

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

X Quarterly Report Pursuant to Section 13 or 15(d)
--- of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2000

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 0-14492

FARMERS & MERCHANTS BANCORP, INC.

(Exact name of registrant as specified in its charter)

OHIO

34-1469491

(State or other jurisdiction of
incorporation or organization)

(I.R.S Employer
Identification No.)

307-11 North Defiance Street, Archbold, Ohio

43502

(Address of principal executive offices)

(Zip Code)

(419) 446-2501

Registrant's telephone number, including area code

(Former name, former address and former fiscal year,
if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or Section 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

Indicate the number of shares of each of the issuers classes of common
stock, as of the latest practicable date:

Common Stock, No Par Value

1,300,000

Class

Outstanding as of April 1, 2000

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

FARMERS & MERCHANTS BANCORP, INC.
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FARMERS & MERCHANTS BANCORP, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)
 (in thousands of dollars)

	March 31, 2000	December 31, 1999	March 31, 1999
ASSETS:			
Cash and due from banks	\$ 16,431	\$ 17,245	\$ 13,407
Interest bearing deposits with banks	100	100	100
Federal funds sold	0	-	-
Investment Securities:			
U.S. Treasury	7,443	6,842	15,096
U.S. Government	54,963	47,906	54,298
State & political obligations	30,263	31,246	34,485
All others	12,907	12,411	24,135
Loans and leases	466,085	463,947	411,580
Bank premises and equipment-net	10,118	10,176	9,644
Accrued interest and other assets	9,759	8,656	8,009
TOTAL ASSETS	\$ 608,069	\$ 598,529	\$ 570,754
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES:			
Deposits:			
Demand	\$ 39,351	\$ 54,051	\$ 41,699
Time and savings	459,474	449,115	450,104
Federal funds purchased and securities sold under agreement to repurchase	20,554	7,343	7,994
Other borrowed money	24,831	25,039	11,044
Accrued interest and other liabilities	4,684	5,092	4,268
Total Liabilities	548,894	540,640	515,109
SHAREHOLDERS' EQUITY:			
Common stock, no par value - authorized 1,500,000 shares; issued 1,300,000 shares	12,677	12,677	12,677
Undivided profits	47,506	45,975	42,111
Accumulated other comprehensive income	(1,007)	(763)	857
Total Shareholders' Equity	59,176	57,889	55,645
LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 608,070	\$ 598,529	\$ 570,754

See Notes to Condensed Consolidated Unaudited Financial Statements.
 Note: The December 31, 1998 Balance Sheet has been derived from the audited financial statements of that date.

FARMERS & MERCHANTS BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(in thousands of dollars)

	Three Months Ended		Three Months Ended	
	Sept 30, 1999	Sept 30, 1998	March 31, 2000	36,250.00
INTEREST INCOME:				
Loans and leases	\$ -	\$ -	\$ 10,029	\$ 8,502
Investment Securities:				
U.S. Treasury securities	-	-	114	245
Securities of U.S. Government agencies	-	-	765	803
Obligations of states and political subdivisions	-	-	382	426
Other	-	-	286	480
Federal funds	-	-	66	66
Deposits in banks	-	-	0	1
Total Interest Income	-	-	11,642	10,523
INTEREST EXPENSE:				
Deposits	-	-	5,243	5,172
Borrowed funds	-	-	533	226
Total Interest Expense	-	-	5,776	5,398
NET INTEREST INCOME BEFORE				
PROVISION FOR LOAN LOSSES	-	-	5,866	5,125
PROVISION FOR LOAN LOSSES	-	-	167	416
NET INTEREST INCOME AFTER				
PROVISION FOR LOAN LOSSES	-	-	5,699	4,709
OTHER INCOME:				
Service charges	-	-	381	316
Other	-	-	386	515
Net securities gains (losses)	-	-	0	-
	-	-	767	831
OTHER EXPENSES:				
Salaries and wages	-	-	1,662	1,463
Pension and other employee benefits	-	-	375	359
Occupancy expense (net)	-	-	130	133
Other operating expenses	-	-	1,552	1,542
	-	-	3,719	3,497
INCOME BEFORE FEDERAL INCOME TAX	-	-	2,747	2,043
FEDERAL INCOME TAXES	-	-	758	545
NET INCOME	-	-	1,989	1,498
OTHER COMPREHENSIVE INCOME (NET OF TAX):				
Unrealized gains (losses) on securities	-	-	(1,538)	(814)
COMPREHENSIVE INCOME	\$ -	\$ -	\$ 451	\$ 684
NET INCOME PER SHARE (Based upon				
weighted average number of shares outstanding of 1,300,000	\$ -	\$ -	\$ 1.53	\$ 1.15
DIVIDENDS DECLARED	\$ -	\$ -	\$ 0.35	\$ 0.30

See Notes to Condensed Consolidated Unaudited Financial Statements.

FARMERS & MERCHANTS BANCORP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands of dollars)

	Three Months Ended	
	March 31, 2000	March 31, 1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 1,989	\$ 1,498
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	274	304
Premium amortization	21	8
Discount amortization	(2)	34
Provision for loan losses	167	416
Provision for deferred income taxes	-	(9)
(Gain) loss on sale of fixed assets	-	-
(Gain) loss on sale of investment securities	-	-
Changes in Operating Assets and Liabilities:		
Accrued interest receivable and other assets	(1,103)	(887)
Accrued interest payable and other liabilities	(408)	88
Net Cash Provided by Operating Activities	938	1,452
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(216)	(518)
Proceeds from sale of fixed assets	-	-
Proceeds from maturities of investment securities:	2,299	20,137
Proceeds from sale of investment securities:	-	-
Purchase of investment securities-	(9,737)	(25,092)
Net increase in loans and leases	(2,305)	(4,275)
Net Cash Used by Investing Activities	(9,959)	(9,748)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in deposits	(4,341)	(20,380)
Net change in short-term borrowings	13,211	5,078
Increase in long-term borrowings	-	-
Payments on long-term borrowings	(208)	(196)
Payments of dividends	(455)	(390)
Net Cash Provided by Financing Activities	8,207	(15,888)
Net change in cash and cash equivalents	(814)	(24,184)
Cash and cash equivalents - Beginning of year	17,345	37,694
CASH AND CASH EQUIVALENTS - END OF THE YEAR	\$ 16,531	\$ 13,510
RECONCILIATION OF CASH AND CASH EQUIVALENTS:		
Cash and cash due from banks	\$ 16,431	\$ 13,407
Interest bearing deposits	100	100
Federal funds sold	-	-
	\$ 16,531	\$ 13,507

See Notes to Condensed Consolidated Unaudited Financial Statements.

FARMERS & MERCHANTS BANCORP, INC.

Notes to Condensed Consolidated Unaudited Financial Statements

NOTE 1 BASIS OF PRESENTATION

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 10Q and Rule 10-01 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. Operating results for the nine months ended March 31, 2000 are not necessarily indicative of the results that are expected for the year ended December 31, 2000. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 1999.

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

Farmers & Merchants Bancorp, Inc. was incorporated on February 25, 1985, under the laws of the State of Ohio. Farmers & Merchants Bancorp, Inc., and its subsidiaries The Farmers & Merchants State Bank and Farmers & Merchants Life Insurance Company are engaged in commercial banking and life and disability insurance, respectively. The executive offices of Farmers & Merchants Bancorp, Inc. are located at 307-11 North Defiance Street, Archbold, Ohio 43502.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity for the three months ended March 31, 2000 comes primarily from net income from operations of \$1.99 million. This compares with net income of \$1.50 million for the same period in 1999. In addition, funds were purchased from correspondents, and the Federal Home Loan Bank.

The principal uses of these funds were for granting loans. Loans as of March 31, 2000 were \$466.08 million compared to \$463.95 million as of December 31, 1999, a \$45.9 million or 0.5% increase after reclassification of \$1 million of commercial paper from the loan category to other investments. December 31, 1999 and September 30, 1999 loans and investments have been restated to reflect this change in classification.

The following is a summary of five capital ratios as they are calculated from the September 30, 1999 financial statements:

Primary Ratio	10.73%
Total Capital Ratio	14.77%
Risk Based Capital Tier 1	13.64%
Risk Based Capital Tier 2	20.92%
Stockholders' Equity/Total Assets	9.73%

PART II

ITEM 6 EXHIBIT AND REPORTS ON FORM 8-K

(A) The following documents are filed as part of this report:

Exhibit No.	Description
27	Financial Data Schedule

(B) Reports on Form 8-K

No reports on Form 8-K were filed by the registrant during the quarter ended September 30, 1999

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, theeto duly authorized.

Farmers & Merchants Bancorp, Inc.,

Date: May 10, 2000

By: /s/ Joe E. Crossgrove

Joe E. Crossgrove
President and Cashier

Date: May 10, 2000

By: /s/ Randal H. Schroeder

Randal H. Schroeder
Asst. Vice-President
and Chief Operating Officer

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
27	Financial Data Schedule

9
1,000

3-MOS
DEC-31-2000
JAN-01-2000
MAR-31-2000
16,431
100
0
0
105,576
0
0
466,085
6,800
608,069
498,825
20,554
4,684
24,831
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0
12,677
46,499
608,070
10,029
1,547
66
11,642
5,243
533
5,866
167
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3,719
2,747
1,989
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1,989
1.53
1.53
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7,731
6,222
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13,953
6,750
337
220
6,800
6,800
0
0