

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 28, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the transition period fromto.....

Commission file number: 1-14092

THE BOSTON BEER COMPANY, INC.
(Exact name of registrant as specified in its charter)

MASSACHUSETTS
(State or other jurisdiction of incorporation
or organization)

04-3284048
(I.R.S. Employer
Identification No.)

75 ARLINGTON STREET, BOSTON, MASSACHUSETTS
(Address of principal executive offices)
02116
(Zip Code)

(617) 368-5000
(Registrant's telephone number, including area code)

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
 --- ---

Number of shares outstanding of each of the issuer's classes of common stock, as of May 1, 1998:

CLASS A COMMON STOCK, \$.01 PAR VALUE	16,381,561
Class B Common Stock, \$.01 par value	4,107,355
(Title of each class)	(Number of shares)

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THE BOSTON BEER COMPANY, INC.
FORM 10-Q

QUARTERLY REPORT
MARCH 28, 1998

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	March 28, 1998	December 27, 1997
	-----	-----
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 295	\$ 13
Short term investments	36,132	35,787
Accounts receivable	21,288	17,636
Allowance for doubtful accounts	(1,150)	(1,153)
Inventories	12,655	13,675
Prepaid expenses	1,645	4,344
Deferred income taxes	2,266	2,266
Other current assets	1,378	1,308
	-----	-----
Total current assets	74,509	73,876
Equipment and leasehold improvements, at cost	41,850	39,652
Accumulated depreciation	(12,096)	(10,871)
Other assets	2,663	2,742
	-----	-----
Total assets	\$106,926	\$105,399
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 7,925	\$ 9,556
Line of credit	1,517	-
Accrued expenses	10,913	13,770
	-----	-----
Total current liabilities	20,355	23,326
Long-term debt, less current maturities	10,000	10,000
Long-term deferred taxes	789	789
Stockholders' Equity:		
Class A Common Stock, \$.01 par value; 20,300,000 shares authorized; 16,376,829 and 16,337,744 issued and outstanding as of March 28, 1998 and December 27, 1997, respectively	164	163
Class B Common Stock, \$.01 par value; 4,200,000 shares authorized; 4,107,355 issued and outstanding as of March 28, 1998 and and December 27, 1997	41	41
Additional paid-in-capital	56,518	56,445
Unearned compensation	(330)	(423)
Unrealized loss on investments in marketable security	-	(2,223)
Unrealized loss on forward exchange contract	(258)	(290)
Retained earnings	19,647	17,571
	-----	-----
Total stockholders' equity	75,782	71,284
	-----	-----
Total liabilities and stockholders' equity	\$106,926	\$105,399
	=====	=====

The accompanying notes are an integral part of the financial statements

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THE BOSTON BEER COMPANY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three months ended	
	March 28, 1998	March 29, 1997
	-----	-----
Sales	\$51,660	\$46,799
Less excise taxes	6,412	4,944
	-----	-----
Net sales	45,248	41,855
Cost of sales	21,428	21,907
	-----	-----
Gross profit	23,820	19,948
Operating expenses:		
Advertising, promotional and selling expenses	13,540	14,558
General and administrative expenses	3,224	2,930
	-----	-----
Total operating expenses	16,764	17,488
	-----	-----
Operating income	7,056	2,460
Other income (expense):		
Interest income	466	451
Interest expense	(170)	(108)
Other income (expense), net	(2,556)	7
	-----	-----

Total other income	(2,260)	350
Income before income taxes	4,796	2,810
Provision for income taxes	2,720	1,230
Net income	\$ 2,076	\$ 1,580
Earnings per share - basic	\$0.10	\$0.08
Earnings per share - diluted	\$0.10	\$0.08
Weighted average shares - basic	20,459	20,099
Weighted average shares - diluted	20,551	20,356

The accompanying notes are an integral part of the financial statements

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THE BOSTON BEER COMPANY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three months ended	
	March 28, 1998	March 29, 1997
Cash flows from operating activities:		
Net income	\$ 2,076	\$ 1,580
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,225	966
Bad debt expense	58	39
Stock option compensation expense	59	52
Changes in assets and liabilities:		
Accounts receivable	(3,713)	(2,996)
Inventory	1,020	(1,252)
Prepaid expenses	2,699	464
Other current assets	(38)	(489)
Other assets	79	(102)
Accounts payable	(1,631)	(5,410)
Accrued expenses	(2,857)	(887)
Total adjustments	(3,099)	(9,615)
Net cash used in operating activities	(1,023)	(8,035)
Cash flows for investing activities:		
Purchases of fixed assets	(2,198)	(6,463)
Write down of marketable security	2,317	-
Purchases of government securities	(438)	(390)
Purchases of restricted investments	-	(625)
Proceeds from maturities of restricted investments	-	609
Net cash used in investing activities	(319)	(6,869)
Cash flows from financing activities:		
Proceeds from exercise of management incentive options	37	-
Proceeds from sale under stock purchase plan	75	5
Repurchase of shares under employee investment and incentive share plans	(5)	-
Net borrowings under line of credit	1,517	9,871
Net cash provided by financing activities	1,624	9,876
Net decrease in cash and cash equivalents	282	(5,028)
Cash and cash equivalents at beginning of period	13	5,060
Cash and cash equivalents at end of period	\$ 295	\$ 32
Supplemental disclosure of cash flow information:		
Interest paid	\$ 193	\$ 112
Income taxes paid	47	385

The accompanying notes are an integral part of the financial statements

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THE BOSTON BEER COMPANY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION:

The Boston Beer Company, Inc. (the "Company") is engaged in the business of brewing and selling beer, ale and cider products throughout the United States and select international markets. The accompanying consolidated financial position as of March 28, 1998 and the results of its consolidated operations and consolidated cash flows for the quarter ended March 28, 1998 and March 29, 1997 have been prepared by the Company, without audit, in accordance with generally accepted accounting principles for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements and should be read in conjunction with the audited financial statements included in the Company's Annual Report on Form 10-K for the year ended December 27, 1997.

MANAGEMENT'S OPINION

In the opinion of the management of the Company, the Company's unaudited consolidated financial position as of March 28, 1998 and the results of its consolidated operations and consolidated cash flows for the interim periods ended March 28, 1998 and March 29, 1997, reflect all adjustments (consisting only of normal and recurring adjustments) necessary to present fairly the results of the interim periods presented. The operating results for the interim periods presented are not necessarily indicative of the results expected for the full year.

B. SHORT TERM INVESTMENTS:

Short term investments consist of a marketable equity security having a cost of \$4,286,000 and a market value of \$1,969,000 and \$2,063,000 at March 28, 1998 and December 27, 1997, respectively. Effective March 28, 1998, the Company determined that the loss on this marketable security is other than temporary and recorded an unrealized loss. This resulted in a non operating charge, booked to other income, of \$2,317,000 at March 28, 1998 versus an unrealized loss, which had previously been recorded in equity, of \$2,223,000 at December 27, 1997.

In addition, the Company has investments in money market funds backed by U.S. Government securities having a cost of \$34,163,000 and \$33,725,000 at March 28, 1998 and December 27, 1997, respectively, which approximate fair value.

C. INVENTORIES:

Inventories, which consist principally of hops, brewery materials and packaging, are stated at the lower of cost, determined on a first-in, first-out (FIFO) basis, or market.

Inventories consist of the following (in thousands):

	March 28, 1998	December 27, 1997
Raw materials, principally hops	\$10,973	\$12,481
Work in process	703	511
Finished goods	979	683

\$12,655

\$13,675

THE BOSTON BEER COMPANY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

D. INCOME TAXES:

The Company's effective tax rate increased to 56.7% for the three months ended March 28, 1998 from 43.8% for the three months ended March 29, 1997, due exclusively to the write down of the marketable security referred to in note B. This non-operating charge of \$2,317,000 reduced the Company's income before tax. The Company was unable to fully offset this capital loss resulting in a higher effective tax rate. The following schedule details this transaction.

Operating income	\$7,056,000
Other income (expenses), net	(\$2,260,000)

Income before income taxes	\$4,796,000
Write down of marketable security	\$2,317,000
Capital gains available to offset loss	(\$800,000)

Taxable income	\$6,313,000
Tax rate	43.09%

Net tax	\$2,720,000

E. COMPREHENSIVE INCOME:

The Company adopted SFAS No. 130 "Reporting Comprehensive Income" in the first quarter of 1998. This standard requires disclosure of total nonowner changes in stockholders' equity, which is defined as net income plus direct adjustments to stockholders' equity such as foreign currency items and unrealized gains and losses on certain investments. Comprehensive income for the first quarter of 1998 totaled \$4,331,000 and for the first quarter of 1997 totaled \$690,000.

	FOR QUARTER ENDED MARCH 28, 1998		FOR QUARTER ENDED MARCH 29, 1997	
	FOREIGN CURRENCY ITEMS	UNREALIZED LOSS ON SECURITY	FOREIGN CURRENCY ITEMS	UNREALIZED LOSS ON SECURITY
	-----	-----	-----	-----
Beginning balance	\$ (290,000)	\$ (2,223,000)	\$ 31,000	\$ (442,000)
Current-period change	32,000	(94,000)	(109,000)	(781,000)
Plus: reclassification adjustment for capital losses realized in net income	-	2,317,000		
		-----		-----
Ending balance	\$ (258,000)	\$ -	\$ (78,000)	\$ (1,223,000)
	-----	-----	-----	-----
Net income		\$ 2,076,000		\$ 1,580,000
		-----		-----
Other comprehensive income, net of tax:				
Foreign currency translation adjustments		32,000		(109,000)
Unrealized loss on security:				
Unrealized holding losses arising during period	(94,000)		(781,000)	
Plus: reclassification adjustments for capital losses included in net income	2,317,000	2,223,000	-	(781,000)
	-----	-----	-----	-----
Other comprehensive income		2,255,000		(890,000)
		-----		-----
Comprehensive income		\$4,331,000		\$ 690,000
		=====		=====

THE BOSTON BEER COMPANY, INC.

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

The following is a discussion of the financial condition and results of operations of the Company for the three-month period ended March 28, 1998 as compared to the three-month period ended March 29, 1997. It should be read in conjunction with the "Consolidated Financial Statements" of the Company and related "Notes to the Financial Statements" included in this Form 10-Q.

RESULTS OF OPERATIONS

THREE MONTHS ENDED MARCH 28, 1998 COMPARED TO THREE MONTHS ENDED MARCH 29, 1997

SALES. Volume increased by 10.7% to 311,000 barrels in the three months ended March 28, 1998 from 281,000 barrels in the three months ended March 29, 1997. This increase was due to the introduction of White Ale which began shipping in January of 1998 and the inclusion of production at the Company's brewery in Cincinnati for a full three months. The Company purchased the brewery located in Cincinnati on March 1, 1997; therefore only one month of brewing operations is reflected in the 1997 numbers. Net sales increased by 8% to \$45,248,000 in the three-month period ended March 28, 1998 from \$41,855,000 in the three-month period ended March 29, 1997. Net sales increased primarily due to increased volumes, a shift in packaging mix (a higher percentage of bottles shipped versus same period last year, which produced higher revenue per barrel) and to a lesser extent, price increases. Despite this, net sales per barrel declined 2.3% to \$145.49 per barrel in the three-month period ended March 28, 1998 from \$148.95 per barrel in the three month period ended March 29, 1997. This decrease is primarily caused by increases in discounts and allowances and sales of non-company products produced by the Company's brewery in Cincinnati.

GROSS PROFIT. Gross profit increased by 19.4% to \$23,820,000 in the three months ended March 28, 1998 from \$19,948,000 in the three months ended March 29, 1997. Cost of sales decreased to 47.4% of net sales in the three months ended March 28, 1998 from 52.3% in the three months ended March 29, 1997. This decrease is due to favorable raw material and packaging costs.

ADVERTISING, PROMOTIONAL AND SELLING. Advertising, promotional and selling expenses decreased by 7.0% to \$13,540,000 in the three months ended March 28, 1998 from \$14,558,000 in the three months ended March 29, 1997. This decrease was primarily attributable to a reduction in employee-related expenses, a reduction in POS-related expenses, and a decrease in promotional spending. Partially offsetting this decrease was an increase in advertising expense. As a percentage of net sales, total advertising, promotional and selling expenses decreased to 29.9% in the three months ended March 28, 1998 from 34.8% in the three months ended March 29, 1997.

GENERAL AND ADMINISTRATIVE. General and administrative expenses increased by 10.0% to \$3,224,000 in the three months ended March 28, 1998 from \$2,930,000 in the three months ended March 29, 1997. This increase is due to the inclusion of general and administrative expenses of the Company's brewery in Cincinnati. As noted above, the Company purchased the brewery in Cincinnati on March 1, 1997; therefore, only one month of brewing operations is reflected in the expense for the comparable 1997 period. As a percentage of net sales, general and administrative expenses remained stable at 7.1% for the three months ended March 28, 1998 from 7.0% for the three months ended March 29, 1997.

OPERATING INCOME. Operating income increased by 187% to \$7,056,000 in the three months ended March 28, 1998 from \$2,460,000 in the three months ended March 29, 1997. This increase was due to higher sales effected by the White Ale introduction, a shift in packaging mix, savings in cost of sales and lower spending in promotional and selling expenses.

OTHER INCOME (EXPENSE), NET: Other income (expense) net, was (\$2,260,000) for the three months ended March 28, 1998, versus \$350,000 for the three months ended March 29, 1997. This decrease is due to the write down of a marketable security of \$2,317,000 and an increase in interest expense due to increased borrowings against the revolving line of credit.

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THE BOSTON BEER COMPANY, INC.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (Continued)

NET INCOME. Net income increased by 31.4% to \$2,076,000 in the three months ended March 28, 1998 from \$1,580,000 in the three months ended March 29, 1997. The increase is primarily due to increased sales volume, a shift in the packaging mix, reductions in cost of sales, and lower spending in promotional and selling expenses, offset by the write down of the marketable security. Income tax expense increased to 56.7% of profit before tax or \$2,720,000 for the three months ended March 28, 1998 from 43.8% of profit before tax or \$1,230,000 for the three months ended March 29, 1997. This increase in the tax rate is caused by the write down of a marketable security, without a fully offsetting capital gain. This reduced the profit before taxes from a financial standpoint but not for tax purposes.

LIQUIDITY AND CAPITAL RESOURCES

During the first three months of 1998, the Company recorded net income of \$2,076,000, while net cash used in operating activities was \$1,023,000. This \$3,099,000 difference is primarily due to increases in accounts receivable and reductions in accounts payable and accrued expenses, which were offset by a decrease in inventory and prepaid expenses.

During the first three months of 1998, the Company used \$319,000 in investing activities. This reflects the purchase of \$438,000 in government securities, the purchase of \$2,198,000 of fixed assets, consisting of brewery and packaging equipment for the brewery in Cincinnati, and the addition of new sankey kegs and the offsetting write down of \$2,317,000 in a marketable security.

During the first three months of 1998, the Company generated \$1,624,000 from financing activities which primarily reflects amounts borrowed against the Company's revolving lines of credit. As of March 28, 1998, net borrowings were \$11,517,000.

Assuming there is no significant change in the Company's business, the Company believes that working capital of \$54,154,000 as of March 28, 1998 (of which 67.3% is in cash and equivalents and short term investments), in conjunction with existing lines of credit, should be sufficient to meet the Company's operating, capital and debt service requirements over the next few years.

SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

This Form 10-Q filing contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on management's current expectations and involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements.

Factors which may cause actual future results to differ from forward-looking statements include, among others, the following: changes in consumer preferences; general economic and business conditions; increasing competition in the craft-brewed and high-end beer segments; success of operating initiatives;

possible future increases in operating costs; advertising and promotional efforts; changes in brand awareness; the existence or absence of adverse publicity; changes in business strategy; quality of management; availability, terms and deployment of capital; business abilities and judgment of personnel; availability of qualified personnel; labor and employee benefit costs; change in, or the failure to comply with, government regulations; and other factors.

THE BOSTON BEER COMPANY, INC.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company is a party to certain claims and litigation in the ordinary course of business. The Company does not believe any of these proceedings will result, individually or in the aggregate, in a material adverse effect upon its financial condition or results of operations.

ITEM 2. CHANGES IN SECURITIES

Not Applicable

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

ITEM 5. OTHER INFORMATION

Not Applicable

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

EXHIBIT INDEX

EXHIBIT NO. -----	TITLE -----
3.1	Articles of Organization (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement No. 33-96162).
3.2	By-Laws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement No. 33-96162).
3.3	Restated Articles of Organization of the Company (incorporated by reference to Exhibit 3.3 to the Company's Form 10-K filed on April 1, 1996).
3.4	Amended and Restated By-Laws of the Company (incorporated by reference to Exhibit 3.4 to the Company's Form 10-K filed on April 1, 1996).
4.1	Form of Class A Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement No. 33-96164).

THE BOSTON BEER COMPANY, INC.

PART II. OTHER INFORMATION (CONTINUED)

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K (CONTINUED)

EXHIBIT INDEX (CONTINUED)

EXHIBIT NO. -----	TITLE -----
10.1	Revolving Credit Agreement between Fleet Bank of Massachusetts, N.A. and Boston Beer Company Limited Partnership (the "Partnership"), dated as of May 2, 1995 (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement No. 33-96162).
10.2	Loan Security and Trust Agreement, dated October 1, 1987, among Massachusetts Industrial Finance Agency, the Partnership and The First National Bank of Boston, as Trustee, as amended (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement No. 33-96164).
10.3	Deferred Compensation Agreement between the Partnership and Alfred W. Rossow, Jr., effective December 1, 1992 (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement No. 33-96162).
10.4	The Boston Beer Company, Inc. Employee Equity Incentive Plan, as adopted effective November 20, 1995 and amended effective February 23, 1996 (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement No. 333-1798).
10.5	Form of Employment Agreement between the Partnership and employees (incorporated by reference to Exhibit 10.5 to the Company's Registration Statement No. 33-96162).
10.6	Services Agreement between The Boston Beer Company, Inc. and Chemical Mellon Shareholder Services, dated as of October 27, 1995 (incorporated by reference to the Company's Form 10-K, filed on April 1, 1996).
10.7	Form of Indemnification Agreement between the Partnership and certain employees and Advisory Committee members (incorporated by reference to Exhibit 10.7 to the Company's Registration Statement No. 33-96162).
10.8	Stockholder Rights Agreement, dated as of December, 1995, among The Boston Beer Company, Inc. and the initial Stockholders (incorporated by reference to the Company's Form 10-K, filed on April 1, 1996).
+10.10	Agreement between Boston Brewing Company, Inc. and The Stroh Brewery Company, dated as of January 31, 1994 (incorporated by reference to Exhibit 10.9 to the Company's Registration Statement No. 33-96164).
+10.11	Agreement between Boston Brewing Company, Inc. and the Genesee

Brewing Company, dated as of July 25, 1995 (incorporated by reference to Exhibit 10.10 to the Company's Registration Statement No. 33-96164).

+10.12 Amended and Restated Agreement between Pittsburgh Brewing Company and Boston Brewing Company, Inc. dated as of February 28, 1989 (incorporated by reference to Exhibit 10.11 to the Company's Registration Statement No. 33-96164).

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THE BOSTON BEER COMPANY, INC.

PART II. OTHER INFORMATION (CONTINUED)

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K (CONTINUED)

EXHIBIT INDEX (CONTINUED)

EXHIBIT NO. - - - - -	TITLE -----
10.13	Amendment to Amended and Restated Agreement between Pittsburgh Brewing Company, Boston Brewing Company, Inc., and G. Heileman Brewing Company, Inc., dated December 13, 1989 (incorporated by reference to Exhibit 10.12 to the Company's Registration Statement No. 33-96162).
+10.14	Second Amendment to Amended and Restated Agreement between Pittsburgh Brewing Company and Boston Brewing Company, Inc. dated as of August 3, 1992 (incorporated by reference to Exhibit 10.13 to the Company's Registration Statement No. 33-96164).
+10.15	Third Amendment to Amended and Restated Agreement between Pittsburgh Brewing Company and Boston Brewing Company, Inc. dated December 1, 1994 (incorporated by reference to Exhibit 10.14 to the Company's Registration Statement No. 33- 96164).
10.16	Fourth Amendment to Amended and Restated Agreement between Pittsburgh Brewing Company and Boston Brewing Company, Inc. dated as of April 7, 1995 (incorporated by reference to Exhibit 10.16 to the Company's Registration Statement No. 33-96162).
+10.17	Letter Agreement between Boston Beer Company Limited Partnership and Joseph E. Seagram & Sons, Inc. (incorporated by reference to Exhibit 10.17 to the Company's Registration Statement No. 33-96162).
10.18	Services Agreement and Fee Schedule of Mellon Bank, N.A. Escrow Agent Services for The Boston Beer Company, Inc. dated as of October 27, 1995 (incorporated by reference to the Company's Registration Statement No. 33-96162).
10.19	Amendment to Revolving Credit Agreement between Fleet Bank of Massachusetts, N.A. and the Partnership (incorporated by reference to Exhibit 10.18 to the Company's Registration Statement No. 33-96164).
10.20	1996 Stock Option Plan for Non-Employee Directors (incorporated by reference to the Company's Form 10-K, filed on March 28, 1997).

- +10.21 Production Agreement between The Stroh Brewery Company and Boston Beer Company Limited Partnership, dated January 14, 1997 (incorporated by reference to the Company's Form 10-K, filed on March 28, 1997).
- +10.22 Letter Agreement between The Stroh Brewery Company and Boston Beer Company Limited Partnership, dated January 14, 1997 (incorporated by reference to the Company's Form 10-K, filed on March 28, 1997).
- +10.23 Agreement between Boston Beer Company Limited Partnership and The Schoenling Brewing Company, dated May 22, 1996 (incorporated by reference to the Company's Form 10-K, filed on March 28, 1997).

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THE BOSTON BEER COMPANY, INC.

PART II. OTHER INFORMATION (CONTINUED)

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K (CONTINUED)

EXHIBIT INDEX (CONTINUED)

EXHIBIT NO. -----	TITLE -----
10.24	Revolving Credit Agreement between Fleet Bank of Massachusetts, N.A. and The Boston Beer Company, Inc., dated as of March 21, 1997 (incorporated by reference to the Company's Form 10-Q, filed on May 12, 1997).
+10.25	Amended and Restated Agreement between Boston Brewing Company, Inc. and the Genesee Brewing Company, Inc. dated April 30, 1997 (incorporated by reference to the Company's Form 10-Q, filed on August 11, 1997).
+10.26	Fifth Amendment, dated December 31, 1997, to Amended and Restated Agreement between Pittsburgh Brewing Company and Boston Brewing Company, Inc. (incorporated by reference to the Company's Form 10-K, filed on March 27, 1998).
+10.27	Extension letters, dated August 19, 1997, November 19, 1997, December 19, 1997, January 22, 1998, February 25, 1998 and March 11, 1998 between The Stroh Brewery Company and Boston Brewing Company, Inc. (incorporated by reference to the Company's Form 10-K, filed on March 27, 1998).
+10.28	Employee Equity Incentive Plan, as amended and effective on December 19, 1997 (incorporated by reference to the Company's Form 10-K, filed on March 27, 1998).
+10.29	1996 Stock Option Plan for Non-Employee Directors, as amended and effective on December 19, 1997 (incorporated by reference to the Company's Form 10-K, filed on March 27, 1998).
*11	Schedule of Computation of Net Earnings Per Share.
21.1	List of subsidiaries of The Boston Beer Company, Inc. (incorporated by reference to the Company's Form 10-K, filed on

March 28, 1997).

*27 Financial Data Schedule (electronic filing only).

* Filed with this report.

+ Portions of this Exhibit have been omitted pursuant to an application for an order declaring confidential treatment filed with the Securities and Exchange Commission.

(b) Reports on Form 8-K.

The Company filed no reports on Form 8-K with the Securities and Exchange Commission during the quarter ended March 28, 1998.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

THE BOSTON BEER COMPANY, INC.
(Registrant)

Date: May 7, 1998

By: /s/: C. JAMES KOCH

C. James Koch
President, Chief Executive
Officer, Clerk and Director
(principal executive officer)

Date: May 7, 1998

By: /s/: ALFRED W. ROSSOW, JR.

Alfred W. Rossow, Jr.
Executive Vice President,
Chief Financial Officer (principal
financial and accounting officer)
Treasurer and Director

Exhibit 11

THE BOSTON BEER COMPANY, INC.
 STATEMENT REGARDING COMPUTATION OF NET EARNINGS PER SHARE
 (in thousands, except per share data)
 (unaudited)

	Three months ended	
	March 28, 1998	March 29, 1997
Weighted average number of common shares outstanding	20,459,172	20,099,422
Add: Common equivalent shares representing shares issuable upon conversion of stock options (using the treasury stock method)	92,082	256,358
Weighted average number of common and common equivalent shares	20,551,254	20,355,780
Net Income	\$ 2,076	\$ 1,580
Earnings per share - Basic	\$ 0.10	\$ 0.08
Earnings per share - Diluted	\$ 0.10	\$ 0.08

<ARTICLE> 5

<LEGEND>

SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE BOSTON BEER COMPANY, INC.'S CONSOLIDATED BALANCE SHEET AND CONSOLIDATED STATEMENTS OF OPERATIONS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE FINANCIAL STATEMENTS.

</LEGEND>

<MULTIPLIER> 1,000

<CURRENCY> U.S. DOLLARS

<PERIOD-TYPE>	3-MOS	
<FISCAL-YEAR-END>		DEC-26-1998
<PERIOD-START>		DEC-28-1997
<PERIOD-END>		MAR-28-1998
<EXCHANGE-RATE>		1
<CASH>		295
<SECURITIES>		36,132
<RECEIVABLES>		21,288
<ALLOWANCES>		(1,150)
<INVENTORY>		12,655
<CURRENT-ASSETS>		74,509
<PP&E>		41,850
<DEPRECIATION>		(12,096)
<TOTAL-ASSETS>		106,926
<CURRENT-LIABILITIES>		20,355
<BONDS>		0
<PREFERRED-MANDATORY>		0
<PREFERRED>		0
<COMMON>		205<F1>
<OTHER-SE>		75,577
<TOTAL-LIABILITY-AND-EQUITY>		106,926
<SALES>		51,660
<TOTAL-REVENUES>		45,248
<CGS>		21,428
<TOTAL-COSTS>		38,192
<OTHER-EXPENSES>		0
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		(170)
<INCOME-PRETAX>		4,796
<INCOME-TAX>		2,720
<INCOME-CONTINUING>		2,076
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		2,076
<EPS-PRIMARY>		.10
<EPS-DILUTED>		.10

<FN> THIS NUMBER INCLUDES 16,376,829 SHARES OF CLASS A COMMON STOCK WITH A PAR VALUE OF \$164,000 AND 4,107,355 SHARES OF CLASS B STOCK WITH A PAR VALUE OF \$41,000.

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