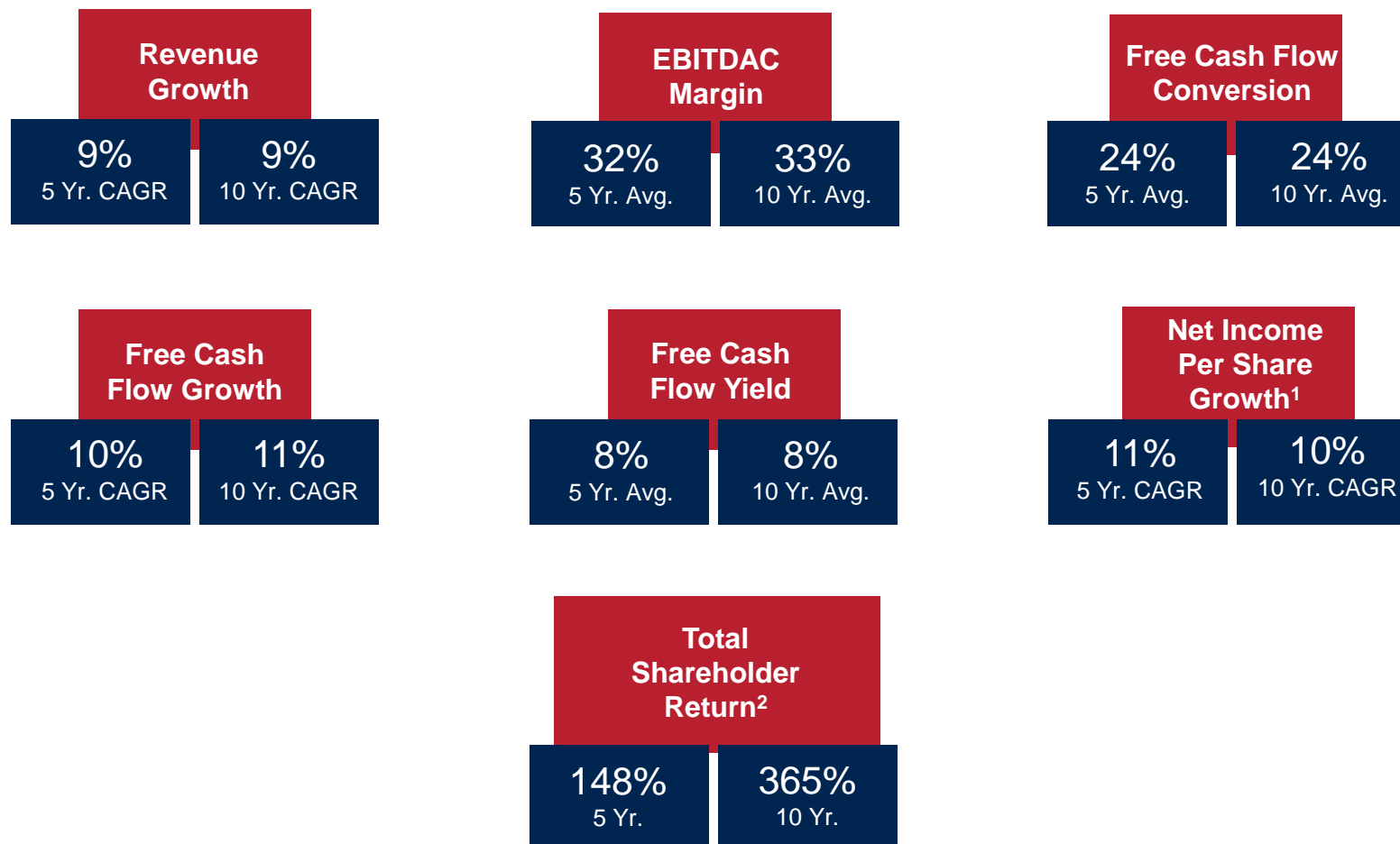
Source: FactSet as of 12/31/2019

¹ Calculated as change in share price plus total dividends paid

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



Reasons to Invest in Brown & Brown



*All amounts presented on this slide are calculated as of 12/31/2019

1 Represents Diluted Net Income Per Share – Adjusted

2 Calculated as change in share price plus total dividends paid



See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 48-60

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Retail Segment



Segment Overview - Retail

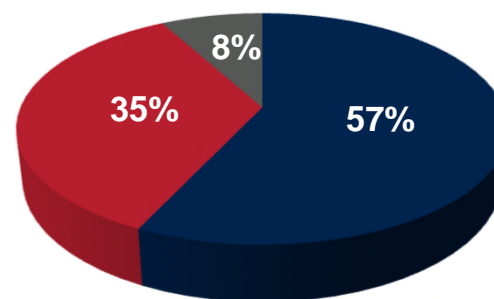
Key Metrics

	2019	Avg. 3 Yr.	Avg. 5 Yr.
Revenue Growth	31.1%	14.8%	11.1%
Organic Revenue Growth	4.7%	3.5%	2.8%
EBITDAC Margin	28.4%	29.2%	30.1%
Revs/Teammate (in thousands) ¹	\$262	\$243	\$237

Differentiation

- Culture of ownership and entrepreneurial thinking
- Breadth and 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 and services tailored to meet our customers specific needs

Business Mix



■ Commercial Lines ■ Employee Benefits ■ Personal Lines

Market Profile

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

¹ Represents total revenues divided by the average number of employees at the beginning of the year and the number of employees at the end of the year.

Breadth & Depth of Expertise

INDUSTRY

Customers span hundreds of industry classifications with more than 14 industries

COVERAGE

Coverage placed for almost every line, with more than 15 lines

MARKETS

Placing coverage for 1,000+ carrier partners and 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



Educational
Institutions



Construction



Manufacturing



Retail



Finance & Insurance



Public Entities



Real Estate



Healthcare



Non-Profits

Revenue

\$5B+

\$1M

Property

Casualty

Workers' Compensation

Professional / Cyber Liability

Captive Management & Actuarial Services

Environmental Liability

Claims & Loss Control

Consulting / Analytics

Group Medical, Benefits, Retirement & Savings

Ancillary / Non-Medical Benefits

F&I Dealership Services

Employees

50,000+

50



Investing for the Future

CAPABILITIES

- Tailored risk management solutions
- Customer experience
- National breadth and acquisitions

TECHNOLOGY


- Data, analytics and modeling capabilities
- Employee benefits technology & compliance tools
- Standardized agency management platform

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 and service to our customers.





National Programs Segment



Segment Overview – National Programs

Key Metrics

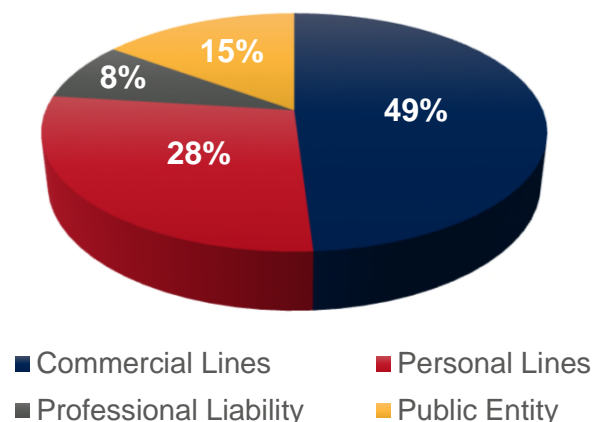
	2019	Avg. 3 Yr.	Avg. 5 Yr.
Revenue Growth	4.8%	5.0%	5.1%
Organic Revenue Growth	3.0%	2.7%	2.8%
EBITDAC Margin	37.0%	36.7%	37.2%
Revs/Teammate (in thousands) ¹	\$261	\$254	\$249

Business Overview

- Brown & Brown National Programs is a leading program administrator (Managing General Agent / Managing General Underwriter).
- Our National Programs team partners with insurance companies and provides services such as underwriting, distribution management, policy administration, and claims handling.

¹ Represents total revenues divided by the average number of employees at the beginning of the year and the number of employees at the end of the year.

Business Mix



Programs

- Our National Programs Segment works with over 100 carrier partners, offering more than 40 programs.
- Examples include earthquake; flood; personal lines; habitational, lender-placed coverage for financial institutions; and public entity risk management.

Breadth & Depth of Expertise

INDUSTRY

- 40+ programs
- \$3.1B+ in written premium
- Management team with deep experience

CAPABILITIES

- Turnkey and bespoke solutions
- Underwriting expertise
- Product development
- Technology, data and analytics

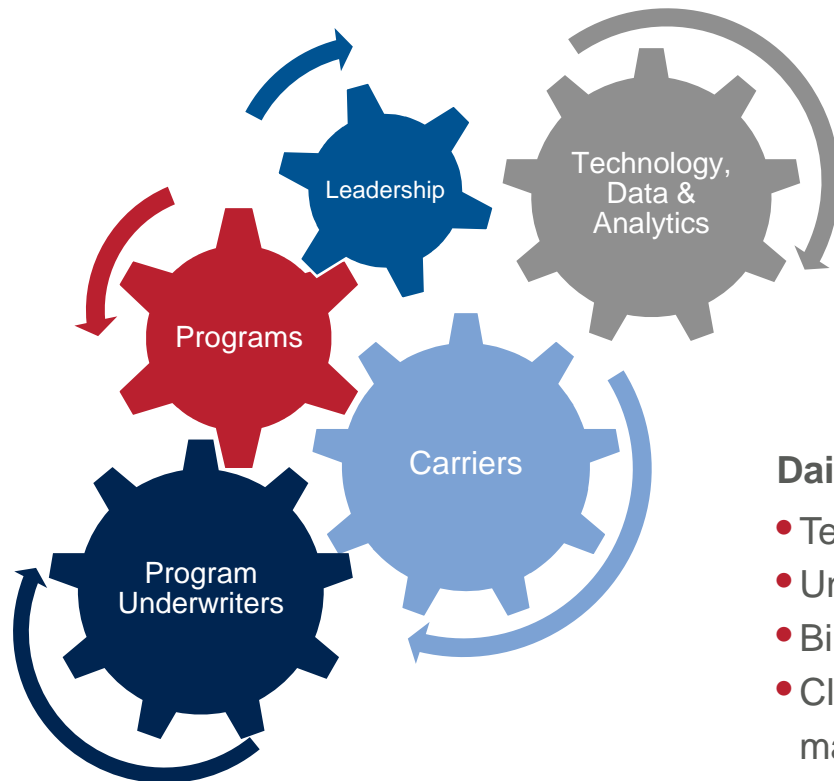
MARKETS

- 100+ carrier relationships
- Robust marketing team
- Nationwide retail distribution network

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.



Wholesale Brokerage Segment



Segment Overview – Wholesale Brokerage

Key Metrics

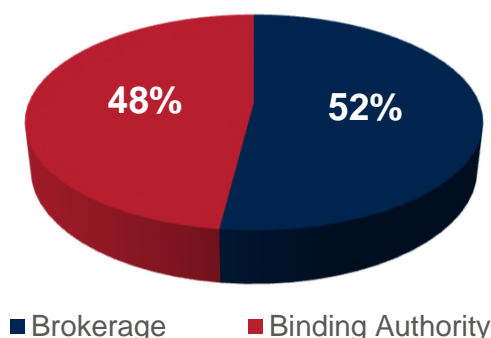
	2019	Avg. 3 Yr.	Avg. 5 Yr.
Revenue Growth	8.0%	8.5%	8.0%
Organic Revenue Growth	7.4%	6.5%	6.0%
EBITDAC Margin	32.4%	32.1%	32.9%
Revs/Teammate (in thousands) ¹	\$239	\$233	\$228

Business Overview

- The Wholesale Brokerage Segment primarily places excess and surplus commercial insurance through a broad, nationwide network of retail agents, including Brown & Brown retail agents.
- Capabilities and coverage are distributed through a broad, nationwide network of retail agents, including Brown & Brown retail agents.

¹ Represents total revenues divided by the average number of employees at the beginning of the year and the number of employees at the end of the year.

Business Mix



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

Breadth & Depth of Expertise

Areas of Expertise

- Open market brokerage and full underwriting binding authority
- Product-specific expertise
- Layering expertise
- Modeling expertise
- Product development team
- Policy forms

Underwriting & Products

- High-risk property/casualty exposures
- Transportation, auto, garage
- Personal lines
- Financial & professional exposures
- Rental car programs
- Police department liability
- Marine
- Workers' compensation
- Environmental

Network

- 16,000+ independent retail agency customers
- 50 States, Canada, UK, EU
- 20+ binding authority contracts
- Represent 200+ carriers
- London broker providing Lloyd's and Bermuda access





Services Segment



Segment Overview - Services

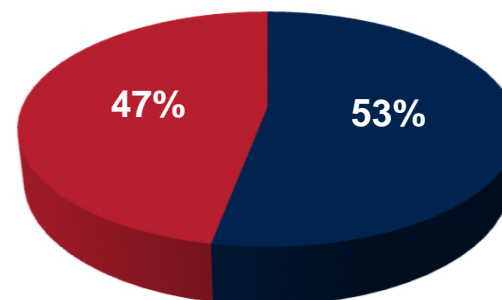
Key Metrics

	2019	Avg. 3 Yr.	Avg. 5 Yr.
Revenue Growth	2.4%	7.5%	7.3%
Organic Revenue Growth	(6.3%)	0.7%	2.5%
EBITDAC Margin	22.1%	23.2%	22.7%
Revs/Teammate (in thousands) ¹	\$185	\$186	\$181

Business Overview

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

Business Mix



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

Businesses

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

¹ Represents total revenues divided by the average number of employees at the beginning of the year and the number of employees at the end of the year.

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 and flexible technology
- Loss control/safety programs





Acquisitions



Disciplined M&A Strategy

Strategic Rationale

- Create long-term shareholder value
- Find high-quality businesses and teams that fit culturally
- Identify and involve senior operating leaders early in the process to make for a smooth transition
- Leverage carrier relationships and capabilities to drive value

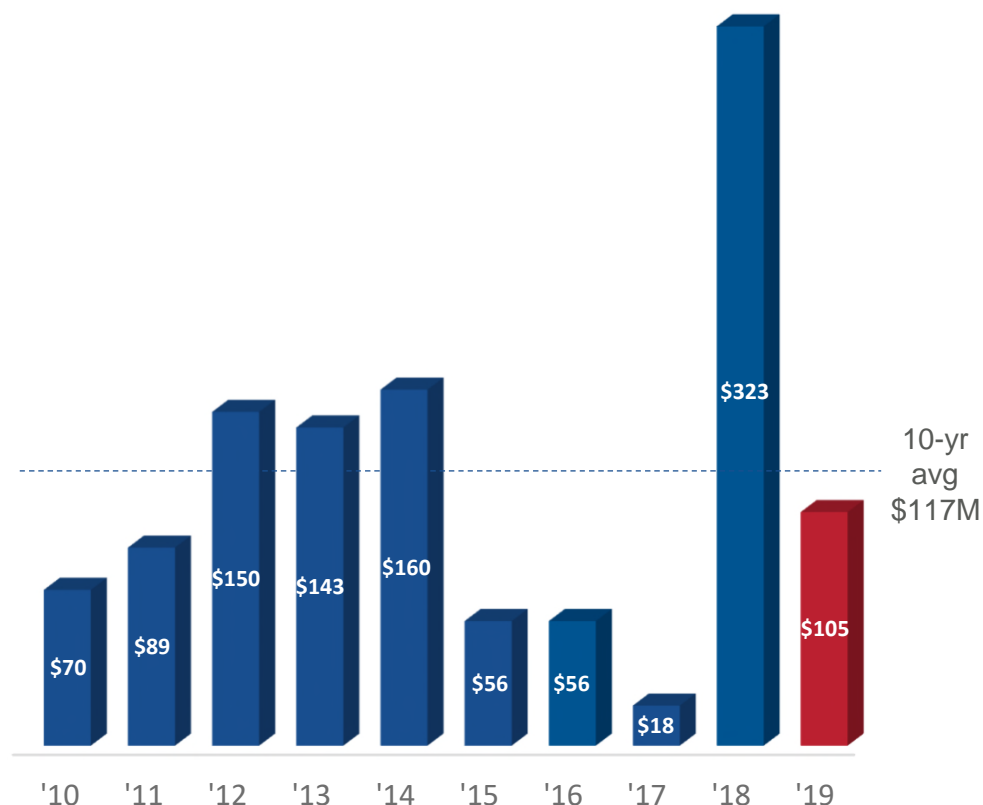
M&A Process

- Consistent due diligence process and price accordingly
- Corporate and segment teams involved
- Sponsor responsible post acquisition
- Integrate Finance, IT, and HR

Typical M&A Structure

- Minimum and maximum purchase price criteria
- Agreed upon baseline and projected pro formas
- Actual purchase price typically calculated based upon financial performance over a one to three year period
- Structured to retain and incentivize new teammates
- Leverage proven integration plans

Acquired Revenue¹ (in millions)



¹ Represents the approximate annual revenue of businesses and books of business acquired between 2010 and 2019

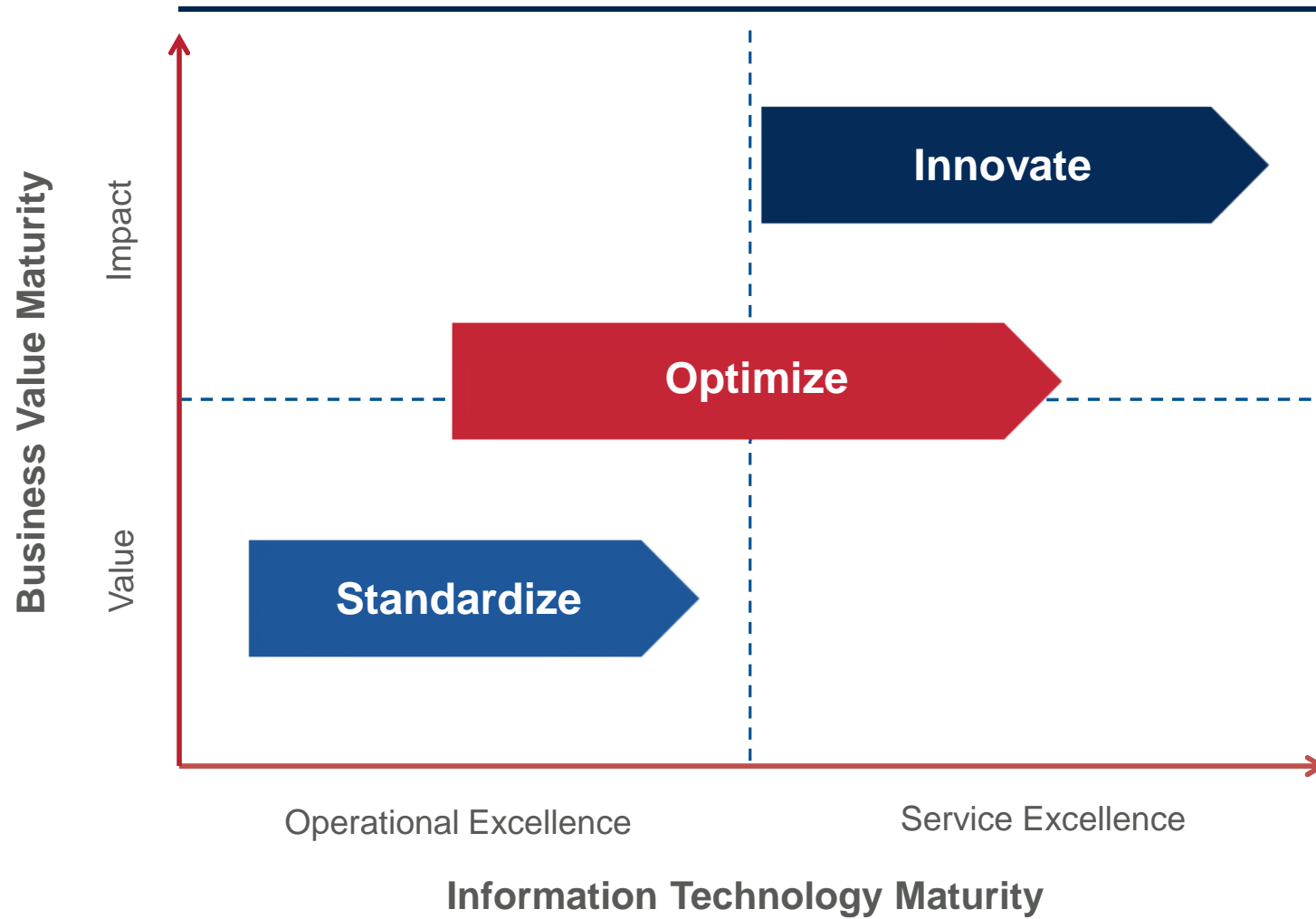


A blue-tinted photograph of a desk with a pen and papers.

Technology & Innovation



Technology Evolution



Information Technology Update

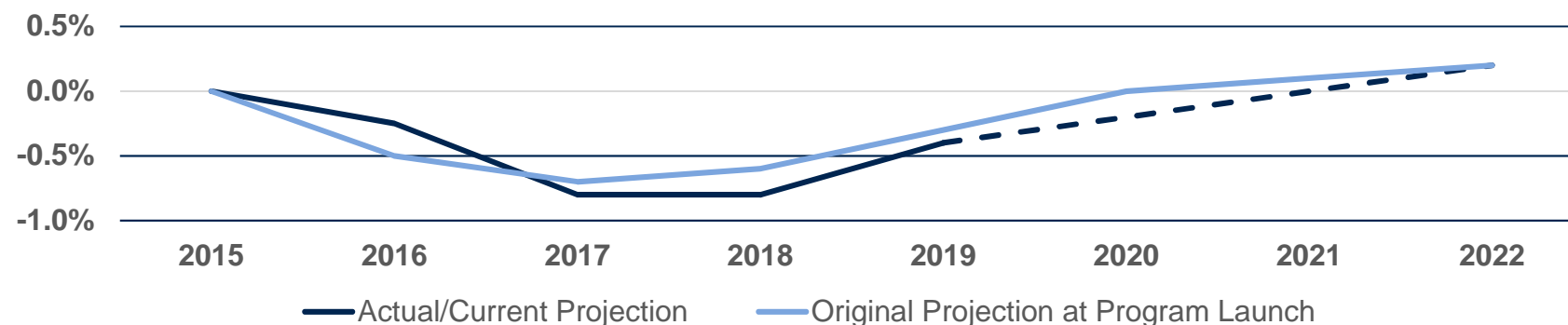
Program Objectives

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

	Original Estimate	Updated Estimate
Potential investment ¹	\$30-\$40M	\$30-\$40M
Time horizon of investment	2-3 years	3-4 years
Breakeven	4-6 years	5-7 years
Interim EBITDAC Margin impact	35-60bps	50-60bps

(1) Represents estimated negative impact to EBITDAC

Actual & Projected EBITDAC Margin Effect

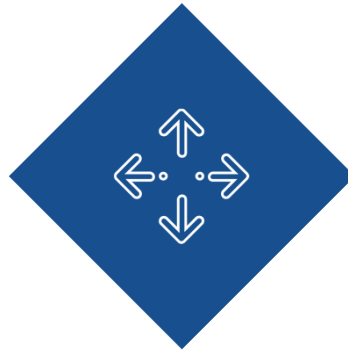


Innovation Agenda



AI-Based Applications

Chatbots, Policy Checking
& Commercial Underwriting



New Product Development



Robotic Process Automation



Predictive Analytics

Claims, Marketing, Underwriting,
Pricing & Operations



Claims Settlement Automation

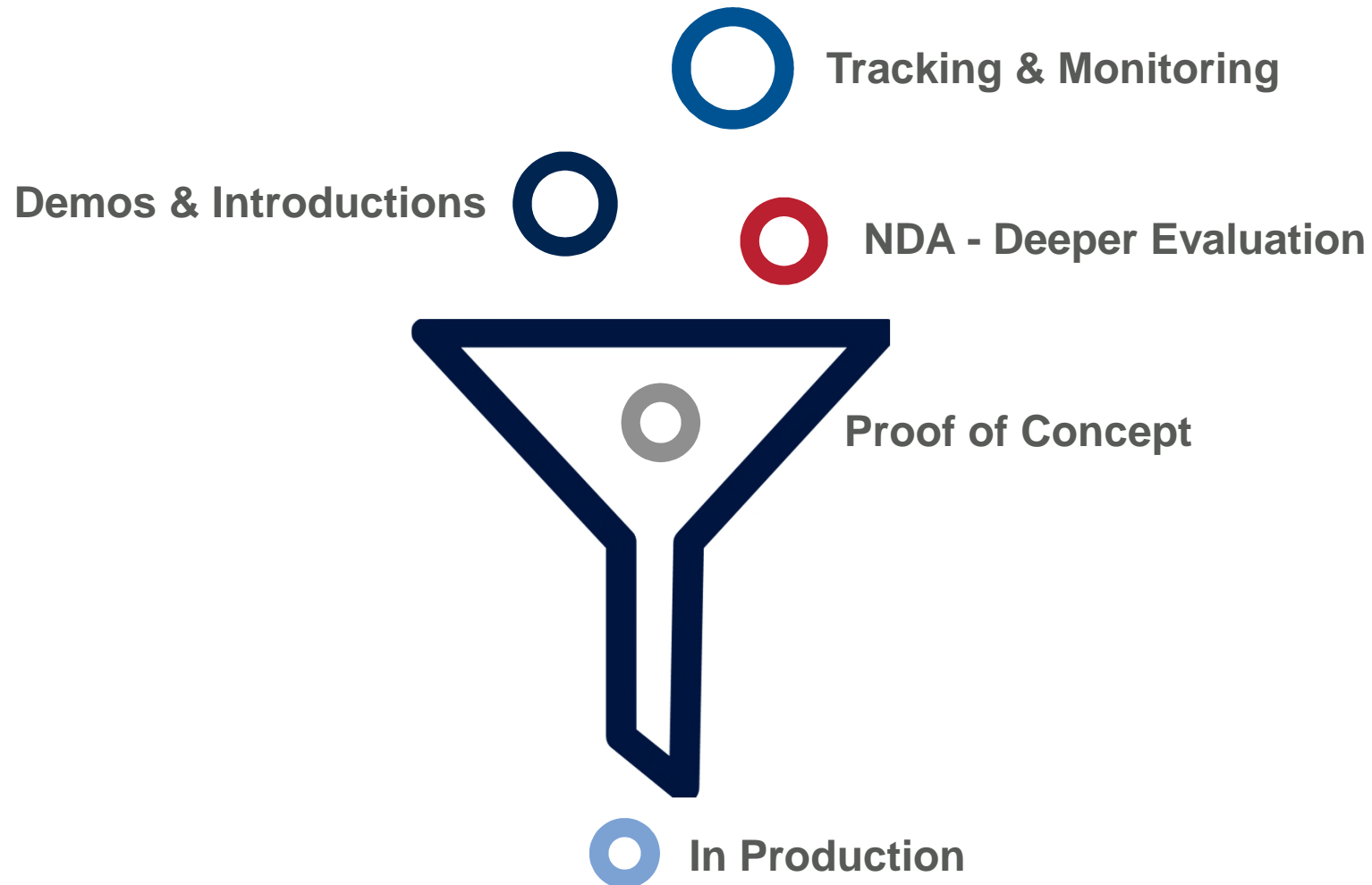


Prefill

External, Third Party
Data Aggregation



InsurTech Engagement



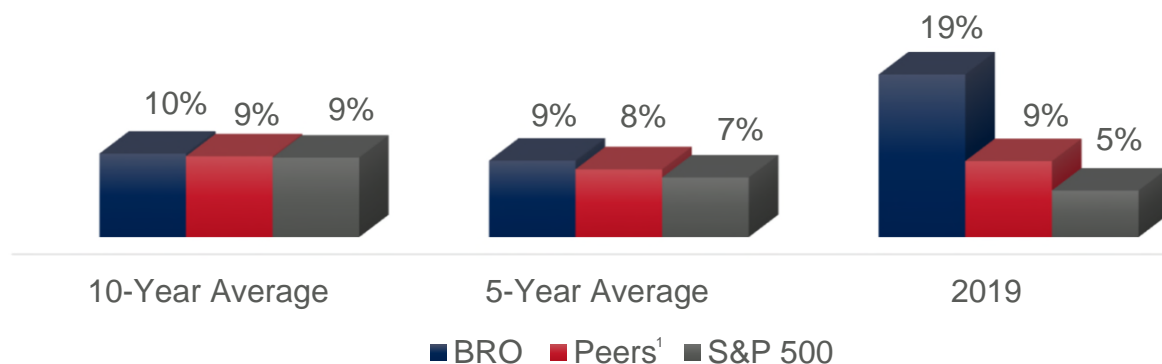


Financial Performance

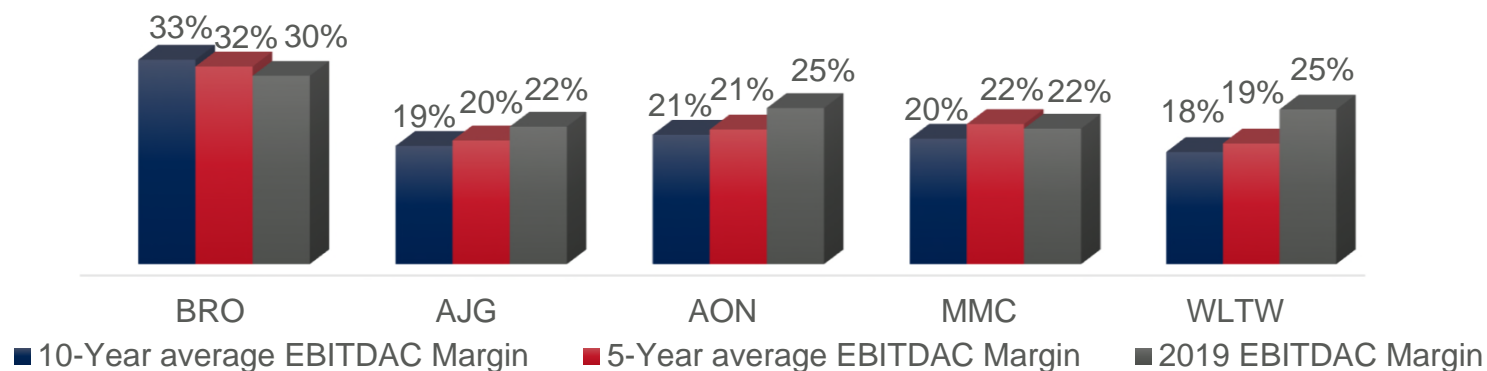


Performance vs. Peers & Market

Revenue Growth



EBITDAC Margin



Source: FactSet as of 12/31/2019

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

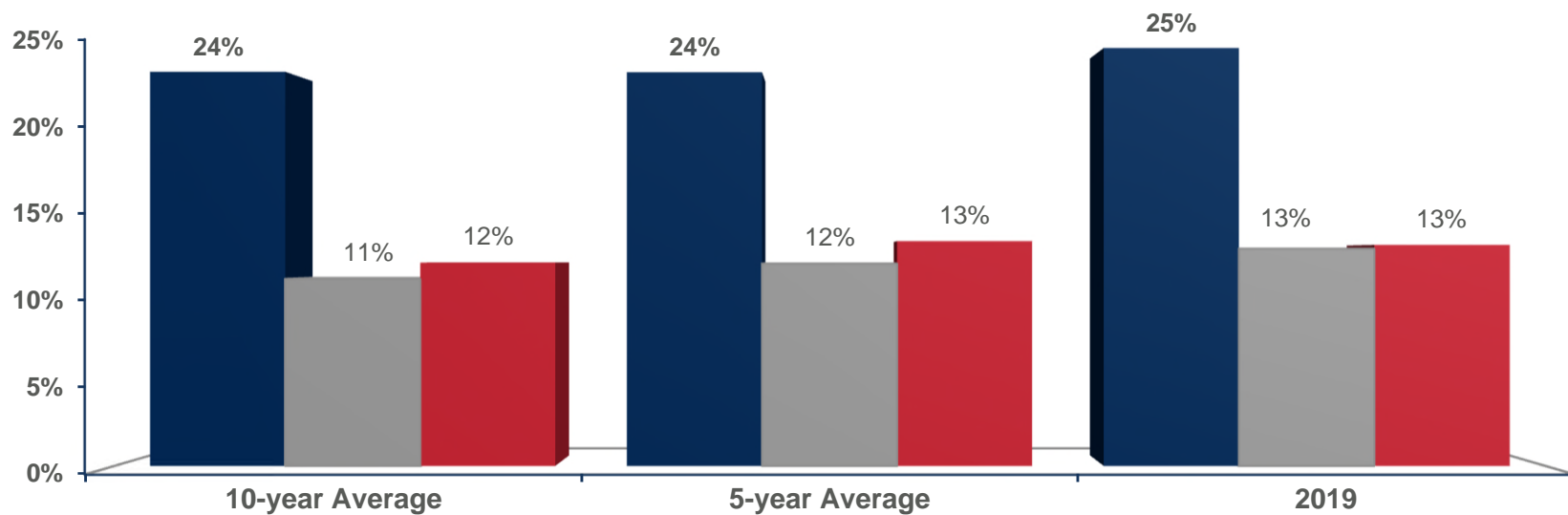


See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 48-60

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Strong & Consistent Free Cash Flow Conversion

■ BRO ■ Peers¹ ■ S&P 500



Source: FactSet as of 12/31/2019, SNL Financial

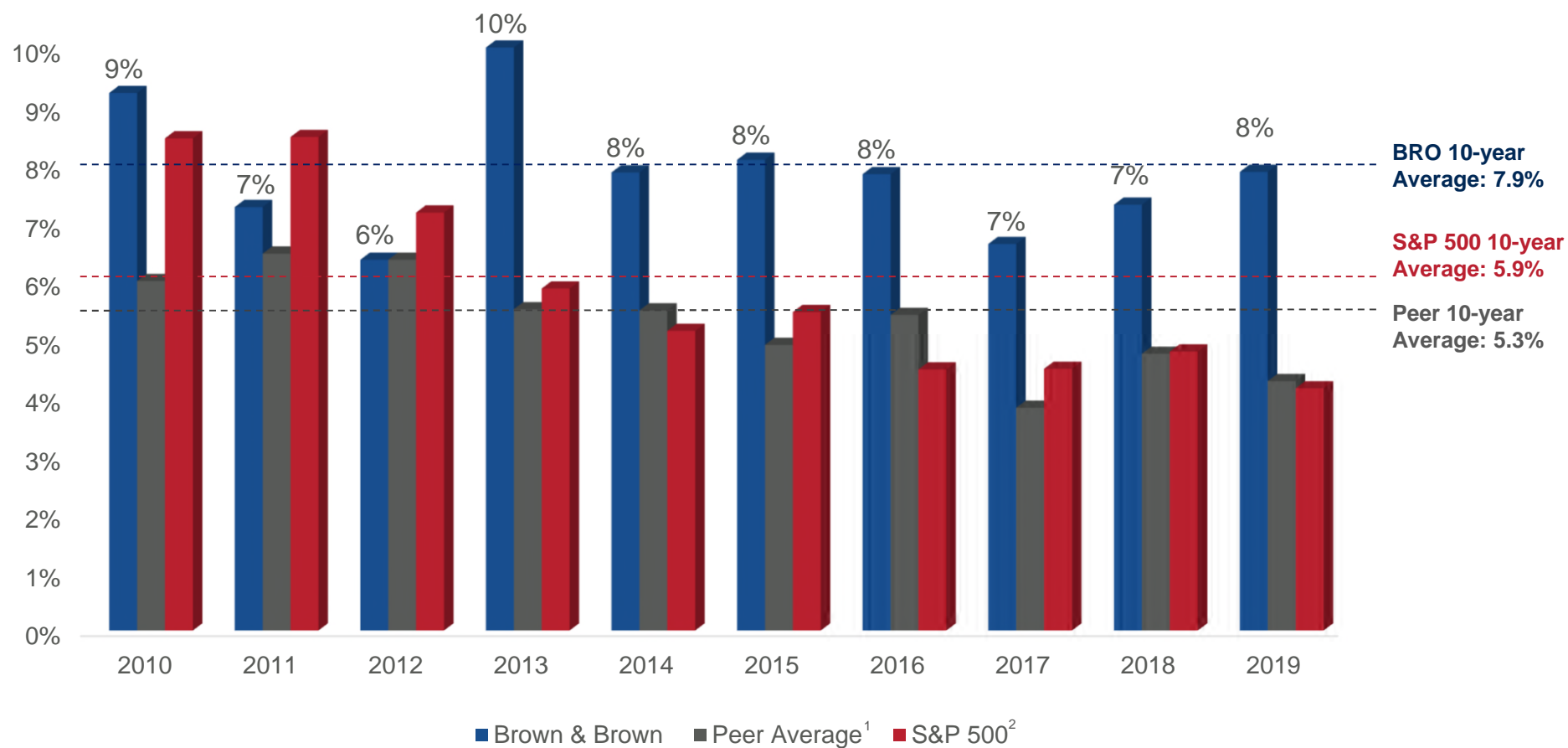
¹ Peers are Arthur J. Gallagher & Co, Aon plc, Marsh & McLennan Companies, and Willis Towers Watson Public Limited Company



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Industry-Leading Free Cash Flow Yield



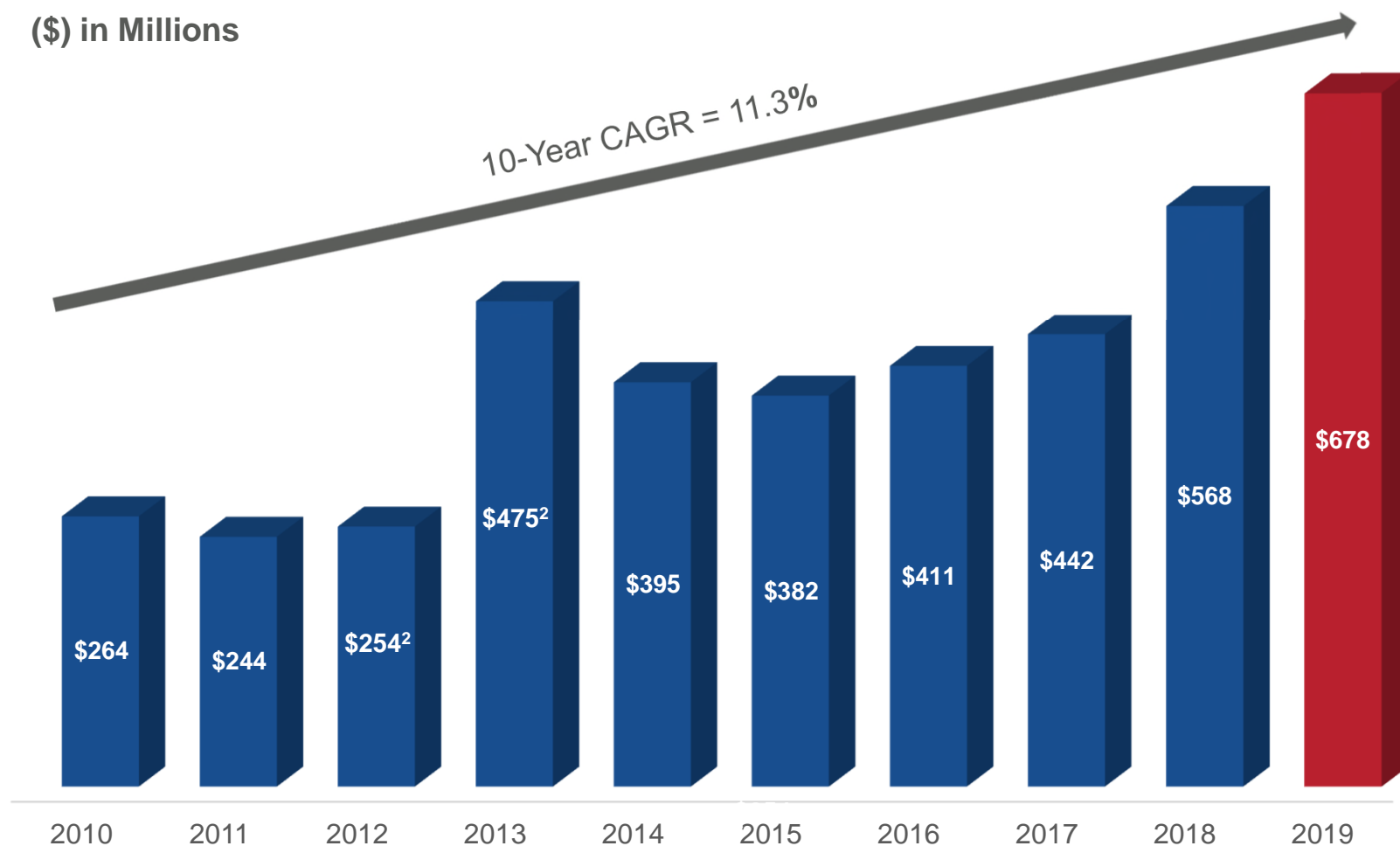
Source: FactSet as of 12/31/2019

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

² Represents median free cash flow yield for S&P 500 constituents as of the specified year end. Based on the S&P 500 constituents as of February 2020 the 10-year average would be 4.9%.

Strong Cash Generation¹

(\$ in Millions)

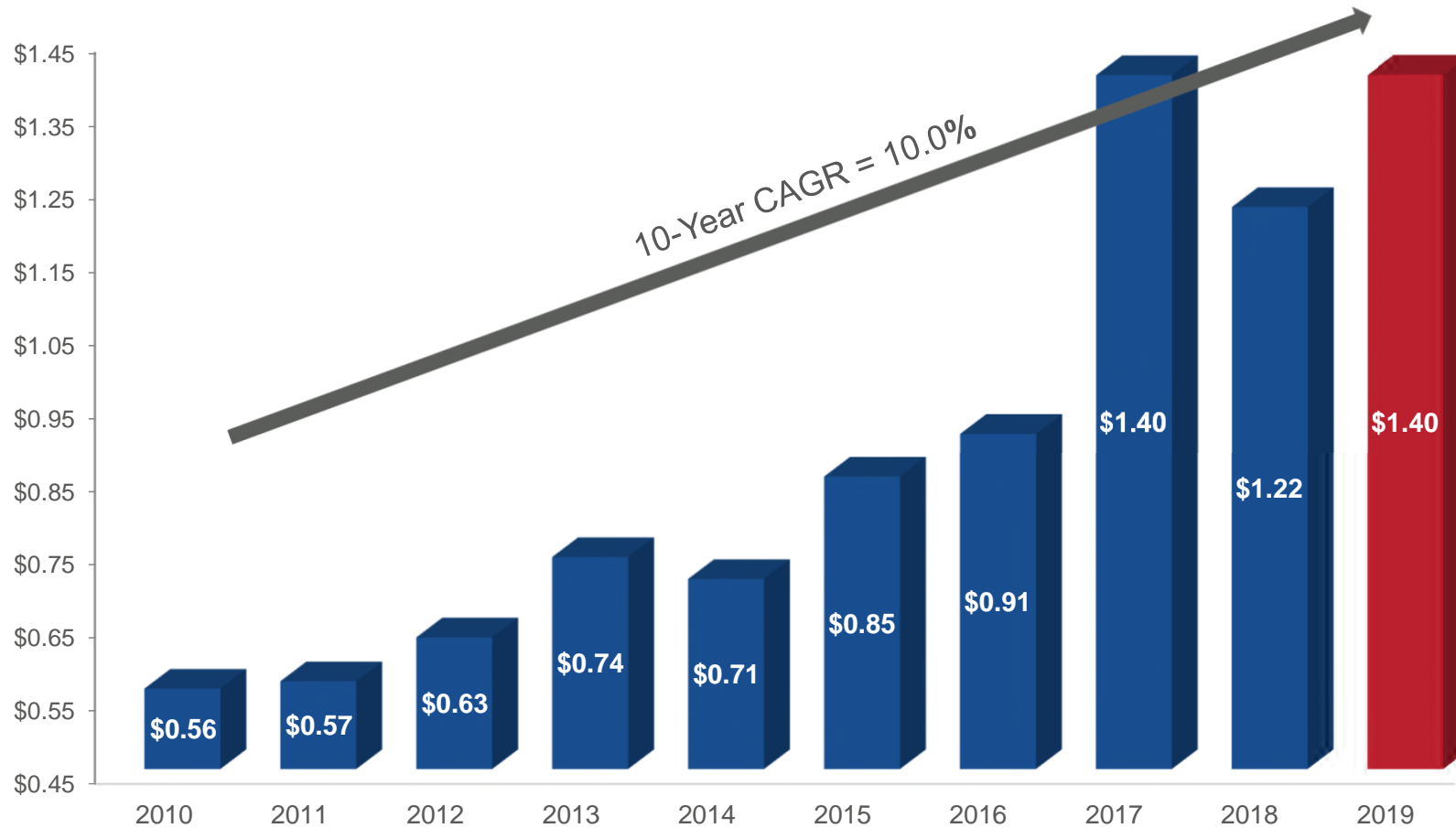


¹ Defined as net cash provided by operating activities.

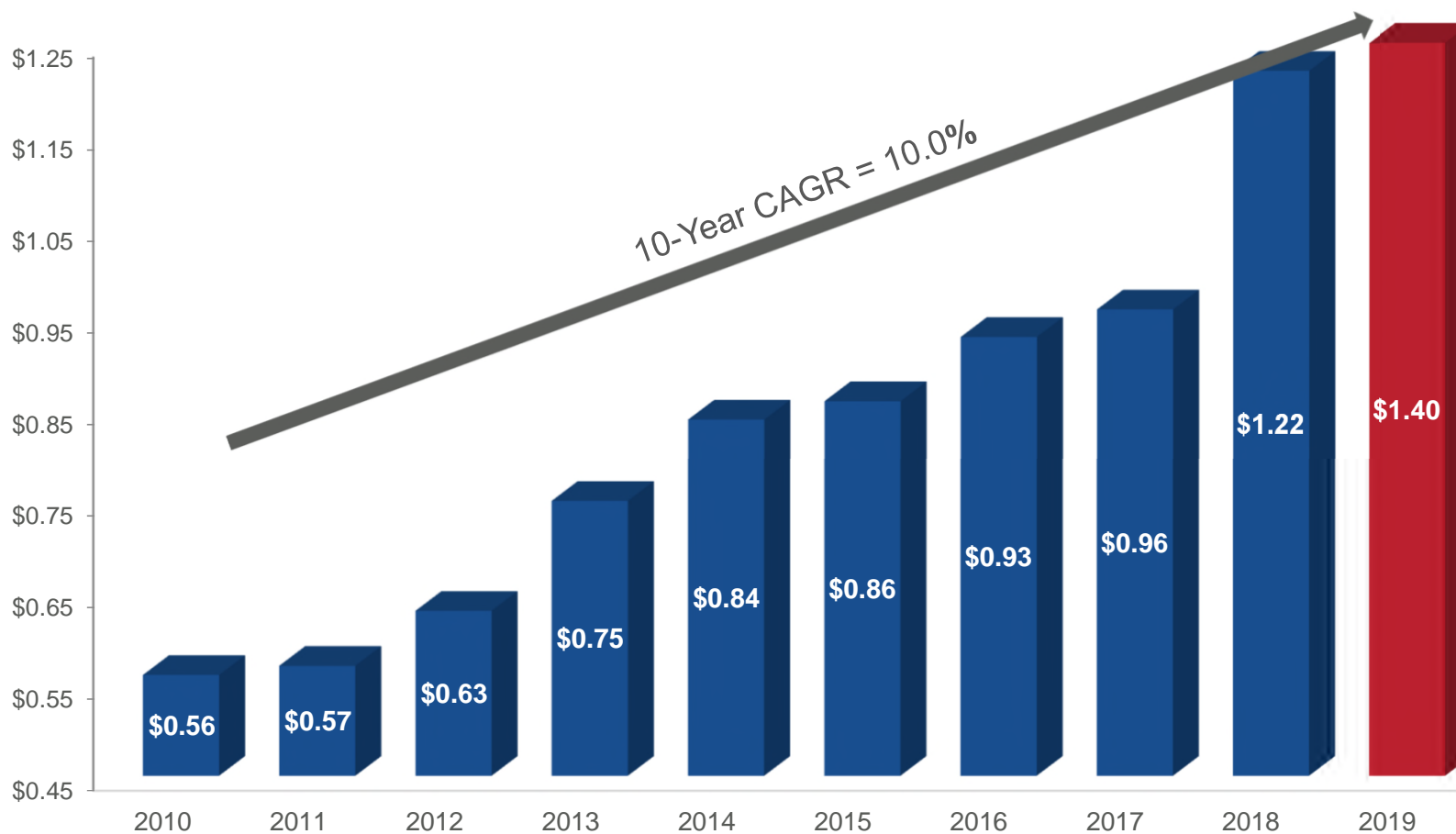
² Reflects acceleration of \$50M in annual bonus payments from January 2013 to December 2012; bonuses are traditionally paid in January.



Diluted Net Income Per Share



Diluted Net Income Per Share – Adjusted



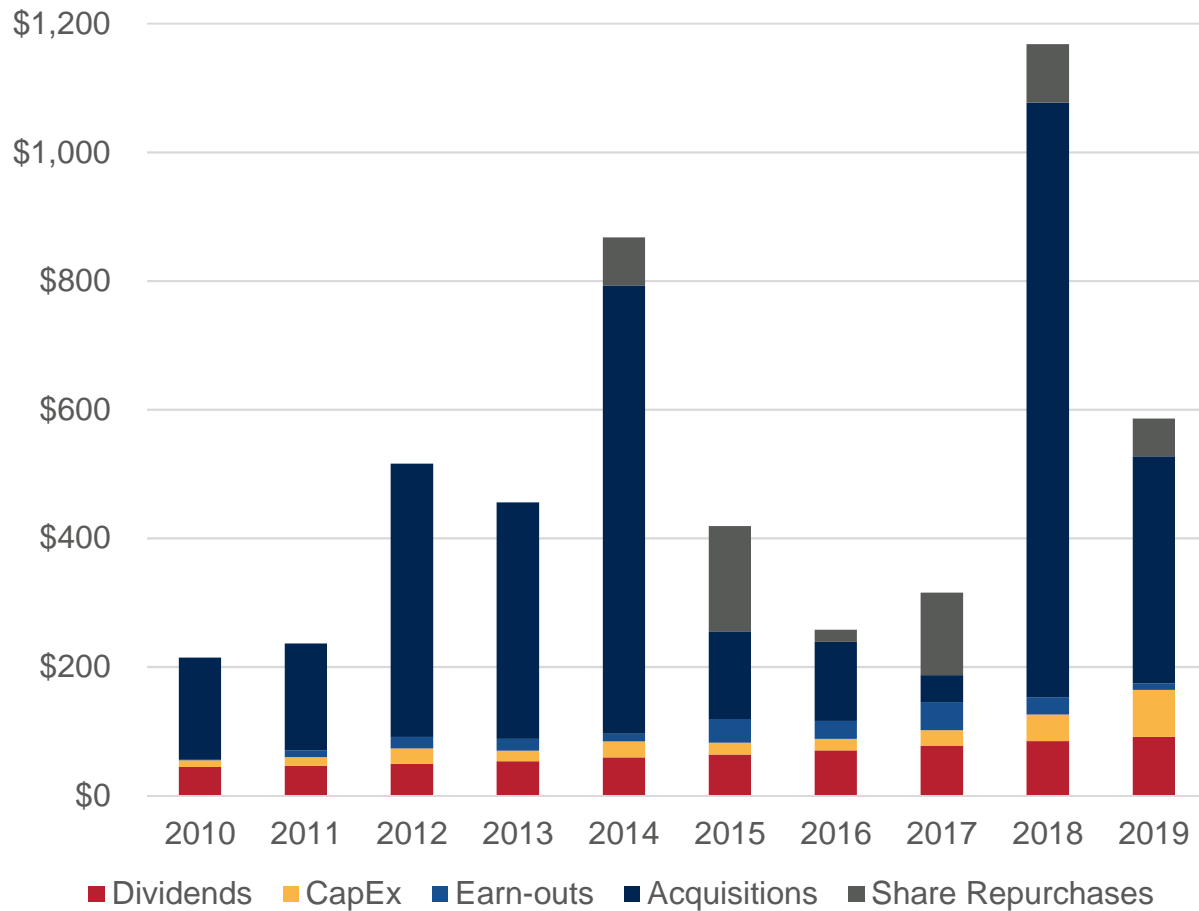
See important disclosures regarding Non-GAAP measures on page 2 and Non-GAAP reconciliations on pages 48-60

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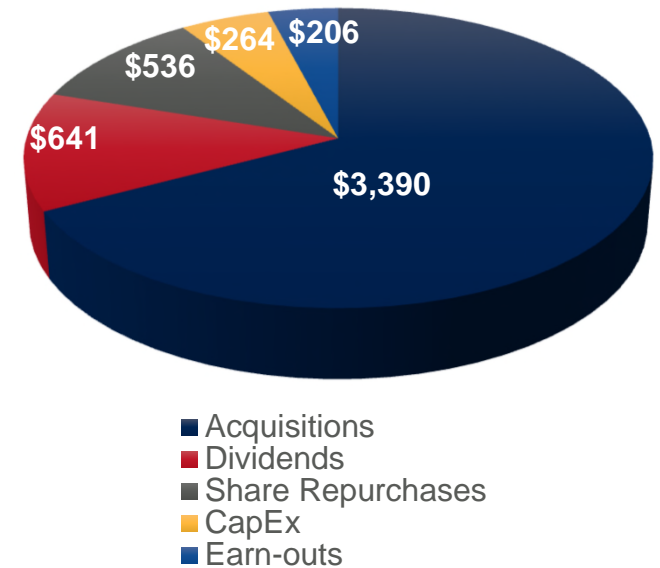


Balanced Long-Term Capital Deployment

(\$) in Millions



Ten Year
Cash Generated¹: \$4.1B
Cash Deployed: \$5.0B



¹ Defined as net cash provided by operating activities.

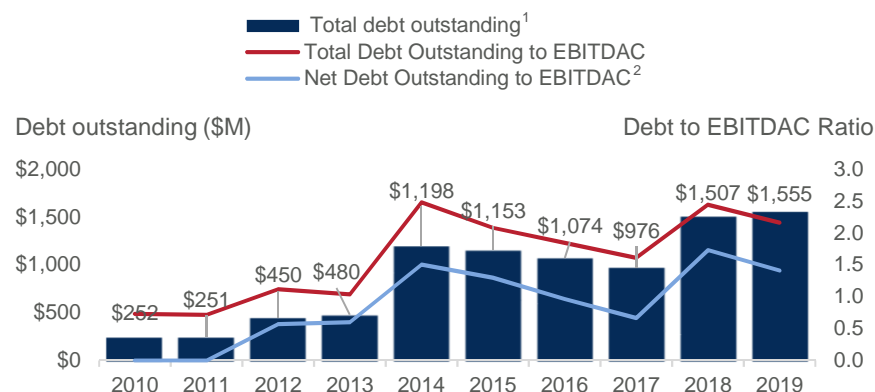


Conservative Financial Policy & Liquidity Profile

Financial & Capital Allocation Policy

- Committed to maintaining low leverage, industry-leading margins, high Free Cash Flow Conversion, and investment-grade ratings
- Optimize financial flexibility in line with growth objectives
- Target Net Debt Outstanding to EBITDAC ratio of 0 – 2.5x and Total Debt Outstanding to EBITDAC ratio of 0 – 3.0x
- Manage capital allocation through: internal investment, external acquisitions, and return to shareholders through dividends and periodic share repurchases

Debt & Leverage



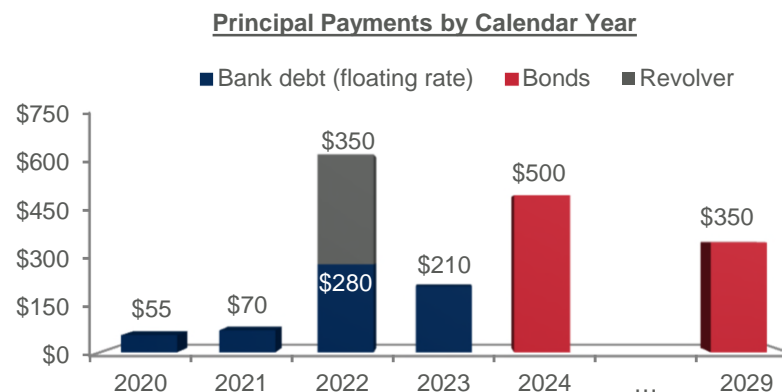
¹ Total debt outstanding is defined as current portion of long-term debt plus long-term debt less unamortized discount and debt issuance costs

² Net Debt Outstanding to EBITDAC shown as 0x in instances where it is below 0x

Liquidity Profile

- \$542M cash on balance sheet as of 12/31/2019
- \$450M undrawn capacity on revolver, with expansion features of up to \$650M under various loan agreements
 - Amended and extended in June 2017 to June 2022
 - Revolver withdrawal of \$250M completed in Q2'20
- For the twelve-month period ended 12/31/2019, Brown & Brown generated \$605M of Free Cash Flow

Debt Maturity Profile (\$M)





Closing Comments



Closing Comments



Business well positioned to capture future opportunities



Premium rates continue to increase slightly, and exposure units impacted by economic growth



Balanced capital strategy and liquidity to deliver long-term shareholder value




Investing in technology to improve customer and teammate experience, data analytics and workflow efficiency



Operating model consistently delivers industry leading financial metrics and shareholders' returns





GAAP to Non-GAAP Reconciliation Appendix



Net Income to EBITDAC

(\$ Millions, Except Per Share Data; Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net income	\$161.8	\$164.0	\$184.0	\$217.1	\$206.9	\$243.3	\$257.5	\$399.6	\$344.3	\$398.5
Net Income Margin	17%	16%	15%	16%	13%	15%	15%	21%	17%	17%
Income taxes	\$104.3	\$106.5	\$120.8	\$140.5	\$132.8	\$159.3	\$166.0	\$50.1	\$118.2	\$127.4
Income before income taxes	\$266.1	\$270.5	\$304.8	\$357.6	\$339.7	\$402.6	\$423.5	\$449.7	\$462.5	\$525.9
Interest	\$14.5	\$14.1	\$16.1	\$16.4	\$28.4	\$39.2	\$39.5	\$38.3	\$40.6	\$63.7
Depreciation	\$12.6	\$12.4	\$15.4	\$17.5	\$20.9	\$20.9	\$21.0	\$22.7	\$22.8	\$23.4
Amortization	\$51.4	\$54.8	\$63.6	\$67.9	\$82.9	\$87.4	\$86.7	\$85.4	\$86.5	\$105.3
Change in estimated acquisition earn-out payables	(\$1.7)	(\$2.2)	\$1.4	\$2.5	\$9.9	\$3.0	\$9.2	\$9.2	\$3.0	(\$1.4)
EBITDAC	\$342.9	\$349.6	\$401.3	\$461.9	\$481.8	\$553.1	\$579.9	\$605.3	\$615.4	\$716.9
EBITDAC Margin	35%	34%	33%	34%	31%	33%	33%	32%	31%	30%
Total revenues	\$973.5	\$1,013.5	\$1,200.0	\$1,363.3	\$1,575.8	\$1,660.5	\$1,766.6	\$1,881.3	\$2,014.2	\$2,392.2

See important disclosures regarding Non-GAAP measures on page 2.



Income Before Income Taxes to EBITDAC

(\$ Millions, Except Per Share Data; Unaudited)

Retail

National Programs

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income before income taxes	\$181.9	\$188.0	\$196.6	\$217.8	\$222.9	\$67.7	\$91.8	\$110.0	\$117.4	\$143.7
Income Before Income Taxes Margin	21%	20%	21%	21%	16%	16%	20%	23%	24%	28%
Interest	\$41.0	\$38.2	\$31.1	\$36.0	\$87.3	\$55.7	\$45.7	\$35.6	\$26.2	\$16.7
Depreciation	\$6.6	\$6.2	\$5.2	\$5.3	\$7.4	\$7.3	\$7.9	\$6.3	\$5.5	\$6.8
Amortization	\$45.1	\$43.4	\$42.2	\$44.4	\$63.1	\$28.5	\$27.9	\$27.3	\$26.0	\$25.5
Change in estimated acquisition earn-out payables	\$2.0	\$10.3	\$8.1	\$1.1	\$8.0	\$0.2	\$0.2	\$0.8	\$0.8	(\$0.8)
EBITDAC	\$276.7	\$286.1	\$283.2	\$304.6	\$388.7	\$159.4	\$173.5	\$179.9	\$175.9	\$191.9
EBITDAC Margin	32%	31%	30%	29%	28%	37%	39%	38%	36%	37%
Total revenues	\$870.3	\$917.4	\$943.5	\$1,042.8	\$1,367.3	\$428.7	\$448.5	\$479.8	\$494.5	\$518.4

See important disclosures regarding Non-GAAP measures on page 2.



Income Before Income Taxes to EBITDAC

(\$ Millions, Except Per Share Data; Unaudited)

Wholesale Brokerage

Services

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income before income taxes	\$64.7	\$62.6	\$68.8	\$70.2	\$82.7	\$19.7	\$24.3	\$30.5	\$34.5	\$40.3
Income Before Income Taxes Margin	30%	26%	25%	24%	27%	14%	16%	18%	18%	21%
Interest	\$0.9	\$4.0	\$6.3	\$5.3	\$4.8	\$6.0	\$5.0	\$3.5	\$2.9	\$4.4
Depreciation	\$2.1	\$2.0	\$1.9	\$1.6	\$1.7	\$2.0	\$1.9	\$1.6	\$1.6	\$1.2
Amortization	\$9.7	\$10.8	\$11.5	\$11.4	\$11.2	\$4.0	\$4.5	\$4.5	\$4.8	\$5.5
Change in estimated acquisition earn-out payables	\$0.8	(\$0.3)	\$0.3	\$0.8	(\$0.0)	\$0.0	(\$1.0)	\$0.0	\$0.1	(\$8.6)
EBITDAC	\$78.2	\$79.1	\$88.8	\$89.3	\$100.4	\$31.7	\$34.7	\$40.1	\$43.9	\$42.8
EBITDAC Margin	36%	33%	33%	31%	32%	22%	22%	24%	23%	22%
Total revenues	\$217.0	\$243.1	\$271.7	\$287.0	\$310.1	\$145.4	\$156.4	\$165.4	\$189.2	\$193.8

See important disclosures regarding Non-GAAP measures on page 2.



Net Cash Provided by Operating Activities to Free Cash Flow

(\$ Millions, Except Per
Share Data; Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Stock Price, as of the 10 th day of the fiscal year	\$9.88	\$11.32	\$12.73	\$15.70	\$16.46	\$16.05	\$18.21	\$22.67	\$26.11	\$27.99
Total Shares	278,636	280,528	284,020	285,248	285,782	280,224	275,608	277,586	275,521	274,616
Equity Market Capitalization	\$2,752.9	\$3,175.6	\$3,615.6	\$4,478.4	\$4,704.0	\$4,497.6	\$5,018.8	\$6,292.9	\$7,193.9	\$7,686.5
Net cash provided by operating activities	\$264.4	\$244.5	\$254.3	\$474.8	\$394.8	\$381.8	\$411.0	\$442.0	\$567.5	\$678.2
Less Capital Expenditures	\$10.5	\$13.6	\$24.0	\$16.4	\$24.9	\$18.4	\$17.8	\$24.2	\$41.5	\$73.1
Free Cash Flow	\$253.9	\$230.9	\$230.3	\$458.4	\$369.9	\$363.4	\$393.3	\$417.8	\$526.0	\$605.1
Free Cash Flow	\$253.9	\$230.9	\$230.3	\$458.4	\$369.9	\$363.4	\$393.3	\$417.8	\$526.0	\$605.1
Total Revenue	\$973.5	\$1,013.5	\$1,200.0	\$1,363.3	\$1,575.8	\$1,660.5	\$1,766.6	\$1,881.3	\$2,014.2	\$2,392.2
Free Cash Flow Conversion	26%	23%	19%	34%	23%	22%	22%	22%	26%	25%
Free Cash Flow	\$253.9	\$230.9	\$230.3	\$458.4	\$369.9	\$363.4	\$393.3	\$417.8	\$526.0	\$605.1
Divided by Equity Market Capitalization	\$2,752.9	\$3,175.6	\$3,615.6	\$4,478.4	\$4,704.0	\$4,497.6	\$5,018.8	\$6,292.9	\$7,193.9	\$7,686.5
Free Cash Flow Yield	9%	7%	6%	10%	8%	8%	8%	7%	7%	8%

See important disclosures regarding Non-GAAP measures on page 2.



Diluted Net Income per Share – Adjusted

(\$ Millions, Except Per Share Data; Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Diluted Net income per share	\$0.56	\$0.57	\$0.63	\$0.74	\$0.71	\$0.85	\$0.91	\$1.40	\$1.22	\$1.40
Change in estimated acquisition earn-out payable	-	-	-	0.01	0.02	0.01	0.02	0.02	0.01	-
Loss on disposal - Axiom	-	-	-	-	0.11	-	-	-	-	-
Tax Reform Act	-	-	-	-	-	-	-	(0.43)	-	-
Diluted Net Income per Share - Adjusted	\$0.56	\$0.57	\$0.63	\$0.75	\$0.84	\$0.86	\$0.93	\$0.96	\$1.22	\$1.40

See important disclosures regarding Non-GAAP measures on page 2.



Reconciliation of Commissions & Fees to Organic Revenue

(\$ Millions; Unaudited)

2019

	<u>Retail</u>		<u>Programs</u>		<u>Wholesale</u>		<u>Services</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Commissions and fees	\$1,364.8	\$1,040.6	\$516.9	\$493.9	\$309.4	\$286.4	\$193.6	\$189.0	\$2,384.7	\$2,009.9
Total Change	324.2		23.0		23.1		4.6		374.8	
Total Growth %	31.2%		4.7%		8.1%		2.4%		18.6%	
Contingent Commissions	(34.2)	(24.5)	(17.5)	(23.9)	(7.5)	(7.5)	0.0	0.0	(59.2)	(55.9)
Guaranteed Supplemental Commissions	(11.1)	(8.5)	(10.6)	(0.1)	(1.4)	(1.4)	0.0	0.0	(23.1)	(10.0)
Core commissions and fees	\$1,319.5	\$1,007.5	\$488.8	\$469.9	\$300.5	\$277.6	\$193.6	\$189.0	\$2,302.4	\$1,944.0
Acquisition revenues	(272.4)		(5.7)		(3.6)		(16.5)		(298.3)	
Divested business		(7.7)		(0.8)		(1.3)		0.0		(9.8)
Organic Revenue	\$1,047.1	\$999.8	\$483.1	\$469.1	\$296.9	\$276.3	\$177.1	\$189.0	\$2,004.1	\$1,934.2
Organic Revenue growth	\$47.3		\$14.0		\$20.6		(\$11.9)		\$69.9	
Organic Revenue growth %	4.7%		3.0%		7.4%		(6.3%)		3.6%	

See important disclosures regarding Non-GAAP measures on page 2.



Reconciliation of Commissions & Fees to Organic Revenue

(\$ Millions; Unaudited)		2018								
	Retail		Programs		Wholesale		Services		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Commissions and fees	\$1,040.6	\$942.0	\$493.9	\$479.0	\$286.4	\$271.1	\$189.0	\$165.1	\$2,009.8	\$1,857.3
Total Change	98.5		14.9		15.2		24.0		152.6	
Total Growth %	10.5%		3.1%		5.6%		14.5%		8.2%	
Contingent Commissions	(24.5)	(23.4)	(23.9)	(20.1)	(7.5)	(8.7)	0.0	0.0	(55.9)	(52.2)
Guaranteed Supplemental Commissions	(8.5)	(9.1)	(0.1)	(0.0)	(1.4)	(1.2)	0.0	0.0	(10.0)	(10.4)
Core commissions and fees	\$1,007.5	\$909.6	\$469.9	\$458.9	\$277.6	\$261.2	\$189.0	\$165.1	\$1,944.0	\$1,794.7
New Revenue Standard	1.2		(8.0)		0.9		(10.3)		(16.1)	
Acquisition revenues	(73.4)		(7.3)		(2.5)		(8.0)		(91.1)	
Divested business		(1.3)		(0.1)		(0.1)		0.0		(1.5)
Organic Revenue	\$935.4	\$908.3	\$454.7	\$458.7	\$276.0	\$261.1	\$170.8	\$165.1	\$1,836.8	\$1,793.2
Organic Revenue growth	\$27.1		(\$4.1)		\$14.9		\$5.7		\$43.6	
Organic Revenue growth %	3.0%		(0.9%)		5.7%		3.4%		2.4%	

See important disclosures regarding Non-GAAP measures on page 2.



Reconciliation of Commissions & Fees to Organic Revenue

(\$ Millions; Unaudited)	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%	

See important disclosures regarding Non-GAAP measures on page 2.



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%		

See important disclosures regarding Non-GAAP measures on page 2.



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%	

See important disclosures regarding Non-GAAP measures on page 2.



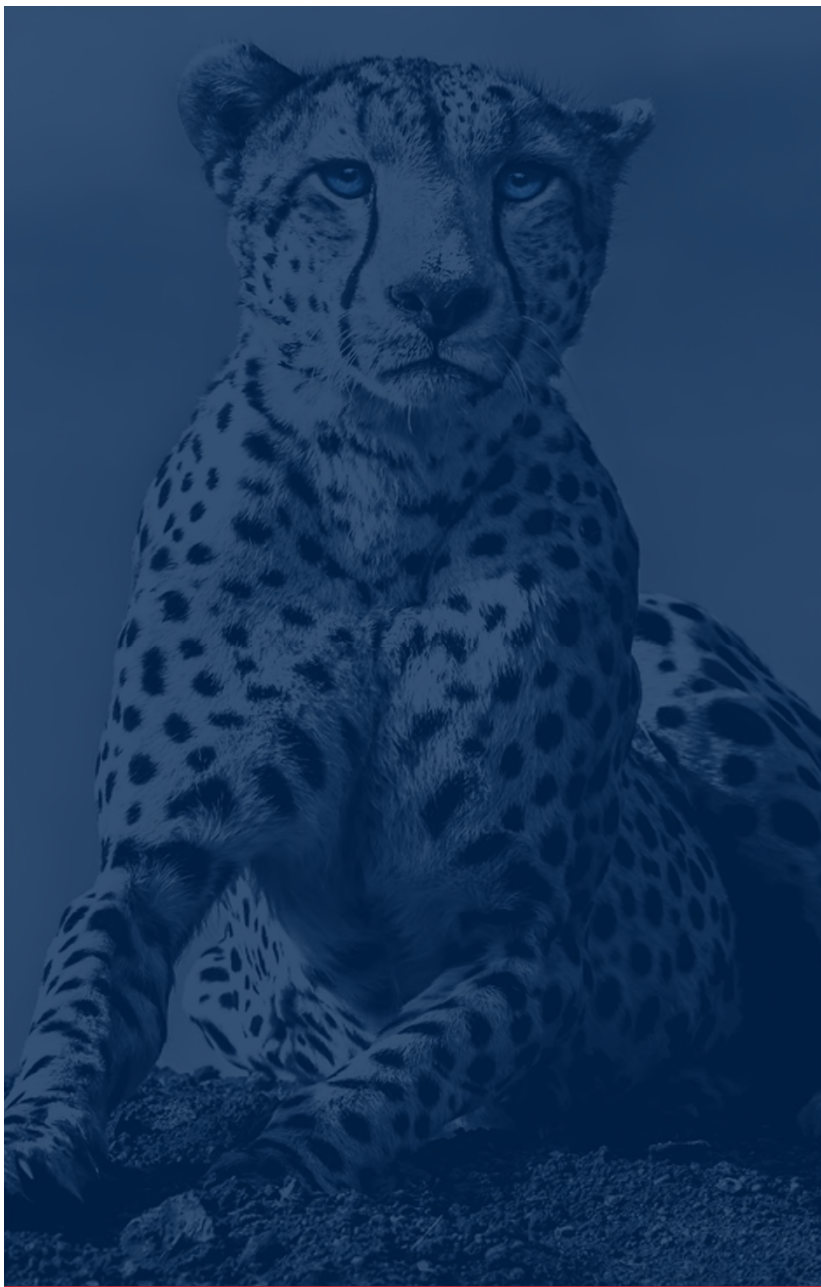
Reconciliation of Total Debt to Net Debt

(\$ Millions; Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Current portion of long-term debt	\$1.7	\$1.2	\$0.1	\$100.0	\$45.6	\$73.1	\$55.5	\$120.0	\$50.0	\$55.0
Long-term debt less unamortized discount and debt issuance costs	250.1	250.0	450.0	380.0	1,143.8	1,071.6	1,018.4	856.1	1,457.0	1,500.3
Total debt outstanding	251.8	251.2	450.1	480.0	1,189.4	1,144.7	1,073.9	976.1	1,507.0	1,555.3
Cash and cash equivalents	273.0	286.3	219.8	203.0	470.0	443.4	515.6	573.4	439.0	542.2
Net Debt outstanding	(\$21.2)	(\$35.1)	\$230.3	\$277.0	\$719.4	\$701.3	\$558.3	\$402.7	\$1,068.0	\$1,013.1
EBITDAC	\$342.9	\$349.6	\$401.3	\$461.9	\$481.8	\$553.1	\$579.9	\$605.3	\$615.4	\$716.9
Total Debt Outstanding to EBITDAC	0.7x	0.7x	1.1x	1.0x	2.5x	2.1x	1.9x	1.6x	2.4x	2.2x
Net Debt Outstanding to EBITDAC	0.0x	0.0x	0.6x	0.6x	1.5x	1.3x	1.0x	0.7x	1.7x	1.4x

See important disclosures regarding Non-GAAP measures on page 2.





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The Cheetah: Since our beginning, we have 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 Brown & Brown since the 1980s.