

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the registrant []

Filed by a party other than the registrant [X]

Check the appropriate box:

- [] Preliminary proxy statement.
[] Confidential, for the use of the
Commission only (as permitted by Rule 14a-6(e)(2)).
[X] Definitive proxy statement.
[] Definitive additional materials.
[] Soliciting material pursuant to Section 240.14a-12

FARMERS & MERCHANTS BANCORP, INC.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if Other Than the Registrant)

Payment of filing fee (check the appropriate box):

- [X] No fee required.
[] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed
pursuant to Exchange Act Rule 0-11 (set forth the amount on which the
filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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Rule 0-11(a)(2) and identify the filing for which the offsetting fee was
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number, or the form or schedule and the date of its filing.

1) Amount previously paid.

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

[Farmers & Merchants Bancorp Logo]

March 5, 2003

TO OUR STOCKHOLDERS

I am pleased to invite you to attend the Annual Meeting of the Stockholders of FARMERS & MERCHANTS BANCORP, INC. The meeting will be held at Founders Hall, located at Sauder Village, State Route 2, Archbold, Ohio 43502 on April 5, 2003 at 1:00 P.M., EST.

Matters scheduled for consideration at this meeting are:

1. to elect fourteen (14) directors of the Corporation;
2. to ratify the appointment of Krouse, Kern & Co., Inc. as independent auditors of the Corporation and its subsidiaries for the calendar year ending December 31, 2003; and
3. to transact such other business as may properly come before the meeting or any adjournment thereof.

The meeting will also provide an opportunity to review with you the results of Farmers & Merchants Bancorp, Inc. and its subsidiaries during 2002.

Your vote is important no matter how many shares you own. I encourage you to vote your shares. If you choose not to attend the Annual Meeting of the Stockholders, you may vote by mail by signing, dating and returning the proxy card in the accompanying envelope. If you do attend the meeting and desire to vote in person, you may do so even though you have previously submitted your proxy.

I look forward to seeing you at the meeting.

Sincerely,

Farmers & Merchants Bancorp, Inc.

Eugene Bernath
Chairman of the Board

[Farmers & Merchants Bancorp Logo)

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held April 5, 2003

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Farmers & Merchants Bancorp, Inc., an Ohio corporation ("Corporation") will be held at Founders Hall, located at Sauder Village, State Route 2, Archbold, Ohio 43502 on April 5, 2003 at 1:00 P.M., EST, for the following purposes:

1. To elect fourteen (14) directors of the Corporation;
2. To ratify the appointment of Krouse, Kern & Co., Inc. as independent auditors of the Corporation and its subsidiaries for the calendar year ending December 31, 2003;
3. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on December 31, 2002, as the record date for determination of shareholders who are entitled to notice of and to vote at the meeting.

If the enclosed proxy and annual report are being delivered to two or more security holders who share the same address, and the security holders sharing the same address each desires to receive a proxy statement and annual report, or if there are more than one copy of the proxy statement and annual report being delivered to security holders who share the same address, and it is preferred to receive a single copy of such proxy statement and annual report, please notify Carol J. England, Secretary of Farmers & Merchants Bancorp, Inc. in writing at Farmers & Merchants Bancorp, Inc., 119 N. Fulton St., Wauseon, Ohio 43567 or by telephone at 419-337-3085.

By Order of the Board of Directors

Carol J. England
Secretary

Archbold, Ohio
March 5, 2003

YOU ARE URGED TO SPECIFY YOUR CHOICES, DATE, AND SIGN THE ACCOMPANYING PROXY AND MAIL IT PROMPTLY IN THE ENCLOSED POSTAGE-PAID ENVELOPE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING.

The Proxy Statement, proxy card and Farmers & Merchants Bancorp, Inc. 2002 Annual Report will be mailed to each stockholder commencing on or about March 7, 2003.

TABLE OF CONTENTS

	Page

General Information About the Meeting and Voting	1
Election of Directors	4
Director Meeting Attendance and Fee Arrangements	5
Audit Committee Report	6
Other Information About Directors and Executive Officers	6
Ownership of Common Stock	7
Compensation of Directors and Executive Officers	8
Retirement Income Plan	8
Performance Graph	9
Ratification of Appointment of Auditors	10
Proposals of Shareholders for Next Annual Meeting	10
Other Matters	10

PROXY STATEMENT

for

ANNUAL MEETING OF SHAREHOLDERS

April 5, 2003

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Farmers & Merchants Bancorp, Inc., an Ohio corporation ("Corporation") to be used at the Annual Meeting of Shareholders of the Corporation, to be held at the Founders Hall, located at Sauder Village, State Route 2, Archbold, Ohio 43502 on April 5, 2003 at 1:00 P.M., EST, and at any adjournments thereof, pursuant to the accompanying Notice of Meeting.

GENERAL INFORMATION ABOUT THE MEETING AND VOTING

WHO MAY VOTE AT THE MEETING?

The Board of Directors has fixed the close of business on December 31, 2002 as the record date for the determination of shareholders who are entitled to notice of and to vote at the meeting. The transfer books of the Corporation will not be closed. You are entitled to one vote for each share of common stock you held on the record date, including shares:

- held directly in your name; and
- held for you in an account with a broker, bank or other nominee (shares held in "street name").

HOW MANY SHARES MUST BE PRESENT TO HOLD THE MEETING?

A majority of Farmers & Merchants Bancorp, Inc. outstanding shares of common stock as of the record date must be present at the meeting in order to hold the meeting and conduct business. This is called a quorum. On the record date there were 1,300,000 shares of the Corporation's common stock, without par value ("Common Stock"), the holders of which are entitled to one vote per share. Your shares are counted as present at the meeting if you:

- are present and vote in person at the meeting;
- or have properly submitted a proxy card prior to the meeting.

WHAT PROPOSALS WILL BE VOTED ON AT THE MEETING?

There are two proposals scheduled to be voted on at the meeting:

- election of fourteen (14) directors; and
- ratification of appointment of Krouse, Kern & Co., Inc. as independent auditor.

HOW MANY VOTES ARE REQUIRED TO APPROVE EACH PROPOSAL?

Directors will be elected by a plurality of the votes cast at the Annual Meeting. This means that the 14 nominees who receive the largest number of "FOR" votes cast will be elected as directors.

HOW ARE VOTES COUNTED?

A shareholder may

- Abstain from voting on directors as a whole
- Abstain from voting on other proxy matters
- Abstain from voting for one or more nominees
- Approve each proxy matter
- Disapprove each proxy matter
- Vote for or against each nominee without having its proxy ignored

The laws of Ohio under which the Corporation is incorporated provide that, if notice in writing is given by any Shareholder to the President, Vice President or the Secretary of the Corporation not less than 48 hours before the time fixed for holding a meeting of Shareholders for the purpose of electing Directors, that he desires that the voting at that election shall be cumulative, and if an announcement of the giving of such notice is made upon the convening of the meeting by the Chairman or Secretary or by or on behalf of the Shareholder giving such notice, each Shareholder shall have the right to cumulate such voting powers as he possesses in voting for Directors.

HOW DOES THE BOARD RECOMMEND THAT I VOTE?

The Board of Directors recommends that you vote "FOR" each of the director nominees and "FOR" ratification of Krouse, Kern & Co., Inc. as independent auditor.

HOW DO I VOTE MY SHARES WITHOUT ATTENDING THE MEETING?

Whether you hold shares directly or in street name, you may direct your vote without attending the Annual Meeting. If you are a shareholder of record, you may vote by granting a proxy as follows:

- By Mail -- You may vote by mail by signing and dating your proxy card and mailing it in the envelope provided. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example as guardian, trustee, custodian, attorney or officer of a corporation), you should indicate your name and title or capacity.

For shares held in street name, you should follow the voting instructions provided by your broker or nominee. You may complete and mail a voting instruction card to your broker or nominee or, in most cases, submit voting instructions by telephone or the Internet. If you provide specific voting instructions by mail, telephone, or Internet, your shares will be voted by your broker or nominee as you have directed.

HOW DO I VOTE MY SHARES IN PERSON AT THE MEETING?

Even if you plan to attend the meeting, we encourage you to vote by mail so your vote will be counted if you later decide not to attend the meeting.

If you choose to vote at the Annual Meeting:

- If you are a stockholder of record, to vote your shares at the meeting you should bring the enclosed proxy card and proof of identity.
- If you hold your shares in street name, you must obtain a proxy in your name from your bank, broker or other holder of record in order to vote at the meeting.

Bring the proxy (for record holders) or proof of beneficial ownership (for street name holders) such as a recent brokerage statement or a letter from your bank or broker, and proof of identity to the meeting.

WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE PROXY?

It means you hold shares registered in more than one account. To ensure that all of your shares are voted, sign and return each proxy.

MAY I CHANGE MY VOTE?

Yes. The proxy may be revoked at any time before it is voted by written notice to the Corporation prior to the start of the meeting, and any shareholder attending the meeting may vote in person whether or not he has previously submitted a proxy. Where no instructions are indicated, proxies will be voted FOR the election of the fourteen nominees for directors, and FOR the ratification of the appointment of Krouse, Kern & Co., Inc. as the independent certified public accountants for the calendar year 2002.

WHEN WILL THE PROXY AND ANNUAL REPORT BE MAILED TO STOCKHOLDERS

This Proxy Statement and the accompanying Notice of Annual Meeting of Shareholders and Proxy are being mailed to the Corporation's shareholders on or about March 7, 2003.

ELECTION OF DIRECTORS

The Code of Regulations of Farmers & Merchants Bancorp, Inc. provides that the number of Directors to be elected at the Shareholder Meeting will be determined by the vote of the Shareholders, but shall not be less than nine or greater than twenty. Currently, the number of Directors is set at fourteen.

Fourteen Directors of the Corporation are to be elected at the meeting. Each such Director will be elected to serve in accordance with the By Laws of the Corporation until the next annual meeting of shareholders and until his successor is elected and qualified. The favorable vote of holders of a majority of the shares of Common Stock represented at the meeting, in person or by proxy, is required to elect any nominee for director.

It is the intention of the individual named in the enclosed form for proxy to vote such proxy for the election of directors of persons hereinafter named. Management has no reason to believe that any of the nominees for the office of director will not be available for election as a director. However, should any of them become unwilling or unable to accept nomination for election, it is intended that the individuals named in the enclosed proxy may vote for the election of such other person or persons as management may recommend.

Set forth below is information concerning the nominees for the election to the Board of Directors.

Name ----	Age ---	Principal Occupation or Employment for Past Five Years -----	Year First Became Director -----
Eugene D. Bernath	70	Farmer	1978
Dexter L. Benecke	60	President, Viking Trucking, Inc.	1999
Jerry L. Boyers	69	President, Edifice Construction Management	1976
Joe E. Crossgrove	66	President, Chief Executive Officer The Farmers & Merchants State Bank	1992
Robert G. Frey	63	President, E. H. Frey & Sons, Inc.	1987
Julian Giovarelli	71	President, GIO Sales, Inc.	2000
Jack C. Johnson	50	President, Hawk's Clothing, Inc. Partner, REJO Partnership	1991
Dean E. Miller	59	President, MBC Holdings, Inc.	1986
Anthony J. Rupp	53	President, Rupp Furniture Co.	2000
David P. Rupp Jr.	61	Attorney, Plassman, Rupp, Hensal, Short & Hagans	2001
James C. Saneholtz	56	President, Saneholtz-McKarns, Inc.	1995
Maynard Sauder	71	Chairman, Sauder Woodworking Co.	1980
Merle J. Short	62	Farmer, President of Promow, Inc.	1987
Steven J. Wyse	58	President, Steelinq Systems, Inc.	1991

Anthony J. Rupp and David P. Rupp Jr. both of whom are being nominated to the Board of Directors are brothers.

David P. Rupp Jr. is an attorney with membership in the law firm of Plassman, Rupp, Hensal, Short & Hagans of Archbold, Ohio. The law firm has been retained by the Corporation, and its subsidiaries, during the past sixteen years and is to be retained currently.

MANAGEMENT RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES AS DIRECTORS OF THE CORPORATION.

DIRECTOR MEETING ATTENDANCE AND FEE ARRANGEMENTS

The following table summarizes the membership of the Board of Directors and each of its committees, and the number of times each met during 2002.

	BOARD -----	AUDIT COMMITTEE -----	COMPENSATION COMMITTEE -----
Dexter L. Benecke	Member		
Eugene D. Bernath	Member	Member	Member
Jerry L. Boyers	Member		
Joe E. Crossgrove	Member		
Robert G. Frey	Member		
Julian Giovarelli	Member	Member	
Jack C. Johnson	Member		Member
Dean E. Miller	Member		Member
Anthony J. Rupp	Member		
David P. Rupp Jr.	Member		
James C. Saneholtz	Member		
Maynard Sauder	Member	Member	Member
Merle J. Short	Member	Member	
Steven J. Wyse	Member		
NUMBER OF MEETINGS IN 2002	27	5	5

The directors of Farmers & Merchants Bancorp, Inc. are also the directors of The Farmers & Merchants State Bank and Farmers & Merchants Life Insurance Co.

During 2002, each director attended 75% or more of the total meetings of the Board and the committees on which they served (held during the period that was served as a director) of the Farmers & Merchants State Bank the primary operating entity except for James C. Saneholtz and Steven J. Wyse who each attended 70% of the Board meetings.

Directors of The Farmers & Merchants State Bank are compensated at a rate of \$300 each for each meeting attended, plus a bonus of \$600. Directors receive no compensation for services performed while serving on special committees.

The Board of Directors of Farmers & Merchants Bancorp, Inc. does not have a standing nominating committee or any other committee performing similar functions.

The Board of Directors of the Company's bank subsidiary has an Executive Salary Committee that is responsible for establishing salary levels for its executive officers. In determining the compensation of the executive officers of the Company's subsidiaries, the subsidiaries have sought to create a compensation program that relates compensation to financial performance, recognizes individual contributions and achievements, and attracts and retains outstanding executive officers.

Each year, the Executive Salary Committee of The Farmers & Merchants State Bank sets a salary for its executive officers by reviewing the performance of each officer, as well as, by making compensation comparisons with banks of similar size in order to determine whether such salary levels are adequate to attract and retain qualified executive officers. Officers, who are also members of the Board of Directors, do not participate in the voting as it pertains to compensation matters.

There are two components of the compensation program for all executive officers of the Company's subsidiary, The Farmers & Merchants State Bank, a base salary component and a bonus component, which is applicable to all employees, set by the Board of Directors in December of each year, and paid in that year.

The Board of Directors of the Bank subsidiary, The Farmers & Merchants State Bank has an Audit Committee composed of Eugene Bernath, Director and Chairman of the Board, Maynard Sauder, Director and Vice Chairman, Julian Giovarelli, Director, Merle Short, Director and Kent Roth, Internal Auditor. The function of the Audit Committee is to review the adequacy of the Company's system of internal controls, to investigate the scope and adequacy of the work of the Company's independent public accountants and to recommend to the Board of Directors a firm of accountants to serve as the Company's independent public accountants.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors submits the following report on the performance of certain of its responsibilities for the year 2002. The purposes and responsibilities of the Committee are elaborated in the Committee charter, which was originally adopted by the Board of Directors on February, 15, 1991, and is reviewed annually by the Audit Committee, the last review being approved July 2, 2002.

Management of the Company has primary responsibility for the financial statements and the overall reporting process, including the Company's system of internal controls. The independent auditors are responsible for performing an independent audit of the company's consolidated financial statements in accordance with auditing standards generally accepted in the United States. This audit serves as a basis for the auditors' opinion in the annual report to stockholders addressing whether the financial statements fairly present the Company's financial position, results of operations and cash flows. The Audit Committee's responsibility is to monitor and oversee these processes.

In reviewing the independence of the Company's outside auditors, the Committee has received from Krouse, Kern & Co., Inc. the written disclosures and letter regarding relationships between Krouse, Kern & Co., Inc. and its related entities and the Company and its related entities and has discussed with Krouse, Kern & Co., Inc. its independence from the Company as required by Independence Standards Board Standard No. 1. As part of this review, the Committee considered whether the non-audit services provided by Krouse, Kern & Co., Inc. to the company during 2001 were compatible with maintaining Krouse, Kern & Co., Inc.'s independence. The following amounts were billed to Farmers & Merchants Bancorp, Inc. and its subsidiaries by Krouse, Kern & Co., Inc. and its affiliates during 2002 for audit and non-audit services:

1. Audit fees	\$107,370
2. All other fees	1,995

Audit fees include all audit fees in connection with The Company and its subsidiaries, as well as, the review of the Company's 10-Q filed during 2002.

The Committee considered and concluded that the provision for non-audit services by Krouse, Kern & Co., Inc. and its affiliates was compatible with maintaining the independent auditors' independence.

In fulfilling its responsibilities relating to the Company's internal control, accounting and financial reporting policies and auditing practices, the Committee has reviewed and discussed with management and Krouse, Kern & Co., Inc. the Company's audited financial statements for 2002. In this connection, the Committee has discussed with Krouse, Kern & Co., Inc. its judgments about the quality, in addition to the acceptability, of the Company's accounting principles as applied in its financial reporting, as required by Statement on Auditing Standards No. 61. Based on these reviews and discussions, the Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on SEC Form 10-K for the year ended December 31, 2002, for filing with the Securities and Exchange Commission.

Members of the Audit Committee are as follows:

Eugene D. Bernath, Chairman
Julian Giovarelli
Maynard Sauder
Merle J. Short

OTHER INFORMATION ABOUT DIRECTORS AND EXECUTIVE OFFICERS

During 2002, certain directors, executive officers, members of their immediate family, and their associates had banking transactions, including loans, in the ordinary course of business with the Company's bank subsidiary. All loans were on substantially the same terms, including interest rates and collateral, as those available at the time for similar transactions with other persons. The loans did not involve more than a normal risk of collection or have other unfavorable features. The maximum aggregate amount of loans to directors and principal officers of the bank subsidiary during 2002 was in the amount of \$21.9 million. This maximum amount occurred in August, 2002. The December 31, 2002 balance of director and principal officer loans in the aggregate of \$15.8 million amounts to 23.5% of the equity capital of the bank subsidiary at that date. As of the date hereof, all of such loans were performing loans.

Information about loans made or held by The Company's banking subsidiary The

directors and executive officers named in the Summary of Compensation Table or to any corporation or organization in which these individuals are the beneficial owner of 10% or more of any class of securities in excess of \$60,000 is shown below:

Name	Position	Highest Outstanding Loan Balance Since 1/1/02	Outstanding Loan Balance on 12/31/02
Dexter L. Benecke	Director	\$ 7,169,887	\$ 4,535,224
Eugene D. Bernath	Director	1,410,000	1,353,900
Jerry L. Boyers	Director	259,600	217,492
Joe E. Crossgrove	Director/President	101,251	95,898
Robert G. Frey	Director	2,580,308	1,806,678
Julian Giovarelli	Director	56,699	56,699
Jack C. Johnson	Director	352,696	339,748
Dean E. Miller	Director	5,833,225	327,108
Anthony J. Rupp	Director	0	0
David Rupp, Jr.	Director	77,338	77,338
James C. Saneholtz	Director	1,146,596	976,862
Maynard Sauder	Director	6,099,579	4,241,338
Merle Short	Director	200	200
Steven J. Wyse	Director	0	0

OWNERSHIP OF COMMON STOCK

The following table sets forth the number of shares of Common Stock beneficially owned at December 31, 2002 by (a) each person who is known by the Corporation to beneficially own more than five percent of the Common Stock, (b) each director and nominee, and (c) all directors and officers as a group.

Name and Address of Beneficial Owner	Amounts of Shares of Common Stock Beneficially Owned	Percent of Total
---	---	------------------

Beneficial owners of more than 5%:

None

Beneficial ownership of nominees for director:

Dexter L. Benecke	956	.07%
Eugene D. Bernath	4,254	.33
Jerry L. Boyers	3,380	.22
Joe E. Crossgrove	2,600	.20
Robert G. Frey	5,745	.44
Julian Giovarelli	250	.02
Jack C. Johnson	875	.08
Dean E. Miller	7,775	.60
Anthony J. Rupp	2,857	.22
David P. Rupp Jr.	3,245	.24
James C. Saneholtz	325	.03
Maynard Sauder	16,870	1.30
Merle J. Short	5,040	.39
Steven J. Wyse	21,800	1.68

The Directors as a group hold and beneficially own 75,972 shares or 5.84% of the total outstanding shares of the Corporation as of December 31, 2002. Directors and executive officers as a group hold and beneficially own 77,942 shares or 6.00% of the total shares outstanding.

In the determination of beneficial ownership, management has limited the inclusion of shares to members of shareholders' immediate household.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

The executive officers of the Company receive no compensation from the Company for services rendered as executive officers of the Company. Instead, they are paid by the Company's bank subsidiary, The Farmers & Merchants State Bank, for services rendered in their capacity as executive officers of the Company and its subsidiaries. The Company and its other non-bank subsidiaries reimburse the Bank subsidiary for their share of applicable payroll costs. Decisions on compensation are made by the Executive Salary Committee of The Farmers & Merchants State Bank.

The following table shows, for fiscal years ended December 31, 2002, 2001 and 2000, the cash compensation paid by the Company and its subsidiaries, as well as, certain other compensation paid or accrued for those years, to Joe E. Crossgrove, the President and Treasurer of Farmers & Merchants Bancorp, Inc., President and Chief Executive Officer of The Farmers & Merchants State Bank, and Vice President of Farmers & Merchants Life Insurance Company and the other executive officers who received compensation in excess of \$100,000. The holding company has no employees; all compensation was paid by the bank subsidiary.

Name and Principal Position -----	Year -----	Base Salary -----	Bonus -----	Other Annual Compensation -----
Joe E. Crossgrove	2002	\$ 148,325	\$ 15,465	\$ 19,046
President and Chief	2001	144,750	24,511	18,571
Executive Officer	2000	138,406	21,384	17,651
Edward A. Leininger	2002	\$ 95,428	\$ 10,370	\$ 11,683
Executive Vice President	2001	92,600	15,931	11,301
Rex D. Rice	2002	\$ 95,428	\$ 10,370	\$ 11,206
Executive Vice President	2001	92,600	15,931	10,838

Salary to Joe E. Crossgrove includes directors' fees of \$8,700 for 2002 and \$8,400 for 2001 and 2000.

Other compensation is the annual cost attributable to contributions to the 401(k) profit sharing plan.

No incidental benefits accrue to officers which, in the opinion of management, are not job related, normal and appropriate in connection with the conduct of the bank subsidiary's business affairs.

There are no long-term incentive programs or stock option programs in effect.

RETIREMENT INCOME PLAN

The Bank has established a 401(k) profit sharing plan that allows eligible employees to save at a minimum one percent of eligible compensation on a pre-tax basis, subject to certain Internal Revenue Service limitations. The Bank will match 50% of employee 401(k) contributions up to four percent of total eligible compensation. In addition the Bank may make a discretionary contribution from time to time as is deemed advisable. A participant is 100% vested in the participant's deferral contributions and employer matching contributions. A seven year vesting schedule applies to employer discretionary contributions.

In order to be eligible to participate, the employee must be 21 years of age, completed six months of service, work 1,000 hours in the plan year and be employed on the last day of the year. Entry dates have been established at January 1 and July 1 of each year.

The plan calls for only lump-sum distributions upon either termination of employment, retirement, death or disability.

PERFORMANCE GRAPH

Below is a graph comparing the yearly percentage change in the Company's cumulative total shareholder return on its common shares with an index for NASDAQ Stock Market (U.S. Companies) comprised of all domestic common shares traded on the NASDAQ National Market System, and an index for financial institutions with total assets greater than \$500 million but less than \$1 billion as compiled by SNL Securities for the five-year period ended December 31, 2002.

The Board of Directors recognize that the market price of stock is influenced by many factors, only one of which is performance. The stock price performance shown on the graph is not necessarily indicative of future performance.

RETURNS ASSUME DIVIDEND REINVESTMENT
INDEXED TO \$100 AT 12/31/97

[LINE GRAPH]

INDEX	PERIOD ENDING					
	12/31/97	12/31/98	12/31/99	12/31/00	12/31/01	12/31/02
Farmers & Merchants Bancorp, Inc.	100.00	139.25	151.27	230.45	175.97	189.00
NASDAQ - Total US*	100.00	140.99	261.48	157.42	124.89	86.33
SNL \$500M-\$1B Bank Index	100.00	98.32	91.02	87.12	113.02	144.30

*Source: CRSP, Center for Research in Security Prices, Graduate School of Business, The University of Chicago 2003.
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SNL Financial LC
(C) 2003

(434) 977-1600

INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS

Directors and principal officers of the bank subsidiary and their associates were customers of, and had transactions with, the bank subsidiary in the ordinary course of business during the year 2002. All loans and commitments included in such transactions were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and do not involve more than normal risk of collectibility or present other unfavorable features.

RATIFICATION OF APPOINTMENT OF AUDITORS

The Board of Directors intends to reappoint the firm of Krouse, Kern & Co., Inc., independent certified public accountants, to be auditors of the Corporation and its subsidiaries for the calendar year ending December 31, 2003, and recommends to shareholders that they vote for ratification of that appointment. Krouse, Kern & Co., Inc., served as auditors of the Corporation and its subsidiaries for the year 2002. Although it is not required to do so, the Board of Directors is submitting the appointment of Krouse, Kern & Co., Inc., for ratification by shareholders in order to ascertain the views of the shareholders. If such appointment is not ratified, the Board will consider, but not necessarily select other auditors.

Representatives of Krouse, Kern & Co., Inc., will be present at the shareholders' meeting and will be given the opportunity to make a statement if they desire to do so. They will also be available to respond to appropriate questions. The Corporation has been advised by Krouse, Kern & Co., Inc., that no member of that firm has any financial interest, either direct or indirect, in the Corporation or its subsidiaries, other than as a depositor, and it has no connections with the Corporation or its subsidiaries in any capacity other than that of public accountants.

MANAGEMENT RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR RATIFICATION OF THE RETENTION OF KROUSE, KERN & CO., INC.

PROPOSALS OF SHAREHOLDERS FOR NEXT ANNUAL MEETING

Proposals of shareholders intended to be presented at the 2004 Annual Shareholders' Meeting must be received at the Corporation's offices at 307-11 North Defiance Street, Archbold, Ohio 43502, prior to December 1, 2003 for inclusion in the proxy statement and form of proxy.

OTHER MATTERS

The Board of Directors does not know of any other matters which are likely to be brought before the meeting. However, in the event that any other matters properly come before the meeting, the persons named in the enclosed proxy will vote said proxy in accordance with their judgment on such matters.

The cost of preparing, assembling and mailing this Proxy Statement, the Notice of Meeting and the enclosed proxy will be borne by the Corporation.

In addition to the solicitation of proxies by use of the mails, the Corporation will utilize the services of some of its officers as well as regular employees of the bank subsidiary (who will receive no compensation therefor in addition to their regular salaries as paid by the bank subsidiary) to solicit proxies personally and by telephone. The Corporation will request banks and other custodians, nominees and fiduciaries to forward copies of the proxy material to their principals and to request authority for the execution of proxies, and will reimburse such persons for their expenses in so doing.

A COPY OF THE CORPORATION'S ANNUAL REPORT TO SHAREHOLDERS FOR THE YEAR ENDED DECEMBER 31, 2002 IS ENCLOSED. A COPY OF THE CORPORATION'S ANNUAL REPORT ON FORM 10-K FOR SUCH YEAR, WITH EXHIBITS, AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ("2002 10-K"), IS AVAILABLE TO ANY SHAREHOLDER FREE OF CHARGE. SHAREHOLDERS DESIRING A COPY OF THE 2002 10-K SHOULD ADDRESS WRITTEN REQUESTS TO MR. JOE E. CROSSGROVE, PRESIDENT AND TREASURER OF FARMERS & MERCHANTS BANCORP, INC., 307-11 NORTH DEFIANCE STREET, ARCHBOLD, OHIO 43502, AND ARE ASKED TO MARK "2002 10-K REQUEST" ON THE OUTSIDE OF THE ENVELOPE CONTAINING THE REQUEST.

By Order of the Board of Directors

Carol J. England
Secretary

Archbold, Ohio
March 5, 2003

PROXY

FARMERS & MERCHANTS BANCORP, INC.
ARCHBOLD, OHIO

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS AND MAY BE REVOKED AT ANY TIME PRIOR TO ITS EXERCISE, BY OBTAINING THE PROXY FROM THE SECRETARY, WHO WILL GIVE YOU THE PROXY UPON ORAL OR WRITTEN REQUEST.

The undersigned hereby appoints Eugene Bernath or any one or more of them, the attorneys and proxies of the undersigned, with power of substitution to act with respect to all shares of the Capital Stock of Farmers & Merchants Bancorp, Inc. registered in the name of the undersigned, with all powers which the undersigned would possess if personally present at the Annual Meeting of the Shareholders of Farmers & Merchants Bancorp, Inc. to be held in the Founders Hall at Sauder Village, State Route 2, Archbold, Ohio, on Saturday, April 5, 2003, at 1:00 P.M., EST, and at any adjournments thereof, and to vote as follows:

1. Fixing the number of Directors to be elected at 14 and the election of the 14 nominees namely:
Dexter Benecke, Eugene Bernath, Jerry L. Boyers, Joe E. Crossgrove, Robert Frey, Julian Giovarelli, Jack Johnson, Dean Miller, Anthony Rupp, David P. Rupp Jr., James Saneholtz, Maynard Sauder, Merle Short, and Steven J. Wyse.

For _____ Withhold Authority _____

IF YOU WISH TO WITHHOLD AUTHORITY FOR ANY NOMINEE, PLEASE DRAW A LINE THROUGH THE NOMINEE'S NAME.

2. To ratify the appointment of Krouse, Kern & Co., Inc., as independent auditors of the Corporation and its subsidiaries for the calendar year ending December 31, 2003.
3. To transact any and all other business as may properly come before the meeting or any adjournments thereof.

THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED FOR THE PROPOSITIONS LISTED ABOVE UNLESS INDICATED TO THE CONTRARY. IF ANY OTHER BUSINESS IS PRESENTED AT SAID MEETING, THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE RECOMMENDATIONS OF SAID MEETING.

The majority of said attorneys and proxies at said meeting and adjournments thereof, (or if only one be present, then that one), shall have and may exercise all of the powers of said attorneys and proxies.

DATED _____, 2003

(If signed in a fiduciary capacity, please give full fiduciary title. If signed by a corporation, sign the full corporate name followed by the signature of the duly authorized officer. If signed by an agent, attach the instrument authorizing the agent to execute the proxy or a photocopy thereof.)

Please sign and date the Proxy and return it in the enclosed envelope.

INVITATION
TO
FAMILY STYLE SIT-DOWN LUNCHEON
12:00 P.M. -- Saturday, April 5, 2003
Founders Hall at Sauder Village

To: Shareholders of Farmers & Merchants Bancorp, Inc.

A family style luncheon for shareholders and one guest will be held in Founders Hall at Sauder Village at 12:00 p.m. on Saturday, April 5, 2003.

Musical entertainment will be provided during the luncheon hour.

Please return your reservation along with your Proxy in the enclosed self-addressed envelope.

Your attendance at the Annual Meeting, immediately following the family style sit-down luncheon, will give you an opportunity to become acquainted with other shareholders and become better informed on the operations of your bank.

Sincerely,

Joe E. Crossgrove
President & Chief Executive Officer

RESERVATION FOR FAMILY STYLE SIT-DOWN LUNCHEON

12:00 P.M. -- FOUNDERS HALL -- APRIL 5, 2003

Number of Shareholders attending

Guest attending

Signature