UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) April 19, 2018

Farmers & Merchants Bancorp, Inc.

(Exact Name of Registrant as Specified in its Charter)

	On10 (State or Other Jurisdiction of Incorporation)	001-38084 (Commission File Number)	34-1469491 (IRS Employer Identification No.)
	307 North Defianc Archbold, Ol (Address of Principal Exec	hio	43502 (Zip Code)
	Registrant's Te	lephone Number, including Area Code (419) 446-2501
	(Former	N/A Name or Former Address, if Changed Since Last Repo	ort)
	ck the appropriate box below if the Form 8-K filing is isions (see General Instruction A.2. below):	intended to simultaneously satisfy the filing ob	oligation of the registrant under any of the following
	Written communications pursuant to Rule 425 under	the Securities Act (17 CFR 230.425)	
	Soliciting material pursuant to Rule 14a-12 under the	e Exchange Act (17 CFR 240.14a-12)	
	Pre-commencement communications pursuant to Ru	le 14d-2(b) under the Exchange Act (17 CFR 2	240.14d-2(b))
	Pre-commencement communications pursuant to Ru	le 13e-4(c) under the Exchange Act (17-CFR 2	240.13e-4(c))
	cate by check mark whether the registrant is an emergi ule 12b-2 of the Securities Exchange Act of 1934 (§24		the Securities Act of 1933 (§230.405 of this chapter)
Eme	rging growth company \Box		
	emerging growth company, indicate by check mark if ed financial accounting standards provided pursuant to	9	ded transition period for complying with any new or

ITEM 2.02. Results of Operation and Financial Condition

On April 19, 2018, Farmers & Merchants Bancorp, Inc. issued a press release announcing its earnings for the first quarter ended March 31, 2018. A copy of the press release is furnished as Exhibit 99.

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits.

Exhibit Number Exhibit

99 <u>Company Press release dated April 19, 2018</u>

Signatures

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

FARMERS & MERCHANTS BANCORP, INC.

(Registrant)

Dated: April 19, 2018 /s/ Paul S. Siebenmorgen

Paul S. Siebenmorgen President & Chief Executive Officer

/s/ Barbara J. Britenriker

Barbara J. Britenriker Executive Vice President & Chief Financial Officer Exhibit 99

Company Press Release dated April 19, 2018



Post Office Box 216 307 North Defiance Street Archbold, Ohio 43502

Company Contact:

Marty Filogamo Senior Vice President – Marketing Manager Farmers & Merchants Bancorp, Inc. (419) 445-3501 ext. 15435 mfilogamo@fm.bank

Investor and Media Contact:

Andrew M. Berger Managing Director SM Berger & Company, Inc. (216) 464-6400 andrew@smberger.com

Farmers & Merchants Bancorp, Inc. Reports 2018 First-Quarter Financial Results

ARCHBOLD, OHIO, April 19, 2018, Farmers & Merchants Bancorp, Inc. (Nasdaq: FMAO) today reported financial results for the 2018 first quarter ended March 31, 2018.

2018 First Quarter Financial Highlights Include (on a year-over-year basis unless noted):

- 60 consecutive quarters of profitability
- Total loans increased 8.2% to \$834,737,000, and were up 1.4% from the fourth quarter
- Net interest income after provision for loan losses increased 13.7% to \$9,633,000
- Net income increased 32.7% to \$3,767,000
- Earnings per basic and diluted share increased 32.3% to \$0.41
- Return on average assets was 1.35%, up from 1.07%
- Return on average equity was 11.20%, up from 8.97%

Paul S. Siebenmorgen, President and Chief Executive Officer, stated, "I am pleased with the strong start to the new year as we continue to execute our growth-oriented business plan. From 2007 to March 31, 2018, F&M has expanded its footprint by opening 11 new locations. Total loans at these branches have grown from 7% of our loan portfolio to nearly 49% of our loan portfolio at March 31, 2018. The success of F&M's de novo growth strategy provides us with growing confidence in our real estate strategy and belief that there are many compelling markets around our core geographies that need the community oriented financial services F&M provides. Most recently we opened our 25th full-service office in Findlay, Ohio. This full-service office will offer the latest banking technology to serve customers, enabling F&M to offer the benefits of both self-service video banking and the branch experience in one solution. I am pleased with the continued strength of our business, and expect 2018 to be another good year for F&M."

Income Statement

Net income for the first quarter ended March 31, 2018, was \$3,767,000, or \$0.41 per basic and diluted share, compared to the same period last year's net income of \$2,839,000, or \$0.31 per basic and diluted share, which was adjusted for a two-for-one stock split paid in September 2017. The 32.7% improvement in net income for the 2018 first quarter was primarily due to a 13.7% increase in net interest income after provision for loan losses, partially offset by an 8.0% increase in noninterest expense. As a result of the Tax Cuts and Job Act, the Bank's tax rate was lowered which benefitted earnings.

Loan Portfolio and Asset Quality

Total loans at March 31, 2018, increased 8.2% to a record \$834,737,000, compared to \$771,206,000 at March 31, 2017, and up 1.4% from \$823,024,000 at December 31, 2017. The year-over-year improvement resulted primarily from an 8.5% increase in commercial real estate loans, a 7.0% increase in commercial and industrial loans, a 14.8% increase in agricultural loans, a 14.0% increase in consumer loans, and a 7.6% increase in agricultural real estate loans.

The company's provision for loan losses for the 2018 first quarter was \$40,000, compared to \$73,000 for the 2017 first quarter.

F&M's loan quality remains strong as the allowance for loan losses to nonperforming loans was 755.2% at March 31, 2018, compared to 479.0% at March 31, 2017. Net charge-offs for the quarter ended March 31, 2018, were \$108,000, or 0.01% of average loans, compared to \$7,000 or 0.00% of average loans for the quarter ended March 31, 2017.

Stockholders' Equity and Dividends

Tangible stockholders' equity increased to \$130,668,000 at March 31, 2018, compared to \$129,667,000 at December 31, 2017, and \$122,984,000 at March 31, 2017. On a per share basis, tangible stockholders' equity at March 31, 2018, was \$14.06, compared to \$13.99 at December 31, 2017, and \$13.31, at March 31, 2017. The increase in tangible stockholders' equity is the result of growth in retained earnings due to increased profitability. At March 31, 2018, the company had a Tier 1 leverage ratio of 12.11%, compared to 11.81% at March 31, 2017.

For the 2018 first quarter, the company declared cash dividends of \$0.13 per share, which represents a dividend payout ratio of 31.7% compared to 37.1% for the same period last year.

Mr. Siebenmorgen concluded, "Economic trends remain stable within our local communities. Loan demand was strong for the 2018 first quarter, compared to the same period last year, as total loans increased 8.2%, while non-performing assets declined 29.6%. The year-over-year growth in loans was a result of strong demand across all our loan segments. Net charge-offs for the quarter were very low at 0.01%, compared to last year when they were 0.00%. Total interest income was up 14.6% during the 2018 first quarter, driven by loan growth and higher yield on earnings assets. Overall, we are pleased with the direction we are headed, and optimistic favorable financial and business trends will continue in 2018, as we focus on proactively managing risk with asset growth, expanding market share in our Fort Wayne and Toledo markets, and executing our de-novo and acquisition growth strategies."

About Farmers & Merchants State Bank:

The Farmers & Merchants State Bank is a local independent community bank that has been serving Northwest Ohio and Northeast Indiana since 1897. The Farmers & Merchants State Bank provides commercial banking, retail banking and other financial services through its 25 offices. Our locations are in Fulton, Defiance, Hancock, Henry, Lucas, Williams, and Wood counties in Northwest Ohio. In Northeast Indiana, we have offices located in DeKalb, Allen and Steuben counties.

Safe harbor statement

Farmers & Merchants Bancorp, Inc. ("F&M") wishes to take advantage of the Safe Harbor provisions included in the Private Securities Litigation Reform Act of 1995. Statements by F&M, including management's expectations and comments, may not be based on historical facts and are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21B of the Securities Act of 1934, as amended. Actual results could vary materially depending on risks and uncertainties inherent in general and local banking conditions, competitive factors specific to markets in which F&M and its subsidiaries operate, future interest rate levels, legislative and regulatory decisions or capital market conditions. F&M assumes no responsibility to update this information. For more details, please refer to F&M's SEC filing, including its most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q. Such filings can be viewed at the SEC's website, www.sec.gov.

FARMERS & MERCHANTS BANCORP, INC. AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME & COMPREHENSIVE INCOME

(Unaudited) (in thousands of dollars, except per share data)

Interest Income Image: Im		Three Mo	Three Months Ended	
Debt securities: U.S. Treesury and government agencies 281 318			March 31, 2017	
Pobs securities: U.S. Treasury and government agencies agencies U.S. Treasury and government agencies U.S. Treasury and government agencies age				
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FDIC assessment 87 83 Mortgage servicing rights amortization 85 84 Other general and administrative 1,043 1,080 Total noninterest expense 7,640 7,071 Income Before Income Taxes 4,603 3,982 Income Taxes 836 1,143 Net Income 3,767 2,839 Other Comprehensive Income (Loss) (Net of Tax): (2,471) 412 Reclassification adjustment for gain on sale of available-for-sale securities (2,471) 381 Tax expense (benefit) (519) 125 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.31		186	175	
Mortgage servicing rights amortization 85 84 Other general and administrative 1,043 1,080 Total noninterest expense 7,640 7,071 Income Before Income Taxes 4,603 3,982 Income Taxes 836 1,143 Net Income 3,767 2,839 Other Comprehensive Income (Loss) (Net of Tax): 2 Net unrealized gain (loss) on available-for-sale securities (2,471) 412 Reclassification adjustment for gain on sale of available-for-sale securities — (31 Net unrealized gain (loss) on available-for-sale securities — (31 Tax expense (benefit) (519) 125 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31			_	
Other general and administrative 1,043 1,080 Total noninterest expense 7,640 7,071 Income Before Income Taxes 4,603 3,982 Income Taxes 836 1,143 Net Income 3,767 2,838 Other Comprehensive Income (Loss) (Net of Tax): 2 Net unrealized gain (loss) on available-for-sale securities (2,471) 412 Reclassification adjustment for gain on sale of available-for-sale securities - (31 Net unrealized gain (loss) on available-for-sale securities (2,471) 381 Tax expense (benefit) (519) 125 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.31			83	
Total noninterest expense 7,640 7,071 Income Before Income Taxes 4,603 3,982 Income Taxes 836 1,143 Net Income 3,767 2,839 Other Comprehensive Income (Loss) (Net of Tax): Value of Tax of		85	84	
Income Before Income Taxes 4,603 3,982 Income Taxes 836 1,143 Net Income 3,767 2,835 Other Comprehensive Income (Loss) (Net of Tax): - (2,471) 412 Reclassification adjustment for gain on sale of available-for-sale securities - (31 Net unrealized gain (loss) on available-for-sale securities - (31 Net unrealized gain (loss) on available-for-sale securities (2,471) 381 Tax expense (benefit) (519) 129 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31	Other general and administrative		1,080	
Income Taxes 836 1,143 Net Income 3,767 2,838 Other Comprehensive Income (Loss) (Net of Tax): 3,767 2,838 Net unrealized gain (loss) on available-for-sale securities (2,471) 412 Reclassification adjustment for gain on sale of available-for-sale securities — (31 Net unrealized gain (loss) on available-for-sale securities (2,471) 381 Tax expense (benefit) (519) 129 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31	Total noninterest expense	7,640	7,071	
Net Income3,7672,839Other Comprehensive Income (Loss) (Net of Tax):	Income Before Income Taxes	4,603	3,982	
Other Comprehensive Income (Loss) (Net of Tax):Net unrealized gain (loss) on available-for-sale securities(2,471)412Reclassification adjustment for gain on sale of available-for-sale securities—(31Net unrealized gain (loss) on available-for-sale securities(2,471)381Tax expense (benefit)(519)129Other comprehensive income (loss)(1,952)252Comprehensive Income\$ 1,815\$ 3,091Earnings Per Share – Basic and Diluted (1)\$ 0.41\$ 0.31	Income Taxes	836	1,143	
Other Comprehensive Income (Loss) (Net of Tax):Net unrealized gain (loss) on available-for-sale securities(2,471)412Reclassification adjustment for gain on sale of available-for-sale securities—(31Net unrealized gain (loss) on available-for-sale securities(2,471)381Tax expense (benefit)(519)129Other comprehensive income (loss)(1,952)252Comprehensive Income\$ 1,815\$ 3,091Earnings Per Share – Basic and Diluted (1)\$ 0.41\$ 0.31	Net Income	3,767	2,839	
Net unrealized gain (loss) on available-for-sale securities(2,471)412Reclassification adjustment for gain on sale of available-for-sale securities—(31Net unrealized gain (loss) on available-for-sale securities(2,471)381Tax expense (benefit)(519)129Other comprehensive income (loss)(1,952)252Comprehensive Income\$ 1,815\$ 3,091Earnings Per Share – Basic and Diluted (1)\$ 0.41\$ 0.31	Other Comprehensive Income (Loss) (Net of Tax):			
Reclassification adjustment for gain on sale of available-for-sale securities—(31Net unrealized gain (loss) on available-for-sale securities(2,471)381Tax expense (benefit)(519)125Other comprehensive income (loss)(1,952)252Comprehensive Income\$ 1,815\$ 3,091Earnings Per Share – Basic and Diluted (1)\$ 0.41\$ 0.31		(2.471)	412	
Net unrealized gain (loss) on available-for-sale securities (2,471) 381 Tax expense (benefit) (519) 129 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31		_		
Tax expense (benefit) (519) 129 Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31	· · · · · · · · · · · · · · · · · · ·	(2.471)		
Other comprehensive income (loss) (1,952) 252 Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31				
Comprehensive Income \$ 1,815 \$ 3,091 Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31				
Earnings Per Share – Basic and Diluted (1) \$ 0.41 \$ 0.31	. , ,			
Dividends Declared (1) \$ 0.13 \$ 0.12	Earnings Per Share – Basic and Diluted (1)	\$ 0.41	\$ 0.31	
	Dividends Declared (1)	\$ 0.13	\$ 0.12	

⁽¹⁾ Share data has been adjusted to reflect a 2-for-1 stock split on September 20, 2017

FARMERS & MERCHANTS BANCORP, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS

	(in thousands of dollars)	
	March 31, 2018 (Unaudited)	December 31, 2017
Assets	(Chaudicu)	
Cash and due from banks	\$ 39,349	\$ 33,480
Federal funds sold	559	987
Total cash and cash equivalents	39,908	34,467
Interest-bearing time deposits	4,019	4,018
Securities – available-for-sale	192,859	196,398
Other securities, at cost	3,717	3,717
Loans held for sale	2,769	1,221
Loans, net	827,937	816,156
Premises and equipment	21,980	21,726
Goodwill	4,074	4,074
Mortgage servicing rights	2,313	2,299
Other real estate owned	651	674
Bank owned life insurance	14,604	14,523
Other assets	8,911	7,736
Total Assets	\$1,123,742	\$1,107,009
Liabilities and Stockholders' Equity		
Liabilities		
Deposits		
Noninterest-bearing	\$ 193,665	\$ 199,114
Interest-bearing		
NOW accounts	327,433	298,711
Savings	245,895	233,949
Time	186,345	187,566
Total deposits	953,338	919,340
Federal Funds Purchased and securities sold under agreements to repurchase	23,307	39,495
Federal Home Loan Bank (FHLB) advances	5,000	5,000
Dividend payable	1,193	1,193
Accrued expenses and other liabilities	6,027	7,844
Total liabilities	988,865	972,872
Commitments and Contingencies		
Stockholders' Equity		
Common stock – No par value 20,000,000 shares authorized; issued and outstanding 10,400,000 shares 3/31/18 and		
12/31/17 (1)	11,690	11,546
Treasury stock – 1,134,020 shares 3/31/18, 1,134,120 shares 12/31/17 (1)	(12,158)	(12,160)
Retained earnings	139,483	136,577
Accumulated other comprehensive loss	(4,138)	(1,826)
Total stockholders' equity	134,877	134,137
Total Liabilities and Stockholders' Equity	\$1,123,742	\$1,107,009

⁽¹⁾ Share data has been adjusted to reflect a 2-for-1 stock split on September 20, 2017

	Ended M	March 31	
Selected financial data	2018	2017	
Return on average assets	1.35%	1.07%	
Return on average equity	11.20%	8.97%	
Yield on earning assets	4.28%	3.98%	
Cost of interest bearing liabilities	0.75%	0.65%	
Net interest spread	3.53%	3.33%	
Net interest margin	3.72%	3.50%	
Efficiency	61.88%	62.86%	
Dividend payout ratio	31.67%	37.09%	
Tangible book value per share	\$ 14.06	\$ 13.31	
Tier 1 Leverage Ratio	12.11%	11.81%	
		rch 31	
Loans	2018	2017	
(Dollar amounts in thousands) Commercial real estate	\$ 415,296	\$ 382,758	
Agricultural real estate	67,596	62,840	
Consumer real estate	84,501	84,465	
Commercial and industrial		115,415	
	123,439		
Agricultural	99,836	86,950	
Consumer	38,569	33,840	
Industrial development bonds	6,350	5,667	
Less: Net deferred loan fees and costs	(850)	(729)	
Total loans	<u>\$ 834,737</u>	\$ 771,206	
		March 31	
Asset quality data (Dollar amounts in thousands)	2018	2017	
Nonaccrual loans	\$ 900	\$ 1,430	
Troubled debt restructuring	\$ 527	\$ 551	
90 day past due and accruing	\$ —	\$ —	
Nonperforming loans	\$ 900	\$ 1,430	
Other real estate owned	\$ 651	\$ 774	
Non-performing assets	\$ 1,551	\$ 2,204	
(Dollar amounts in thousands)			
Allowance for loan and lease losses	\$ 6,800	\$ 6,850	
Allowance for loan and lease losses/total loans	0.81%	0.89%	
Net charge-offs:			
Quarter-to-date	\$ 108	\$ 7	
Year-to-date	\$ 108	\$ 7	
Net charge-offs to average loans			
Quarter-to-date	0.01%	0.00%	
Year-to-date	0.01%	0.00%	
Non-performing loans/total loans	0.11%	0.19%	
Allowance for loan and lease losses/nonperforming loans	755.19%	478.96%	
r	. 33,13 / 0	3.22.0	

For the Three Months
Ended March 31
2018 2017

^{*} All stock related values reported for 2017 have been adjusted for a 2 for 1 stock split completed on September 20, 2017.