

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): July 18, 2011

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

Florida
(State or other jurisdiction
of incorporation)

0-7201
(Commission File Number)

59-0864469
(IRS Employer
Identification No.)

220 South Ridgewood Avenue, Florida 32114
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (386) 252-9601

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On July 18, 2011, Brown & Brown, Inc. issued a press release announcing its results of operations for the second quarter ended June 30, 2011. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

The information furnished herewith pursuant to Item 2.02 of this Current Report shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BROWN & BROWN, INC.
(Registrant)
/S/ CORY T. WALKER

By: _____
Cory T. Walker, Chief Financial Officer

Date: July 18, 2011



July 18, 2011

News Release

Cory T. Walker

Chief Financial Officer
(386) 239-7250

**BROWN & BROWN, INC.
ANNOUNCES
SECOND-QUARTER FINANCIAL RESULTS**

(Daytona Beach and Tampa, Florida) . . . Brown & Brown, Inc. (NYSE:BRO) today announced its financial results for the second quarter of 2011.

Net income for the second quarter of 2011 was \$37,035,000, or \$0.26 per share, compared with \$41,185,000, or \$0.29 per share for the same quarter of 2010, a decrease of 10.1%. Total revenue for the second quarter ended June 30, 2011 was \$246,816,000, compared with 2010 second-quarter revenue of \$243,665,000, an increase of 1.3%.

Total revenue for the six months ended June 30, 2011 was \$509,044,000, compared with total revenue for the first half of 2010 of \$495,938,000. Net income for the six-month period ended June 30, 2011 was \$83,328,000, or \$0.57 per share, compared with \$85,313,000, or \$0.59 per share for the same period of 2010.

J. Powell Brown, President and Chief Executive Officer of Brown & Brown, Inc., noted, "We were challenged this quarter by \$4.2 million less in profit-sharing contingency commissions. This is largely a reflection of rising loss ratios of property and casualty insurance carriers across the U.S. We are pleased with the continued incremental improvements in certain segments of our business, most notably the second consecutive quarter of positive internal revenue growth in our Wholesale Brokerage Division."

Brown & Brown, Inc., through its subsidiaries, offers a broad range of insurance and reinsurance products and services. Additionally, certain Brown & Brown subsidiaries offer a variety of risk management, third party administration, and other services. Serving business, public entity, individual, trade and professional association clients nationwide, the Company is ranked by *Business Insurance* magazine as the United States' seventh largest independent insurance intermediary. The Company's Web address is www.bbinsurance.com.

This press release may contain certain statements relating to future results which are forward-looking statements, including those relating to future financial results and to acquisition opportunities. These statements are not historical facts, but instead represent only the Company's current belief regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's control. It is possible that the Company's actual results, financial condition and achievements may differ, possibly materially, from the anticipated results, financial condition and achievements contemplated by these forward-looking statements. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results and condition, as well as its other achievements, are contained in the Company's filings with the Securities and Exchange Commission. Some factors include: general economic conditions around the country; downward commercial property and casualty premium pressures; the effects of legislative and regulatory changes in Florida pertaining to the insurance industry, including those relating to coastal property coverages; the competitive environment; the integration of the Company's operations with those of businesses or assets the Company has acquired or may acquire in the future and the failure to realize the expected benefits of such integration; and the potential occurrence of a disaster that affects certain areas of the States of California, Florida, Indiana, Michigan, New Jersey, New York, Pennsylvania, Texas and/or Washington, where significant portions of the Company's business are concentrated. All forward-looking statements made herein are made only as of the date of this release, and the Company does not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which the Company hereafter becomes aware.

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

| For the Three Months Ended <u>June 30</u> | For the Six Months Ended <u>June 30</u> | | | |
|---|---|----------------|----------------|----------------|
| | <u>2011</u> | <u>2010</u> | <u>2011</u> | <u>2010</u> |
| REVENUES | | | | |
| Commissions and fees | \$245,983 | \$241,053 | \$507,435 | \$491,727 |
| Investment income | 393 | 346 | 617 | 677 |
| Other income, net | <u>440</u> | <u>2,266</u> | <u>992</u> | <u>3,534</u> |
| Total revenues | <u>246,816</u> | <u>243,665</u> | <u>509,044</u> | <u>495,938</u> |
| EXPENSES | | | | |
| Employee compensation and benefits | 125,852 | 121,372 | 252,409 | 243,555 |
| Non-cash stock-based compensation | 2,709 | 1,780 | 5,482 | 3,735 |
| Other operating expenses | 34,979 | 33,622 | 71,055 | 69,955 |
| Amortization | 13,556 | 12,650 | 27,065 | 25,203 |
| Depreciation | 3,079 | 3,129 | 6,214 | 6,382 |
| Interest | 3,608 | 3,632 | 7,215 | 7,240 |
| Change in estimated acquisition earn-out payables | <u>1,565</u> | <u>(533)</u> | <u>1,466</u> | <u>(1,229)</u> |
| Total expenses | <u>185,348</u> | <u>175,652</u> | <u>370,906</u> | <u>354,841</u> |
| Income before income taxes | 61,468 | 68,013 | 138,138 | 141,097 |
| Income taxes | <u>24,433</u> | <u>26,828</u> | <u>54,810</u> | <u>55,784</u> |
| Net income | \$ 37,035 | \$ 41,185 | \$ 83,328 | \$ 85,313 |
| Net income per share: | ===== | ===== | ===== | ===== |
| Basic | \$0.26 | \$0.29 | \$0.58 | \$0.60 |
| | ===== | ===== | ===== | ===== |
| Diluted | \$0.26 | \$0.29 | \$0.57 | \$0.59 |
| | ===== | ===== | ===== | ===== |
| Weighted average number of shares outstanding: | | | | |
| Basic | 138,379 | 137,685 | 138,365 | 137,654 |
| | ===== | ===== | ===== | ===== |
| Diluted | 139,942 | 139,105 | 140,950 | 138,937 |
| | ===== | ===== | ===== | ===== |
| Dividends declared per share | \$0.0800 | \$0.0775 | \$0.1600 | \$0.1550 |
| | ===== | ===== | ===== | ===== |

Three Months Ended June 30, 2011

(in thousands)

(unaudited)

| | Quarter Ended 06/30/11 | Quarter Ended 06/30/10 | Total Net Change | Total Net Growth % | Less Acquisition Revenues | Internal Net Growth \$ | Internal Net Growth % |
|---|---------------------------------------|---------------------------------------|---------------------------------|-----------------------------------|--|---------------------------------------|--------------------------------------|
| Florida Retail | \$ 44,361 | \$ 42,735 | \$ 1,626 | 3.8% | \$ 2,107 | \$ (481) | (1.1)% |
| National Retail | 83,102 | 79,359 | 3,743 | 4.7% | 10,145 | (6,402) | (8.1)% |
| Western Retail | <u>24,991</u> | <u>23,334</u> | <u>1,657</u> | 7.1% | <u>2,520</u> | <u>(863)</u> | (3.7)% |
| Total Retail | <u>152,454</u> | <u>145,428</u> | <u>7,026</u> | 4.8% | <u>14,772</u> | <u>(7,746)</u> | (5.3)% |
| Professional Programs | 8,839 | 9,343 | (504) | (5.4)% | - | (504) | (5.4)% |
| Special Programs | <u>24,582</u> | <u>27,827</u> | <u>(3,245)</u> | (11.7)% | <u>91</u> | <u>(3,336)</u> | (12.0)% |
| Total National Programs | <u>33,421</u> | <u>37,170</u> | <u>(3,749)</u> | (10.1)% | <u>91</u> | <u>(3,840)</u> | (10.3)% |
| Wholesale Brokerage | 41,713 | 41,298 | 415 | 1.0% | - | 415 | 1.0% |
| Services | <u>16,120</u> | <u>9,729</u> | <u>6,391</u> | 65.7% | <u>6,468</u> | <u>(77)</u> | (0.8)% |
| Total Core Commissions and Fees ⁽¹⁾ | \$243,708 ===== | \$233,625 ===== | \$10,083 ===== | 4.3% | \$21,331 ===== | \$(11,248) ===== | (4.8)% |

**Reconciliation of Internal Growth Schedule
to Total Commissions and Fees
Included in the Consolidated Statements of Income
For the Three Months Ended June 30, 2011 and 2010**
(in thousands)
(unaudited)

| | Quarter Ended 06/30/11 | Quarter Ended 06/30/10 |
|--|---------------------------------------|---------------------------------------|
| Total core commissions and fees ⁽¹⁾ | \$243,708 | \$233,625 |
| Contingent commissions | 2,275 | 6,444 |
| Divested business | <u>-</u> | <u>984</u> |
| Total commission & fees | \$245,983 ===== | \$241,053 ===== |

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

(in thousands, except per share data)
(unaudited)

| | June 30, | December 31, |
|---|--------------------|---------------------|
| | <u>2011</u> | <u>2010</u> |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 278,866 | \$ 272,984 |
| Restricted cash and investments | 120,073 | 123,594 |
| Short-term investments | 7,737 | 7,678 |
| Premiums, commissions and fees receivable | 247,718 | 214,446 |
| Deferred income taxes | 8,143 | 20,076 |
| Other current assets | <u>34,524</u> | <u>14,031</u> |
| Total current assets | 697,061 | 652,809 |
| Fixed assets, net | 60,039 | 59,713 |
| Goodwill | 1,261,627 | 1,194,827 |
| Amortizable intangible assets, net | 488,367 | 481,900 |
| Other assets | <u>17,778</u> | <u>11,565</u> |
| Total assets | <u>\$2,524,872</u> | <u>\$2,400,814</u> |
| | ===== | ===== |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Premiums payable to insurance companies | \$ 358,913 | \$ 311,346 |
| Premium deposits and credits due customers | 24,992 | 28,509 |
| Accounts payable | 31,805 | 33,693 |
| Accrued expenses and other liabilities | 85,637 | 94,947 |
| Current portion of long-term debt | <u>1,624</u> | <u>1,662</u> |
| Total current liabilities | 502,971 | 470,157 |
| Long-term debt | 250,067 | 250,067 |
| Deferred income taxes, net | 159,900 | 146,482 |
| Other liabilities | 39,003 | 27,764 |
| Shareholders' equity: | | |
| Common stock, par value \$0.10 per share; authorized 280,000 shares; issued and outstanding 142,924 at 2011 and 142,795 at 2010 | 14,292 | 14,279 |
| Additional paid-in capital | 293,081 | 286,997 |
| Retained earnings | 1,265,553 | 1,205,061 |
| Accumulated other comprehensive income | <u>5</u> | <u>7</u> |
| Total shareholders' equity | <u>1,572,931</u> | <u>1,506,344</u> |
| Total liabilities and shareholders' equity | <u>\$2,524,872</u> | <u>\$2,400,814</u> |
| | ===== | ===== |