FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 1998.

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ______________ to _______________

Commission file number 0-7201.

POE & BROWN, INC.

(Exact name of Registrant as specified in its charter)

Florida	59-0864469
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
220 S. Ridgewood Ave., Daytona Beach, FL	32114
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (904) 252-9601

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past ninety (90) days. Yes X No ____

The number of shares of the Registrant's common stock, $.10 par value, outstanding as of May 1, 1998, was 13,367,019.

POE & BROWN, INC.

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For The Quarter Ended March 31, 1998

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ITEM 1: FINANCIAL STATEMENTS

POE & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(In thousands, except per share data)

	For the three months ended March 31, 1998	1997
REVENUES		
Commissions and fees	$36,022	$32,713
Investment income	775	807
Other income	(168)	462
Total revenues	36,629	33,982
EXPENSES		
Employee compensation and benefits	18,043	16,838
Other operating expenses	7,067	7,157
Interest and amortization	1,341	1,353
Total expenses	26,451	25,348
Income before income taxes	10,178	8,634

	1998	1997
Income taxes	4,020	3,410
NET INCOME	$ 6,158	$ 5,224
Other comprehensive income, net of tax:		
Unrealized loss on securities:		
Unrealized holding (loss) arising during period, net of tax benefit of $993 in 1998 and $636 in 1997	$ (1,553)	$(1,109)
COMPREHENSIVE INCOME	$ 4,605	$ 4,115
Basic and diluted earnings per share	$ .47	$ 0.40
Dividends declared per share	$ .10	$ .0867
Weighted average number of shares outstanding	13,117	12,998

See notes to condensed consolidated financial statements.

POE & BROWN, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited) March 31, 1998	(Audited) December 31, 1997
ASSETS		
Cash and cash equivalents	$ 44,766	$ 47,726
Short-term investments	1,146	1,299
Premiums, commissions and fees receivable	59,902	62,148
Other current assets	6,498	6,507
Total current assets	112,312	117,680
Fixed assets, net	12,180	11,863
Intangible assets, net	56,658	49,593
Investments	8,925	11,480
Other assets	4,034	3,513
Total assets	$194,109	$194,129
LIABILITIES		
Premiums payable to insurance companies	$ 83,453	$ 74,598
Premium deposits and credits due customers	7,429	7,035
Accounts payable and accrued expenses	15,701	15,826
Current portion of long-term debt	1,818	5,339
Total current liabilities	108,401	102,798
Long-term debt	3,787	4,093
Deferred income taxes	2,958	3,951
Other liabilities	5,212	6,145
Total liabilities	120,358	116,987
SHAREHOLDERS' EQUITY		
Common stock, par value $.10 per share: authorized 18,000 shares; issued 13,073 shares at 1998 and 13,107 at 1997	1,307	1,311
Additional paid-in capital	-	-
Retained earnings	67,253	69,087
Net unrealized appreciation of available-for-sale securities, net of tax effect of $3,319 in 1998 and $4,312 in 1997	5,191	6,744
Total shareholders' equity	73,751	77,142
Total liabilities and shareholders' equity	$194,109	$194,129

See notes to condensed consolidated financial statements.

POE & BROWN, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(In thousands)

	For the three months ended March 31, 1998	1997
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 6,158	$ 5,224
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,999	1,903
Net losses (gains) on sales of investments, fixed assets and customer accounts	201	(429)
Premiums, commissions and fees receivable,		

decrease	2,285	7,923
Other assets, decrease	368	538
Premiums payable to insurance companies, increase	8,650	2,487
Premium deposits and credits due customers, increase (decrease)	394	(290)
Accounts payable and accrued expenses, (decrease) increase	(125)	1,752
Other liabilities, (decrease) increase	(933)	162
NET CASH PROVIDED BY OPERATING ACTIVITIES	18,997	19,270
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to fixed assets	(1,071)	(713)
Payments for businesses acquired, net of cash acquired	(9,237)	(1,646)
Proceeds from sales of fixed assets and customer accounts	42	238
Purchases of investments	(12)	(29)
Proceeds from sales of investments	174	-
NET CASH USED IN INVESTING ACTIVITIES	(10,104)	(2,150)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on long-term debt	(3,827)	(78)
Net exercise of stock options and repurchases of stock	(6,710)	(8)
Cash dividends paid	(1,316)	(1,125)
NET CASH USED IN FINANCING ACTIVITIES	(11,853)	(1,211)
Net (decrease) increase in cash and cash equivalents	(2,960)	15,909
Cash and cash equivalents at beginning of period	47,726	31,786
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$44,766	$47,695

See notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Note 1 - Basis of Financial Reporting

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presntation have been included. For further information, refer to the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1997.

Certain amounts at December 31, 1997 have been reclassified to be consistent with the current period presentation.

Results of operations for the three-month period ended March 31, 1998 are not necessarily indicative of the results that may be expected for the year ending December 31, 1998.

Note 2 - Basic and Diluted Earnings Per Share

All share and per-share information in the financial statements have been adjusted to give effect to the 3-for-2 common stock split which became effective on February 27, 1998.

Basic earnings per share is based upon the weighted average number of shares outstanding. Diluted earnings per share is adjusted for the dilutive effect of stock options. Earnings per share is the same on both a basic and a diluted basis.

In February, 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128 "Earnings Per Share," (SFAS 128). SFAS 128 establishes new standards for computing and presenting earnings per share (EPS). Specifically, SFAS 128 replaces the presentation of primary EPS with a presentation of basic EPS, requires dual presentation of basic and diluted EPS on the face of the income statement for all entities with complex capital structures and requires a reconciliation of the numerator and denominatory of the basic EPS computation to the numerator and denominator of the diluted EPS computation. As of December 31, 1997, the Company adopted SFAS No. 128. All prior-period EPS information is required to be restated. The Company's basic and diluted EPS for the period ended March 31, 1997 computed under SFAS No. 128 is not different than previously computed.

Note 3 - Acquisitions

During the first quarter of 1998, the Company acquired substantially all of the assets of Arizona General Insurance of Tucson, Arizona, Boynton Brothers Insurance of Perth Amboy, New Jersey, Great Northern Insurance of Phoenix, Arizona, and the Heine-Miles Insurance Agency of Phoenix, Arizona. During the first quarter of 1997, the Company acquired substantially all of the assets of Dade Underwriters Insurance Agency of Aventura, Florida and Willits Insurance Agency of Ft. Lauderdale, Florida.

These acquisitions have been accounted for using the purchase method of accounting. Pro forma results of operations for the three months ended March 31, 1998 and March 31, 1997 resulting from these acquisitions were not materially different from the results of operations as reported. The results of operations for the acquired companies have been combined with those of the Company since their respective acquisition dates.

Additionally, during the first quarter of 1998, the Company issued 22,500 shares of its common stock for all of the outstanding stock of Thim Insurance Agency, Inc., an Arizona corporation. This acquisition has been accounted for as a pooling-of-interests; however, due to the immaterial nature of the transaction, the Company's consolidated financial statements have not been restated for all periods prior to the transaction. The separate company operating results of Thim Insurance Agency, Inc. for periods prior to the acquisition are not material to the Company's consolidated operating results.

Note 4 - Long-Term Debt

The Company continues to maintain its credit agreement with a major insurance company under which $4 million (the maximum amount available for borrowings) was outstanding at March 31, 1998, at an interest rate equal to the prime lending rate plus one percent. The available amount will decrease by $1 million each August, as described in Note 7 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 1997.

In November 1994, the Company entered into a revolving credit facility with a national banking institution which provides for available borrowings of up to $10 million. As of March 31, 1998, there were no borrowings against this line of credit.

Note 5 - Contingencies

The Company is not a party to any legal proceedings other than various claims and lawsuits arising in the normal course of business. Management of the Company does not believe that any such claims or lawsuits will have a material effect on the Company's financial condition or results of operations.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations

Net Income. Net income for the first quarter of 1998 was $6,158,000, or $.47 per share, compared with net income in the first quarter of 1997 of $5,224,000, or $.40 per share, an 18% increase.

Commissions and Fees. Commissions and fees for the first quarter of 1998 increased $3,309,000, or 10% from the same period in 1997. Approximately $1,742,000 of this increase represents revenues from acquired agencies with the remainder due to new business production.

Investment Income. Investment income for the first quarter of 1998 decreased $32,000 from the same period in 1997 primarily due to reductions in available cash to invest.

Other Income. Other income primarily includes gains and losses from the sale of customer accounts and other assets. Other income for the three-month period ended March 31, 1998 decreased $630,000 over the same period in 1997 primarily due to the disposition of the assets related to the Company's Charlotte, North Carolina office which resulted in a loss of $490,000.

Employee Compensation and Benefits. Employee compensation and benefits increased 7% during the first quarter of 1998 over the same period in 1997. This increase primarily relates to a net increase in commissions and fees and merit pay increases. Employee compensation and benefits as a percentage of total revenue decreased 1% to 49% in the first quarter of 1998 compared with 50% incurred in the same period in 1997.

Other Operating Expenses. Other operating expenses for the first quarter of 1998 decreased $90,000, or 1%, over the same period in 1997 primary due to a one-time charge in 1997 relating to the merger of the Company's two offices in New Jersey and a reduction of general reserves. Other operating expenses as a percentage of total revenue declined to 19% in the first quarter of 1998 compared with 21% incurred in the same period in 1997.

Liquidity and Capital Resources

The Company's cash and cash equivalents of $44,766,000 at March 31, 1998 decreased by $2,960,000 from $47,726,000 at December 31, 1997. During the first quarter of 1998, $18,997,000 of cash was provided from operating activities. Of this amount, $9,237,000 was used to acquire businesses, $6,710,000 for net purchases of the Company's stock, $3,827,000 for payments on long-term debt, $1,071,000 for additions to fixed assets, and the remainder primarily to pay dividends on the Company's common stock. The curent ratio at March 31, 1998 was 1.04 compared to 1.14 as of December 31, 1997.

The Company has a revolving credit agreement with a major insurance company under which up to $4 million presently may be borrowed at an interest rate equal to the prime lending rate plus one percent. The amount of available credit decreases by $1 million each August through the year 2001, when it will expire. As of March 31, 1998, the maximum amount of borrowing was outstanding. In November 1994, the Company entered into a revolving credit facility with a national banking institution that provides for available borrowings of up to 10 million. As of March 31, 1998, there were no borrowings against this line of credit. The Company believes that its existing cash, cash equivalents, short-term investments portfolio, funds generated from operations, and available credit facility borrowings are sufficient to satisfy its normal financial needs.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable.

POE & BROWN, INC.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

The Company is involved in various pending or threatened proceedings by or against the Company or one or more of its subsidiaries which involve routine litigation relating to insurance risks placed by the Company and other contractual matters. The Company's management does not believe that any of such pending or threatened proceedings will have a material adverse effect on the Company's financial position or results of operations.

ITEM 2 - CHANGE IN SECURITIES AND USE OF PROCEEDS

Effective February 28, 1998, the Company acquired all of the outstanding shares of Thim Insurance Agency, Inc. an Arizona corporation ("Thim"). In exchange for all of the outstanding common stock of the insurance agency, the Company issued a total of 22,500 shares of the Company's common stock to the former shareholder of Thim. The Company's shares were offered and sold privately, and no underwriter was involved in the transaction.

The Company issued the shares without registration under the Securities Act of 1933 (the "Act"). The Company relied upon the exemptions set forth in Section 4(2) of the Act and Rule 505 of Regulation D, promulgated thereunder. The shares were offered privately by the issuer to one person in a business combination transaction in which the dollar value of the transaction was less than $1 million. The Company (i) made available to the purchaser the information required by Rule 502(b) of Regulation D, (ii) did not offer the shares by means of any advertisement, general solicitation or other means proscribed by Rule 502(c) of Regulation D, (iii) informed the purchaser of the limitations on resale of the shares and placed an appropriate restrictive legend on the share certificates, and (iv) filed a notice on Form D with the Securities and Exchange Commission within 15 days after the sale.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

Exhibit 3a - Articles of Incorporation (incorporated by reference to Exhibit 3a to Form 10-K for the year ended December 31, 1994)

Exhibit 3b - Amended and Restated Bylaws (incorporated by reference to Exhibit 3b to Form 10-K for the year ended December 31, 1996)

Exhibit 11 - Statement re: Computation of Basic and Diluted Earnings Per Share

Exhibit 27 - Financial Data Schedule (for SEC use only)

(b) There were no reports filed on Form 8-K during the quarter ended March 31, 1998.

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 thereunto duly authorized.

POE & BROWN, INC.

Date: May 6, 1998

/s/ WILLIAM A. ZIMMER
____
Chief Financial Officer and Treasurer
(duly authorized officer, principal financial officer and principal accounting officer)

This Schedule contains summary financial information extracted from the finanical statements of Poe & Brown, Inc. for the three months ended March 31, 1998, and is qualified in its entirety by reference to such financial statement.

3-MOS
DEC-31-1998
MAR-31-1998
44,766
1,146
59,902
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0
112,312
27,915
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194,109
108,401
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72,444
194,109
0
36,629
0
26,451
0
0
110
10,178
4,020
6,158
0
0
0
6,158
.47
.47

Exhibit 11 - Statement Re: Computation of Basic and Diluted Earnings Per Share (Unaudited)

	Three Months Ended March 31, 1998	1997
BASIC EARNINGS PER SHARE		
Net Income	$ 6,158	$ 5,224
Weighted average number of shares outstanding	13,105	12,983
Basic earnings per share	$ .47	$ .40
DILUTED EARNINGS PER SHARE		
Weighted average number of shares outstanding	13,105	12,983
Net effect of dilutive stock options, based on the treasury stock method	12	15
Total diluted shares used in computation	13,117	12,998
Diluted earnings per share	$ .47	$ .40