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 June 30, 1997.
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 90 days. Yes X No __

The number of shares of the registrant's common stock, $.10 par value, outstanding as of July 23, 1997, was 8,800,748.

POE & BROWN, INC.

Index to Form 10-Q
For The Quarter Ended June 30, 1997

ITEM 1: FINANCIAL STATEMENTS

POE & BROWN, INC.

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

	For the three months ended June 30, 1997	For the three months ended June 30, 1996	For the six months ended June 30, 1997	For the six months ended June 30, 1996
REVENUES				
Commissions and fees	$30,808	$27,305	$63,520	$57,055
Investment income	1,347	802	2,155	1,643
Other income	71	516	533	651
Total revenues	32,226	28,623	66,208	59,349
EXPENSES				
Employee compensation and benefits	16,492	15,118	33,330	30,586
Other operating expenses	7,042	6,541	14,199	13,145
Interest and amortization	2,111	1,420	3,464	2,787
Total expenses	25,645	23,079	50,993	46,518
Income before income taxes	6,581	5,544	15,215	12,831
Income taxes	2,600	2,162	6,010	5,004
NET INCOME	$ 3,981	$ 3,382	$ 9,205	$ 7,827
Net income per share	$ .46	$ .39	$ 1.06	$ .90
Dividend declared per share	$ .13	$ .12	$ .26	$ .24
Weighted average number of shares outstanding	8,683	8,677	8,675	8,696

See notes to condensed consolidated financial statements.

POE & BROWN, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited) June 30, 1997	(Audited) December 31, 1996
ASSETS		
Cash and cash equivalents	$ 42,467	$ 31,786
Short-term investments	1,667	1,087
Premiums, commissions and fees receivable	59,268	62,940
Other current assets	6,426	7,307
Total current assets	109,828	103,120
Fixed assets, net	11,904	12,085
Intangible assets, net	50,250	50,167
Investments	9,695	11,288
Other assets	3,209	3,083
Total assets	$184,886	$179,743
LIABILITIES		
Premiums payable to insurance companies	$ 72,142	$ 73,570
Premium deposits and credits due customers	6,830	7,329
Accounts payable and accrued expenses	13,033	11,130
Current portion of long-term debt	5,466	5,365
Total current liabilities	97,471	97,394
Long-term debt	5,219	5,300
Deferred income taxes	3,102	3,603
Other liabilities	5,843	6,160
Total liabilities	111,635	112,457
SHAREHOLDERS' EQUITY		
Common stock, par value $.10 per share: authorized 18,000 shares; issued 8,715 shares at 1997 and 8,656 shares at 1996	872	866
Additional paid-in capital	1,577	1,671
Retained earnings	65,193	58,238
Net unrealized appreciation of available-for-sale securities, net of tax effect of $3,662 in 1997 and $4,163 in 1996	5,609	6,511
Total shareholders' equity	73,251	67,286
Total liabilities and shareholders' equity	$184,886	$179,743

See notes to condensed consolidated financial statements.

POE & BROWN, INC.

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

	For the six months ended June 30, 1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 9,205	$ 7,827

Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,458	3,748
Net gains on sales of investments, fixed assets and customer accounts	(792)	(625)
Premiums, commissions and fees receivable, decrease (increase)	3,672	(3,551)
Other assets, decrease	955	599
Premiums payable to insurance companies, (decrease) increase	(1,428)	7,925
Premium deposits and credits due customers, (decrease)	(499)	(124)
Accounts payable and accrued expenses, increase	1,903	1,030
Other liabilities, (decrease) increase	(317)	203
NET CASH PROVIDED BY OPERATING ACTIVITIES	17,157	17,032
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to fixed assets	(1,296)	(2,415)
Payments for businesses acquired, net of cash acquired	(1,817)	(8,879)
Proceeds from sales of fixed assets and customer accounts	275	643
Purchases of investments	(616)	(801)
Proceeds from sales of investments	553	402
NET CASH USED IN INVESTING ACTIVITIES	(2,901)	(11,050)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on long-term debt	(1,235)	(588)
Net exercise of stock options and issuances (repurchases) of stock	(89)	(1,651)
Cash dividends paid	(2,251)	(2,075)
NET CASH USED IN FINANCING ACTIVITIES	(3,575)	(4,314)
Net increase in cash and cash equivalents	10,681	1,668
Cash and cash equivalents at beginning of period	31,786	28,350
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$42,467	$30,018

See notes to condensed consolidated financial statements.

POE & BROWN, INC.

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 presentation 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, 1996.

Results of operations for the three- and six-month periods ended June 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997.

Note 2 - Net Income Per Share

Net income per share is based upon the weighted average number of shares outstanding, adjusted for the dilutive effect of stock options, which is the same on both a primary and a fully-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 denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. SFAS 128 is effective for financial statements issued for periods ending after December 15, 1997; earlier application is not permitted. EPS for the Company for the periods ended June 30, 1997 and June 30, 1996 computed under SFAS 128 would not be different than that previously computed.

Note 3 - Acquisitions

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. During the first quarter of 1996, the Company acquired a majority interest in Florida Intracoastal Underwriters, Limited Company, of Miami Lakes, Florida. During the second quarter of 1996, the Company acquired substantially all of the assets of B & R International, Inc. of Atlanta, Georgia. These acquisitions have been accounted for using the purchase method of accounting. Pro forma results of operations for the six-month periods ended June 30, 1996 and 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.

Note 4 - Long-Term Debt

The Company continues to maintain its credit agreement with a major insurance company under which $5 million (the maximum amount available for borrowings) was outstanding at June 30, 1997, 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, 1996.

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 June 30, 1997, 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.

Note 6 - New Accounting Standards

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (SFAS 130) and No. 131, "Disclosures about Segments of an Enterprise and Related Information" (SFAS 131).

SFAS 130 requires that an enterprise (a) classify items of other comprehensive income by their nature in a financial statement and (b) display the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of a statement of financial position. SFAS 130 is effective for financial statements for periods beginning after December 15, 1997.

SFAS 131 requires that a public business enterprise report financial and descriptive information about its reportable operating segments. SFAS 131 is effective for financial statements for periods beginning after December 15, 1997.

The effects of SFAS 130 and SFAS 131 on the company have not been considered at this time.

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

Results of Operations

Net Income. Net income for the second quarter of 1997 was $3,981,000, or $.46 per share, compared with net income in the second quarter of 1996 of $3,382,000, or $.39 per share, an 18% increase. Net income for the six months ended June 30, 1997 was $9,205,000, or $1.06 per share, compared with 1996 same period net income of $7,827,000, or $.90 per share, for an 18% increase.

Commissions and Fees. Commissions and fees for the second quarter of 1997 increased $3,503,000, or 13% from the same period in 1996. Approximately $740,000 of this increase represents revenues from acquired agencies with the remainder due to new business production. Commissions and fees for the six months ended June 30, 1997 were $63,520,000 compared to $57,055,000 for the same period in 1996, an 11% increase. The 1997 increase is due to new business production and approximately $2,003,000 of revenue from acquired agencies.

Investment Income. Investment income for the second quarter and six-month period ended June 30, 1997 increased $545,000 and $512,000 respectively, from the same periods in 1996 primarily due to recording gains on the sale of certain investments and increases in both cash invested and interest rate returns.

Other Income. Other income primarily includes gains and losses from the sale of customer accounts and other assets. Other income for the second-quarter and six-month periods ended June 30, 1997 decreased $445,000 and $118,000 respectively, over the same periods in 1996.

Employee Compensation and Benefits. Employee compensation and benefits increased 9% during both the three-month period and six-month period ended June 30, 1997 over the same periods in 1996. This increase primarily relates to additional compensation expense as a result of increased commission and fee revenues and merit pay increases. Employee compensation and benefits as a percentage of total revenue decreased to 51% in the second quarter of 1997 compared to 53% in the same period last year and decreased to 50% for the six-months ended June 30, 1997 compared to 52% in the same period last year.

Other Operating Expenses. Other operating expenses for the second quarter of 1997 increased $501,000, or 8%, over the same period in 1996, but declined as a percentage of total revenue from 23% to 22%. Other operating expenses as a percentage of total revenue remained constant at 22% for the six-months ended June 30, 1997 and June 30, 1996.

Interest and Amortization. Interest and amortization increased $691,000, or 49%, and $677,000, or 24%, for the three-month and six-month periods ending June 30, 1997, respectively, over the same periods in 1996. These increases are due primarily to the write-off of the remaining intangible assets related to a terminated agreement.

Liquidity and Capital Resources

The Company's cash and cash equivalents of $42,467,000 at June 30, 1997 increased by $10,681,000 from $31,786,000 at December 31, 1996. During the six months ended June 30, 1997, $17,157,000 of cash was provided primarily from operating activities. Of this amount, $1,817,000 was used to acquire businesses, $1,296,000 for additions to fixed assets, $1,235,000 to repay long-term debt, and the remainder primarily to pay dividends on the Company's common stock. The current ratio at June 30, 1997 was 1.13 compared to 1.06 as of December 31, 1996.

The Company has a revolving credit agreement with a major insurance company under which up to $5 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 June 30, 1997, the maximum amount of borrowings 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 June 30, 1997, 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 facilities are sufficient to satisfy its normal financial needs.

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 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company's Annual Meeting of Shareholders was held on April 30, 1997. At the Annual Meeting, six of the existing directors of the Company were re-elected to the Board. One director did not stand for re-election.

The number of votes cast for or withheld with respect to the election of each of the directors is set forth below:

	For	Withheld
J. Hyatt Brown	7,542,765	17,238
Samuel P. Bell, III	7,542,792	17,211
Jim W. Henderson	7,542,765	17,238
Kenneth E. Hill	7,542,758	17,245
Bradley Currey, Jr.	7,542,792	17,211
Theodore J. Hoepner	7,542,792	17,211

There were no abstentions and no broker non-votes with respect to the election of directors.

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 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 June 30, 1997.

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: August 12, 1997

/s/ WILLIAM A. ZIMMER

William A. Zimmer
Chief Financial Officer
(duly authorized officer, principal financial officer and principal accounting officer)

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

	Three Months Ended June 30, 1997	1996	Six Months Ended June 30, 1997	1996
Average shares outstanding	8,670	8,649	8,663	8,666
Net effect of dilutive stock options, based on the treasury stock method	13	28	12	30
Total shares used in computation	8,683	8,677	8,675	8,696
Net income	$ 3,981	$ 3,382	$ 9,205	$ 7,827
Net income per share	$ .46	$ .39	$ 1.06	$ .90

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This Schedule contains summary financial information extracted from the financial statements of Poe & Brown, Inc. for the six months ended June 30, 1997, and is qualified in its entirety by reference to such financial statements.

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JUN-30-1997
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