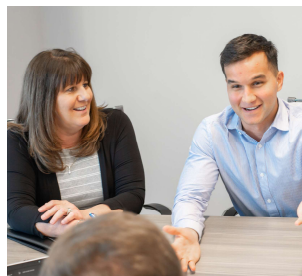


Fourth Quarter & Full Year 2023 Results

January 22, 2024



Information Regarding Forward-Looking Statements

This presentation and the statements made during our earnings call may contain certain statements relating to future results which are “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. You can identify these statements by forward-looking words such as “may,” “will,” “should,” “expect,” “anticipate,” “believe,” “intend,” “estimate,” “plan” and “continue” or similar words. We have based these statements on our current expectations about potential future events. Although we believe the expectations expressed in the forward-looking statements included in this presentation and the statements made during our presentation are based upon reasonable assumptions within the bounds of our knowledge of our business, a number of factors could cause actual results to differ materially from those expressed in any forward-looking statements, whether oral or written, made by us or on our behalf. Many of these factors have previously been identified in filings or statements made by us or on our behalf. Important factors which could cause our actual results to differ, possibly materially from the forward-looking statements in this presentation and statements made during our presentation include, but are not limited to, the following items: the Company’s determination as it finalizes its financial results for the fourth quarter and full year of 2023 that its financial results differ from the current preliminary unaudited numbers set forth herein; 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, successfully 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 that may impact our operations or the operations of third parties that support us; risks related to our international operations, which may result in additional risks or require more management time and expense than our domestic operations to achieve or maintain profitability; the effects of inflation; the requirement for additional resources and time to adequately respond to dynamics resulting from rapid technological change; the loss of or significant change to any of our insurance company relationships, which could result in loss of capacity to write business, additional expense, loss of market share or material decrease in our commissions; the effect of natural disasters on our profit-sharing contingent commissions, insurer capacity and claims expenses from our capitalized captive insurance facilities; adverse economic conditions, political conditions, outbreaks of war, natural disasters, or regulatory changes in states or countries where we have a concentration of our business; the inability to maintain our culture or a significant change in management, management philosophy or our business strategy; claims expense resulting from the limited underwriting risk associated with our participation in capitalized captive insurance facilities; risks associated with our automobile and recreational vehicle dealer services (“F&I”) businesses; 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; 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 significant control certain shareholders have over the Company; changes in data privacy and protection laws and regulations or any failure to comply with such laws and regulations; improper disclosure of confidential information; our ability to comply with non-U.S. laws, regulations and policies; the potential adverse effect of certain actual or potential claims, regulatory actions or proceedings on our businesses, results of operations, financial condition or liquidity; uncertainty in our business practices and compensation arrangements with insurance carriers 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; increasing scrutiny and changing expectations from investors and customers with respect to our environmental, social and governance practices; a decrease in demand for liability insurance as a result of tort reform legislation; our failure to comply with any covenants contained in our debt agreements; the possibility that covenants in our debt agreements could prevent us from engaging in certain potentially beneficial activities; changes in the U.S.-based credit markets that might adversely affect our business, results of operations and financial condition; 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; changes in current U.S. or global economic conditions, including an extended slowdown in the markets in which we operate; 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; 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; intangible asset risk, including the possibility that our goodwill may become impaired in the future; future pandemics, epidemics or outbreaks of infectious diseases, and the resulting governmental and societal responses; other risks and uncertainties as may be detailed from time to time in our public announcements and Securities and Exchange Commission (“SEC”) filings; and other factors that the Company may not have currently identified or quantified. Forward-looking statements that we make or that are made by others on our behalf are based upon a knowledge of our business and the environment in which we operate, but because of the factors listed above, among others, actual results may differ from those in the forward-looking statements. Consequently, these cautionary statements qualify all of the forward-looking statements we make herein. We cannot assure you that the results or developments anticipated by us will be realized, or even if substantially realized, that those results or developments will result in the expected consequences for us or affect us, our business or our operations in the way we expect. We caution readers not to place undue reliance on these forward-looking statements. 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.



| Information Regarding Non-GAAP Measures

This presentation contains references to "non-GAAP financial measures" as defined in SEC Regulation G, consisting of Total Revenues - Adjusted, Organic Revenue, EBITDAC, EBITDAC Margin, EBITDAC - Adjusted, EBITDAC Margin - Adjusted, Income Before Income Taxes - Adjusted, Income Before Income Taxes Margin - Adjusted, Net Income - Adjusted and Diluted Net Income Per Share - Adjusted. 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 to evaluate the Company's operating performance from period to period on a basis that may not be otherwise apparent on a GAAP basis due to the impact of certain items that have a high degree of variability, that we believe are not indicative of ongoing performance and that are not easily comparable from period to period. This non-GAAP 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 within this press release as well as in our periodic filings with the SEC.

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 four 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. In addition, we believe Diluted Net Income Per Share - Adjusted provides a meaningful representation of our operating performance and improves the comparability of our results between periods by excluding the impact of the change in estimated acquisition earn-out payables, the impact of foreign currency translation and certain other non-recurring or infrequently occurring items. We also view Total Revenues - Adjusted, EBITDAC, EBITDAC - Adjusted, EBITDAC Margin, EBITDAC Margin - Adjusted, Income Before Income Taxes - Adjusted, Income Before Income Taxes Margin - Adjusted and Net Income - Adjusted as important indicators when assessing and evaluating our performance, as they present more, comparable measurements of our operating margins in a meaningful and consistent manner. As disclosed in our most recent proxy statement, we use Organic Revenue growth, Diluted Net Income Per Share - Adjusted and EBITDAC Margin - Adjusted as key performance metrics for our short-term and long-term incentive compensation plans for executive officers and other key employees.

Information Regarding Non-GAAP Measures - Continued

Non-GAAP Revenue Measures

- **Total Revenues - Adjusted** is our total revenues, excluding Foreign Currency Translation.
- **Organic Revenue** is our core commissions and fees less: (i) the core commissions and fees earned for the first 12 months by newly acquired operations; (ii) divested business (core commissions and fees generated from offices, books of business or niches sold or terminated during the comparable period); and (iii) Foreign Currency Translation. The term “core commissions and fees” excludes profit-sharing contingent commissions and therefore represents the revenues earned directly from specific insurance policies sold and specific fee-based services rendered. Organic Revenue can be expressed as a dollar amount or a percentage rate when describing Organic Revenue growth.

Non-GAAP Earnings Measures

- **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.
- **EBITDAC - Adjusted** is defined as EBITDAC, excluding (i) (gain)/loss on disposal, (ii) Acquisition/Integration Costs (as defined below), (iii) for 2023, the 1Q23 Nonrecurring Cost (as defined below) and (iv) Foreign Currency Translation (as defined below).
- **EBITDAC Margin - Adjusted** is defined as EBITDAC - Adjusted divided by Total Revenues - Adjusted.
- **Income Before Income Taxes - Adjusted** is defined as income before income taxes, excluding the pre-tax (i) change in estimated acquisition earn-out payables, (ii) (gain)/loss on disposal, (iii) Acquisition/Integration Costs (as defined below), (iv) for 2023, the 1Q23 Nonrecurring Cost (as defined below) and (v) the period-over-period impact of Foreign Currency Translation (as defined below).
- **Income Before Income Taxes Margin - Adjusted** is defined as Income Before Income Taxes - Adjusted divided by Total Revenues - Adjusted.
- **Net Income - Adjusted** is defined as net income, excluding the after-tax (i) change in estimated acquisition earn-out payables, (ii) (gain)/loss on disposal, (iii) Acquisition/Integration Costs (as defined below), (iv) for 2023, the 1Q23 Nonrecurring Cost (as defined below) and (v) the period-over-period impact of Foreign Currency Translation (as defined below).
- **Diluted Net Income Per Share - Adjusted** is defined as diluted net income per share, excluding the after-tax impact of (i) the change in estimated acquisition earn-out payables, (ii) (gain)/loss on disposal, (iii) Acquisition/Integration Costs (as defined below), (iv) for 2023, the 1Q23 Nonrecurring Cost (as defined below) and (v) Foreign Currency Translation (as defined below).

Definitions Related to Certain Components of Non-GAAP Measures

- **“Acquisition/Integration Costs,”** means the acquisition and integration costs (e.g., costs associated with regulatory filings, legal/accounting services, due diligence and the costs of integrating our information technology systems) arising out of our acquisitions of GRP (Jersey) Holdco Limited and its business, Orchid Underwriters Agency and CrossCover Insurance Services, and BdB Limited companies, which are not considered to be normal, recurring or part of the ongoing operations.
- **“Foreign Currency Translation”** means the period-over-period impact of foreign currency translation, which is calculated by applying current-year foreign exchange rates to the various functional currencies in our business to our reporting currency of US dollars for the same period in the prior year.
- **“1Q23 Nonrecurring Cost”** means approximately \$11.0 million expensed and substantially paid in the first quarter of 2023 to resolve a business matter, which is not considered to be normal, recurring or part of the ongoing operations.

Our industry peers may provide similar supplemental non-GAAP information with respect to one or more of these measures, although they may not use the same or comparable terminology and may not make identical adjustments and, therefore comparability may be limited. This supplemental non-GAAP financial information should be considered in addition to, and not in lieu of, the Company's condensed consolidated financial statements.



2023 Year in Review



Achieved our interim annual revenue milestone of \$4 billion



Grew profitably – expanded EBITDAC Margin - Adjusted by over 400 basis points in past 4 years



Increased our dividend for the 30th consecutive year



Cash flow from operations in excess of \$1 billion



Enhanced our team and capabilities – 16,000+ teammates and certified again as a Great Place to Work™

Fourth Quarter 2023 Results

(Unaudited)

\$1,026M

Total revenue
growth of
13.8%

7.7%

Organic
Revenue
growth

31.0%

EBITDAC
Margin - Adjusted
down 40bps from
the same quarter in
the prior year

\$0.94

Diluted net
income per
share increased
84.3%

\$0.58

Diluted Net
Income Per
Share - Adjusted
increased
16.0%

\$109M

Annual revenue
of 13 acquisitions
completed during
the quarter



See important disclosures regarding non-GAAP measures on pages 2-3 and non-GAAP reconciliations on pages 16-25.

Full Year 2023 Results

(Unaudited)

\$4,257M	10.2%	33.9%	\$3.05	\$2.81	\$162M
Total revenue growth of 19.1%	Organic Revenue growth	EBITDAC Margin - Adjusted up 120bps from the prior year	Diluted net income per share increased 28.7%	Diluted Net Income Per Share - Adjusted increased 23.2%	Annual revenue of 33 acquisitions completed in 2023



See important disclosures regarding non-GAAP measures on pages 2-3 and non-GAAP reconciliations on pages 16-25.

Market & Business Overview – 4Q23



Consumer spending remained robust, driving growth for many companies. Business leaders continued to hire new employees and invest in their companies – at a slower rate than a year ago



Rate increases remained relatively consistent with prior quarters for most lines. Workers' compensation rates continue to be flat to down



E&S - Commercial property placements remained challenging, but did see some moderation in rate increases late in the quarter. Decrease in professional liability rates similar to prior quarter



Personal lines in California, Florida, Louisiana and Texas continued to be challenging, which is driving some growth in E&S markets



We continued to be an active buyer of businesses. Financial sponsors activity down for full year, but relatively consistent by quarter. Competition for quality businesses remains elevated

Segment Organic Revenue Growth

(Unaudited)

	<u>Retail</u>	<u>National Programs</u>	<u>Wholesale Brokerage</u>	<u>Services</u>
Q4 2023	8.2%	5.4%	14.5%	(5.9%)
Full Year 2023	7.9%	17.2%	12.2%	(0.6%)



See important disclosures regarding non-GAAP measures on pages 2-3 and non-GAAP reconciliations on pages 16-25.

Consolidated Financial Highlights - Adjusted

(\$ Millions, Except Per Share Data; Adjusted & Unaudited)	Fourth Quarter			
	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$1,026.2	\$907.0	\$119.2	13.1%
<i>Organic Revenue</i>	\$922.9	\$857.0	\$65.9	7.7%
Income Before Income Taxes - Adjusted	\$218.0	\$189.6	\$28.4	15.0%
<i>Income Before Income Taxes Margin - Adjusted</i>	21.2%	20.9%		30bps
EBITDAC - Adjusted	\$317.7	\$284.5	\$33.2	11.7%
<i>EBITDAC Margin - Adjusted</i>	31.0%	31.4%		(40bps)
Net Income - Adjusted	\$166.0	\$141.8	\$24.2	17.1%
Diluted Net Income Per Share - Adjusted	\$0.58	\$0.50	\$0.08	16.0%
Weighted average number of shares outstanding – diluted	\$281.9	\$279.0	\$2.9	1.0%
Dividends declared per share	\$0.130	\$0.115	\$0.015	13.0%



See important disclosures regarding non-GAAP measures on pages 2-3 and non-GAAP reconciliations on pages 16-25.

Retail Segment

(\$ Millions; Unaudited)	Fourth Quarter			
	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$566.1	\$506.8	\$59.3	11.7%
<i>Organic Revenue</i>	\$533.9	\$493.5	\$40.4	8.2%
EBITDAC - Adjusted	\$152.6	\$135.8	\$16.8	12.4%
<i>EBITDAC Margin - Adjusted</i>	27.0%	26.8%		20bps

Business & Market Commentary

Total Revenues - Adjusted grew due to acquisition activity over the past 12 months, strong net new business and continued rate increases.

Commercial and employee benefits rate increases remained relatively constant at 5%-10% as compared to the prior year, with higher rates for property. Growth rates for professional liability continued to moderate down. Personal lines rates generally increased 1%-3%.

EBITDAC - Adjusted grew faster than Total Revenues - Adjusted primarily due to leveraging our expense base, which was partially offset by increased non-cash stock-based compensation costs.



National Programs Segment

(\$ Millions; Unaudited)	Fourth Quarter			
	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$285.9	\$240.8	\$45.1	18.7%
<i>Organic Revenue</i>	\$232.1	\$220.2	\$11.9	5.4%
EBITDAC - Adjusted	\$124.0	\$106.2	\$17.8	16.8%
<i>EBITDAC Margin - Adjusted</i>	43.4%	44.1%		(70bps)

Business & Market Commentary

Total Revenues - Adjusted increased primarily due to acquisition activity, higher profit-sharing contingent commissions and Organic Revenue growth.

Organic Revenue growth was driven by strong new business, good retention and continued rate increases, which was partially offset by a non-recurring change in reinsurance, along with lower flood claims revenue and incentives.

EBITDAC - Adjusted grew slower than Total Revenues - Adjusted due to a non-recurring change in reinsurance, along with lower flood claims and incentives, which more than offset higher profit-sharing contingent commissions, investment income and leveraging our expense base.



Wholesale Brokerage Segment

(\$ Millions; Unaudited)	Fourth Quarter			
	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$128.7	\$112.2	\$16.5	14.7%
<i>Organic Revenue</i>	\$123.7	\$108.0	\$15.7	14.5%
EBITDAC - Adjusted	\$35.1	\$31.3	\$3.8	12.1%
<i>EBITDAC Margin - Adjusted</i>	27.3%	27.9%		(60bps)

Business & Market Commentary

Total Revenues - Adjusted increased due to strong new business and good retention, as well as rate increases for most lines of business.

CAT property rates were up 10%-30%, depending on loss experience. Professional lines rates were up 5% to down 20%. Rate increases for casualty lines were flat to up 10%.

EBITDAC - Adjusted growth was slower than Total Revenues - Adjusted due to lower profit-sharing contingent commissions and higher non-cash stock-based compensation costs.



Services Segment

(\$ Millions; Unaudited)	Fourth Quarter			
	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$33.2	\$43.2	(\$10.0)	(23.1%)
<i>Organic Revenue</i>	\$33.2	\$35.3	(\$2.1)	(5.9%)
EBITDAC - Adjusted	\$5.1	\$8.3	(\$3.2)	(38.6%)
<i>EBITDAC Margin - Adjusted</i>	15.4%	19.2%		(380bps)

Business & Market Commentary

Total Revenues - Adjusted declined primarily due to the sale of certain third-party claims administrator businesses. Organic Revenue declined primarily due to continued external factors impacting our advocacy businesses.

The decline in EBITDAC - Adjusted was primarily driven by the sale of certain third-party claims administrator businesses, as well as one-time expenses.



Consolidated Financial Highlights - Adjusted

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

Full Year

	2023	2022	\$ Change	% Change
Total Revenues - Adjusted	\$4,257.1	\$3,585.5	\$671.6	18.7%
<i>Organic Revenue</i>	\$3,784.5	\$3,433.4	\$351.1	10.2%
Income Before Income Taxes - Adjusted	\$1,048.7	\$843.9	\$204.8	24.3%
<i>Income Before Income Taxes Margin - Adjusted</i>	24.6%	23.5%		110bps
EBITDAC - Adjusted	\$1,444.7	\$1,173.8	\$270.9	23.1%
<i>EBITDAC Margin - Adjusted</i>	33.9%	32.7%		120bps
Net Income - Adjusted	\$801.2	\$648.1	\$153.1	23.6%
Diluted Net Income Per Share - Adjusted	\$2.81	\$2.28	\$0.53	23.2%
Weighted average number of shares outstanding – diluted	\$280.8	\$278.7	\$2.1	0.8%
Dividends declared per share	\$0.475	\$0.423	\$0.052	12.3%



See important disclosures regarding non-GAAP measures on pages 2-3 and non-GAAP reconciliations on pages 16-25.

Closing Comments – Outlook for 2024



Expect economic growth to continue throughout 2024, with continued moderation. Higher interest rates having the impact of decreasing inflation



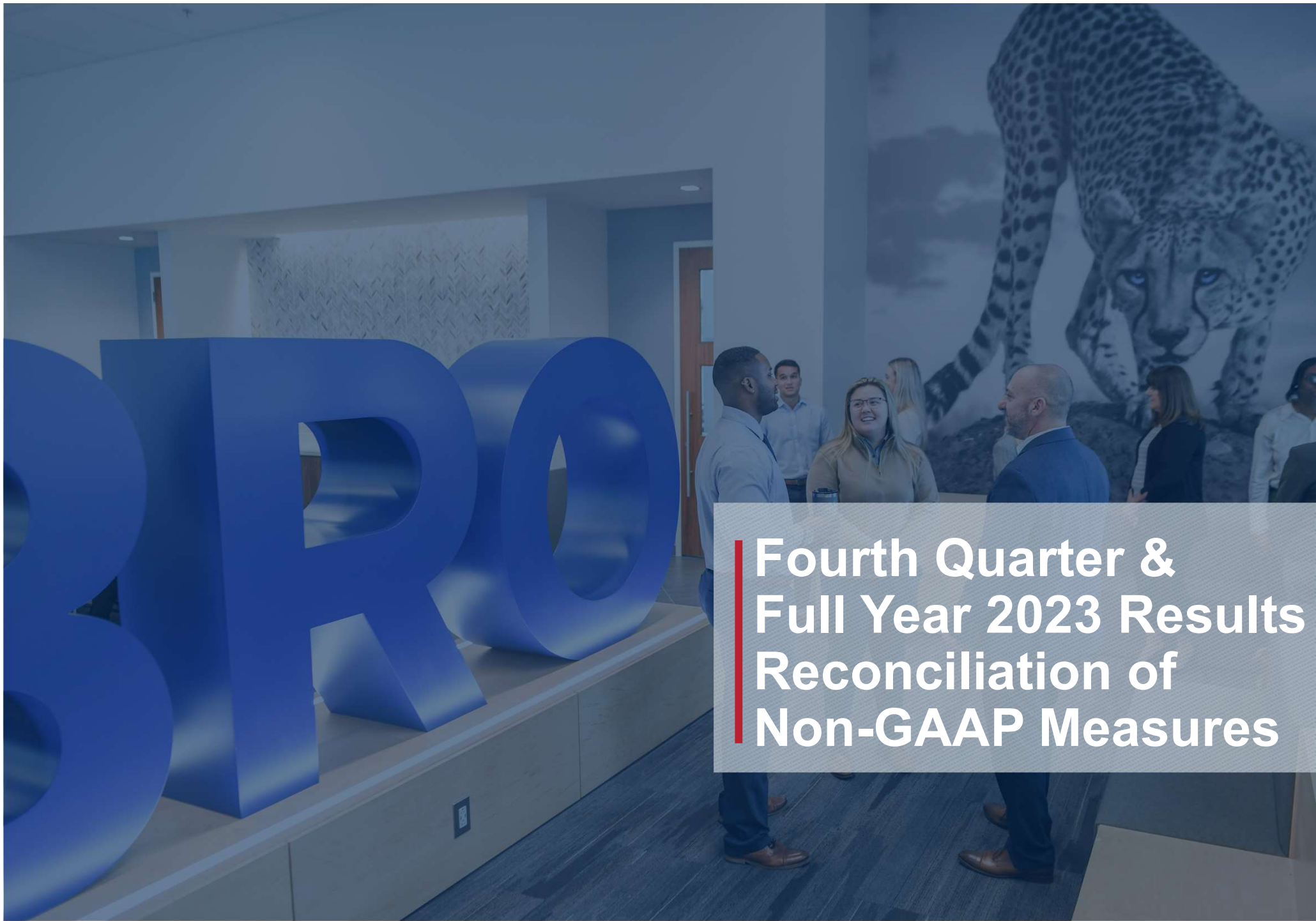
Anticipate CAT property rates will moderate for at least the first half of 2024, with rates flat to up 10%. Not expecting the rate of change for all other lines to change materially in 2024



Strong capital and cash generation position that enables us to remain active on the M&A front for high quality businesses



Great momentum across the business as the team is leveraging our collective capabilities to be an industry-leading solutions provider



Fourth Quarter & Full Year 2023 Results Reconciliation of Non-GAAP Measures

GAAP to Adjusted Reconciliation

	Fourth Quarter 2023				
	(\$ Millions, Except Per Share Data; Unaudited)				
	As Reported	Change in Estimated Acquisition Earn-Out Payables	(Gain)/ Loss on Disposal ¹	Acquisition/Integration Costs	Adjusted
Total revenues	\$1,026.2	-	-	-	\$1,026.2
Income before income taxes	\$355.1	(\$7.6)	(\$134.4)	\$4.9	\$218.0
<i>Income Before Income Taxes Margin</i>	34.6%				21.2%
EBITDAC	\$447.2	-	(\$134.4)	\$4.9	\$317.7
<i>EBITDAC Margin</i>	43.6%				31.0%
Net income	\$268.6	(\$7.0)	(\$99.3)	\$3.7	\$166.0
Diluted net income per share	\$0.94	(\$0.02)	(\$0.35)	\$0.01	\$0.58



¹ Includes the gain on disposal of \$0.35 associated with the previously announced sale on October 31, 2023 of certain third-party administrator businesses. See important disclosures regarding non-GAAP measures on pages 2-3.

GAAP to Adjusted Reconciliation

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

Fourth Quarter 2022

	As Reported	Change in Estimated Acquisition Earn-Out Payables	(Gain)/ Loss on Disposal	Acquisition/ Integration Costs	Foreign Currency Translation	Adjusted
Total revenues	\$901.4	-	-	-	\$5.6	\$907.0
Income before income taxes	\$194.2	(\$5.8)	(\$3.6)	\$3.6	\$1.2	\$189.6
<i>Income Before Income Taxes Margin</i>	<i>21.5%</i>					<i>20.9%</i>
EBITDAC	\$283.1	-	(\$3.6)	\$3.6	\$1.4	\$284.5
<i>EBITDAC Margin</i>	<i>31.4%</i>					<i>31.4%</i>
Net income	\$145.2	(\$4.3)	(\$2.7)	\$2.7	\$0.9	\$141.8
Diluted net income per share	\$0.51	(\$0.01)	(\$0.01)	\$0.01	-	\$0.50



GAAP to Adjusted Reconciliation

	Full Year 2023					
	(\$ Millions, Except Per Share Data; Unaudited)					
	As Reported	Change in Estimated Acquisition Earn-Out Payables	(Gain)/ Loss on Disposal ¹	Acquisition/ Integration Costs	1Q23 Nonrecurring Cost	Adjusted
Total revenues	\$4,257.1	-	-	-	-	\$4,257.1
Income before income taxes	\$1,146.1	\$21.8	(\$143.3)	\$13.1	\$11.0	\$1,048.7
<i>Income Before Income Taxes Margin</i>	<i>26.9%</i>					<i>24.6%</i>
EBITDAC	\$1,563.9	-	(\$143.3)	\$13.1	\$11.0	\$1,444.7
<i>EBITDAC Margin</i>	<i>36.7%</i>					<i>33.9%</i>
Net income	\$870.5	\$18.0	(\$106.1)	\$10.0	\$8.8	\$801.2
Diluted net income per share	\$3.05	\$0.06	(\$0.37)	\$0.04	\$0.03	\$2.81



¹ Includes the gain on disposal of \$0.35 associated with the previously announced sale on October 31, 2023 of certain third-party administrator businesses. See important disclosures regarding non-GAAP measures on pages 2-3.

GAAP to Adjusted Reconciliation

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

Full Year 2022

	As Reported	Change in Estimated Acquisition Earn-Out Payables	(Gain)/ Loss on Disposal	Acquisition/ Integration Costs	Foreign Currency Translation	Adjusted
Total revenues	\$3,573.4	-	-	-	\$12.1	\$3,585.5
Income before income taxes	\$876.1	(\$38.9)	(\$4.5)	\$11.2	-	\$843.9
<i>Income Before Income Taxes Margin</i>	<i>24.5%</i>					<i>23.5%</i>
EBITDAC	\$1,164.2	-	(\$4.5)	\$11.2	\$2.9	\$1,173.8
<i>EBITDAC Margin</i>	<i>32.6%</i>					<i>32.7%</i>
Net income	\$671.8	(\$29.1)	(\$3.3)	\$8.7	-	\$648.1
Diluted net income per share	\$2.37	(\$0.10)	(\$0.02)	\$0.03	-	\$2.28



Reconciliation of Total Revenues and Income Before Income Taxes to Total Revenues - Adjusted, EBITDAC, EBITDAC - Adjusted, EBITDAC Margin and EBITDAC Margin - Adjusted

(\$ Millions; Unaudited)

Fourth Quarter

	Retail		National Programs		Wholesale Brokerage		Services		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total revenues	\$566.1	\$502.1	\$285.9	\$240.3	\$128.7	\$111.8	\$33.2	\$43.2	\$12.3	\$4.0	\$1,026.2	\$901.4
Foreign Currency Translation	-	4.7	-	0.5	-	0.4	-	-	-	-	-	5.6
Total Revenues - Adjusted	\$566.1	\$506.8	\$285.9	\$240.8	\$128.7	\$112.2	\$33.2	\$43.2	\$12.3	\$4.0	\$1,026.2	\$907.0
Income before income taxes	\$102.3	\$87.8	\$101.6	\$83.2	\$33.4	\$22.9	\$138.0	\$6.1	(\$20.2)	(\$5.8)	\$355.1	\$194.2
<i>Income Before Income Taxes Margin</i>	18.1%	17.5%	35.5%	34.6%	26.0%	20.5%	415.7%	14.1%	NMF	NMF	34.6%	21.5%
Amortization	26.9	26.9	11.0	7.5	3.2	2.7	1.2	1.3	-	-	42.3	38.4
Depreciation	4.1	3.7	3.0	4.5	0.7	0.7	0.2	0.4	1.5	1.6	9.5	10.9
Interest	18.6	24.4	8.3	10.2	3.2	3.0	0.3	0.5	17.5	7.3	47.9	45.4
Change in estimated acquisition earn-out payables	(2.1)	(4.5)	-	(0.3)	(5.5)	(1.0)	-	-	-	-	(7.6)	(5.8)
EBITDAC	\$149.8	\$138.3	\$123.9	\$105.1	\$35.0	\$28.3	\$139.7	\$8.3	(\$1.2)	\$3.1	\$447.2	\$283.1
<i>EBITDAC Margin</i>	26.5%	27.5%	43.3%	43.7%	27.2%	25.3%	420.8%	19.2%	NMF	NMF	43.6%	31.4%
(Gain)/loss on disposal ¹	0.2	(7.3)	-	0.8	-	2.9	(134.6)	-	-	-	(134.4)	(3.6)
Acquisition/Integration Costs	2.6	3.4	0.1	0.1	0.1	0.1	-	-	2.1	-	4.9	3.6
Foreign Currency Translation	-	1.4	-	0.2	-	-	-	-	-	(0.2)	-	1.4
EBITDAC - Adjusted	\$152.6	\$135.8	\$124.0	\$106.2	\$35.1	\$31.3	\$5.1	\$8.3	\$0.9	\$2.9	\$317.7	\$284.5
<i>EBITDAC Margin - Adjusted</i>	27.0%	26.8%	43.4%	44.1%	27.3%	27.9%	15.4%	19.2%	NMF	NMF	31.0%	31.4%

¹ Includes the gain on disposal of \$134.6M associated with the previously announced sale on October 31, 2023 of certain third-party administrator businesses.

See important disclosures regarding non-GAAP measures on pages 2-3.

NMF = Not a meaningful figure

Reconciliation of Total Revenues and Income Before Income Taxes to Total Revenues - Adjusted, EBITDAC, EBITDAC - Adjusted, EBITDAC Margin and EBITDAC Margin - Adjusted

(\$ Millions; Unaudited)

Full Year

	Retail		National Programs		Wholesale Brokerage		Services		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Total revenues	\$2,440.0	\$2,084.3	\$1,077.3	\$859.5	\$540.7	\$453.4	\$163.1	\$171.9	\$36.0	\$4.3	\$4,257.1	\$3,573.4
Foreign Currency Translation	-	10.6	-	0.2	-	1.3	-	-	-	-	-	12.1
Total Revenues - Adjusted	\$2,440.0	\$2,094.9	\$1,077.3	\$859.7	\$540.7	\$454.7	\$163.1	\$171.9	\$36.0	\$4.3	\$4,257.1	\$3,585.5
Income before income taxes	\$528.4	\$466.7	\$405.5	\$271.1	\$125.8	\$117.7	\$153.8	\$24.1	(\$67.4)	(\$3.5)	\$1,146.1	\$876.1
<i>Income Before Income Taxes Margin</i>	21.7%	22.4%	37.6%	31.5%	23.3%	26.0%	94.3%	14.0%	NMF	NMF	26.9%	24.5%
Amortization	108.5	96.7	41.2	35.4	11.2	9.4	5.1	5.1	-	-	166.0	146.6
Depreciation	18.0	12.8	11.8	15.3	2.6	2.7	1.4	1.6	6.2	6.8	40.0	39.2
Interest	83.4	94.3	35.6	33.0	11.9	12.9	1.3	2.1	57.8	(1.1)	190.0	141.2
Change in estimated acquisition earn-out payables	1.5	(26.3)	(0.1)	(10.9)	20.4	(1.7)	-	-	-	-	21.8	(38.9)
EBITDAC	\$739.8	\$644.2	\$494.0	\$343.9	\$171.9	\$141.0	\$161.6	\$32.9	(\$3.4)	\$2.2	\$1,563.9	\$1,164.2
<i>EBITDAC Margin</i>	30.3%	30.9%	45.9%	40.0%	31.8%	31.1%	99.1%	19.1%	NMF	NMF	36.7%	32.6%
(Gain)/loss on disposal ¹	(2.5)	(8.4)	(6.2)	0.8	-	3.1	(134.6)	-	-	-	(143.3)	(4.5)
Acquisition/Integration Costs	10.3	7.6	0.2	0.5	0.5	1.5	-	-	2.1	1.6	13.1	11.2
1Q23 Costs	-	-	-	-	-	-	-	-	11.0	-	11.0	-
Foreign Currency Translation	-	3.0	-	-	-	0.1	-	-	-	(0.2)	-	2.9
EBITDAC - Adjusted	\$747.6	\$646.4	\$488.0	\$345.2	\$172.4	\$145.7	\$27.0	\$32.9	\$9.7	\$3.6	\$1,444.7	\$1,173.8
<i>EBITDAC Margin - Adjusted</i>	30.6%	30.9%	45.3%	40.2%	31.9%	32.0%	16.6%	19.1%	NMF	NMF	33.9%	32.7%

¹ Includes the gain on disposal of \$134.6M associated with the previously announced sale on October 31, 2023 of certain third-party administrator businesses.

See important disclosures regarding non-GAAP measures on pages 2-3.

NMF = Not a meaningful figure

Reconciliation of Commissions and Fees to Organic Revenue

	Fourth Quarter									
	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Commissions and fees	\$564.3	\$500.7	\$280.4	\$239.5	\$128.3	\$111.6	\$33.2	\$43.2	\$1,006.2	\$895.0
<i>Total change</i>	63.6		40.9		16.7		(10.0)		111.2	
<i>Total growth %</i>	12.7%		17.1%		15.0%		(23.1%)		12.4%	
Profit-sharing contingent commissions	(9.8)	(10.5)	(30.2)	(15.6)	(2.2)	(4.1)	-	-	(42.2)	(30.2)
Core commissions and fees ⁽²⁾	\$554.5	\$490.2	\$250.2	\$223.9	\$126.1	\$107.5	\$33.2	\$43.2	\$964.0	\$864.8
Acquisitions	(20.6)		(18.1)		(2.4)		-		(41.1)	
Dispositions		(0.8)		(4.1)		-		(7.9)		(12.8)
Foreign Currency Translation		4.1		0.4		0.5		-		5.0
Organic Revenue	\$533.9	\$493.5	\$232.1	\$220.2	\$123.7	\$108.0	\$33.2	\$35.3	\$922.9	\$857.0
<i>Organic Revenue growth</i>	\$40.4		\$11.9		\$15.7		(\$2.1)		\$65.9	
<i>Organic Revenue growth %</i>	8.2%		5.4%		14.5%		(5.9%)		7.7%	

(1) The Retail Segment includes commissions and fees that are reported in the "Other" column of the Segment Information in the Notes to the Consolidated Financial Statements in our SEC filings, which includes corporate and consolidation items.

(2) Core commissions and fees is defined as commissions and fees less profit-sharing contingent commissions (revenues from insurance companies based upon the profitability of the business placed with such companies during the prior year).



Reconciliation of Commissions and Fees to Organic Revenue

	(\$ Millions; Unaudited)									
	Full Year									
	Retail ⁽¹⁾		National Programs		Wholesale Brokerage		Services		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Commissions and fees	\$2,433.0	\$2,080.4	\$1,064.3	\$858.1	\$539.0	\$452.8	\$163.1	\$171.9	\$4,199.4	\$3,563.2
<i>Total change</i>	352.6		206.2		86.2		(8.8)		636.2	
<i>Total growth %</i>	16.9%		24.0%		19.0%		(5.1%)		17.9%	
Profit-sharing contingent commissions	(49.9)	(48.8)	(65.2)	(27.6)	(14.8)	(12.3)	-	-	(129.9)	(88.7)
Core commissions and fees ⁽²⁾	\$2,383.1	\$2,031.6	\$999.1	\$830.5	\$524.2	\$440.5	\$163.1	\$171.9	\$4,069.5	\$3,474.5
Acquisitions	(203.5)		(47.1)		(34.4)		-		(285.0)	
Dispositions		(20.2)		(18.0)		(5.0)		(7.8)		(51.0)
Foreign Currency Translation		8.8		-		1.1		-		9.9
Organic Revenue	\$2,179.6	\$2,020.2	\$952.0	\$812.5	\$489.8	\$436.6	\$163.1	\$164.1	\$3,784.5	\$3,433.4
<i>Organic Revenue growth</i>	\$159.4		\$139.5		\$53.2		(\$1.0)		\$351.1	
<i>Organic Revenue growth %</i>	7.9%		17.2%		12.2%		(0.6%)		10.2%	

(1) The Retail Segment includes commissions and fees that are reported in the "Other" column of the Segment Information in the Notes to the Consolidated Financial Statements in our SEC filings, which includes corporate and consolidation items.

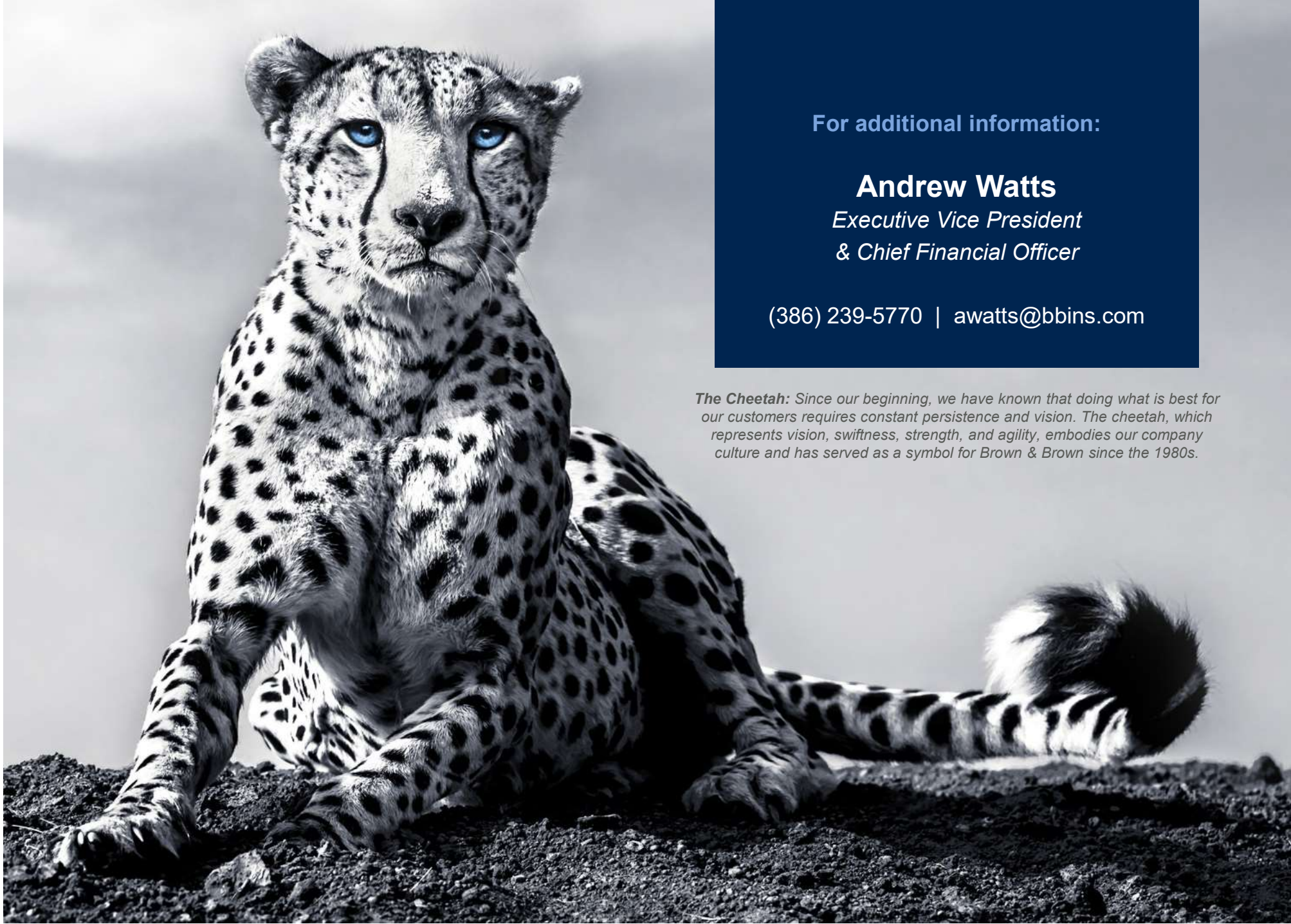
(2) Core commissions and fees is defined as commissions and fees less profit-sharing contingent commissions (revenues from insurance companies based upon the profitability of the business placed with such companies during the prior year).



Reconciliation of Total Revenues and Income Before Income Taxes to Total Revenues - Adjusted, EBITDAC, EBITDAC - Adjusted, EBITDAC Margin and EBITDAC Margin - Adjusted

(\$ Millions; Unaudited)

	Full Year 2019
Total revenues	\$2,392.2
Foreign Currency Translation	-
Total Revenues - Adjusted	\$2,392.2
Income before income taxes	\$525.9
<i>Income Before Income Taxes Margin</i>	22.0%
Amortization	105.3
Depreciation	23.4
Interest	63.7
Change in estimated acquisition earn-out payables	(1.4)
EBITDAC	\$716.9
<i>EBITDAC Margin</i>	30.0%
(Gain)/loss on disposal	(10.0)
Acquisition/Integration Costs	-
Foreign Currency Translation	-
EBITDAC - Adjusted	\$706.9
<i>EBITDAC Margin - Adjusted</i>	29.6%



For additional information:

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The Cheetah: Since our beginning, we have known that doing what is 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.