

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 September 30, 2004

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

-----  
(State or other jurisdiction of  
incorporation or organization)

34-1469491

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

307-11 North Defiance Street, Archbold, Ohio

-----  
(Address of principal executive offices)

43502

-----  
(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 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 October 29, 2004

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

FARMERS & MERCHANTS BANCORP, INC.  
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ITEM 1 FINANCIAL STATEMENTS

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

	Sept 30, 2004 -----	December 31, 2003 -----	Sept 30, 2003 -----
<b>ASSETS:</b>			
Cash and due from banks	\$ 15,397	\$ 18,873	\$ 15,531
Interest bearing deposits with banks	1,740	662	608
Federal funds sold	0	0	0
Investment Securities:			
U.S. Treasury	2,913	6,637	2,823
U.S. Government	106,631	111,011	113,212
State & political obligations	56,350	51,016	53,297
All others	3,617	2,028	1,973
Loans and leases (Net of reserve for loan losses of \$7,673, \$7,300, and \$9,313 respectively)	488,784	480,339	489,928
Bank premises and equipment-net	15,520	15,874	15,906
Accrued interest and other assets	14,539	19,263	18,526
	-----	-----	-----
TOTAL ASSETS	\$705,491 =====	\$705,703 =====	\$711,804 =====
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES:</b>			
Deposits:			
Noninterest bearing	\$ 47,953	\$ 50,710	\$ 42,623
Interest bearing	530,708	524,356	528,553
Federal funds purchased and securities sold under agreement to repurchase	21,664	27,319	29,531
Other borrowed money	23,248	24,374	27,139
Accrued interest and other liabilities	3,637	4,088	10,290
	-----	-----	-----
Total Liabilities	627,210	630,847	638,136
<b>SHAREHOLDERS' EQUITY:</b>			
Common stock, no par value - authorized 1,500,000 shares; issued 1,300,000 shares	12,677	12,677	12,677
Undivided profits	64,629	60,196	58,831
Accumulated other comprehensive income	975	1,983	2,160
	-----	-----	-----
Total Shareholders' Equity	78,281	74,856	73,668
	-----	-----	-----
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$705,491</b> =====	<b>\$705,703</b> =====	<b>\$711,804</b> =====

See Notes to Condensed Consolidated Unaudited Financial Statements.

Note: The December 31, 2003 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	Nine Months Ended	September 30, 2004	Sept 30, 2003
30, 2004	Sept 30, 2003	INTEREST INCOME: Loans and leases	\$ 7,727 \$ 8,518
		Investment Securities: U.S. Treasury securities	19 28 50 112
		Securities of U.S. Government agencies	938 1,048 2,958 3,289
		Obligations of states and political subdivisions	501 531 1,515 1,674
		Other	38 45 110 119
		Federal funds	2 7 34 24
		Deposits in banks	24 5 34 22
-----			
		Total Interest Income	9,249 10,182 27,920 31,268
		INTEREST EXPENSE:	
		Deposits	2,450 3,046 7,369 10,161
		Borrowed funds	309 315 915 1,136
		Total Interest Expense	2,759 3,361 8,284 11,297
		NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES	6,490 6,821 19,636 19,971
		PROVISION FOR LOAN LOSSES	150 675 941 5,373
		NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	6,340 6,146 18,695 14,598
		OTHER INCOME: Service charges	550 543 1,615 1,604
		Other	824 1,044 2,124 2,905
		Net securities gains	-- 2 127 524
		OTHER EXPENSES: Salaries and wages	2,099 1,664 5,896 5,110
		Pension and other employee benefits	555 462 1,602 1,443
		Occupancy expense (net)	246 137 604 488
		Other operating expenses	1,744 1,781 5,642 5,339
		-----	-----
		INCOME BEFORE FEDERAL INCOME TAX	4,644 4,044 13,744 12,380
		FEDERAL INCOME TAXES	929 1,100 2,629 1,691
		NET INCOME	\$ 2,141 \$ 2,591 \$ 6,188 \$ 5,560
		=====	=====
		OTHER COMPREHENSIVE INCOME (NET OF TAX): Unrealized gains (losses) on securities	\$ 1,397 \$ (1,529) \$ (1,008) \$ (1,556)
		COMPREHENSIVE INCOME (EXPENSE)	\$ 3,538 \$ 1,062 \$ 5,180 \$ 4,004
		NET INCOME PER SHARE (Based upon weighted average number of shares outstanding of 1,300,000)	\$ 1.65 1.993076923 \$ 4.76 4.276923077
		DIVIDENDS DECLARED	\$ 0.45 \$ 5.40 \$ 1.35 \$ 6.20

See Notes to Condensed Consolidated Unaudited Financial Statements. 2

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

Nine Months	
Ended Sept	
30, 2004	Sept
30, 2003	CASH
FLOW FROM	
OPERATING	
ACTIVITIES:	
Net income	\$ 6,188 \$ 5,560
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation and amortization	1,032 1,093
Premium amortization	1,041 439
Discount amortization	(92) (56)
Provision for loan losses	941 5,373
Provision (Benefit) for deferred income taxes	730 (653)
Loss on sale of fixed assets	79 34
Gain on sale of investment securities	(127) (524)
Changes in Operating Assets and Liabilities:	
Accrued interest receivable and other assets	2,142 (1,516)
Accrued interest payable and	

other	
liabilities	
(1,202)	4,811
-----	
---- Net Cash	
Provided	
(Used) by	
Operating	
Activities	
10,732	14,561
CASH FLOWS	
FROM	
INVESTING	
ACTIVITIES	
Capital	
expenditures	
(757)	(1,999)
Proceeds from	
sale of fixed	
assets	0 0
Proceeds from	
maturities of	
investment	
securities:	
54,105	13,160
Proceeds from	
sale of	
investment	
securities:	
10,500	53,661
Purchase of	
investment	
securities	
(62,521)	
(67,262)	Net
(increase)	
decrease in	
loans and	
leases	
(9,386)	2,214
-----	
---- Net Cash	
Provided	
(Used) by	
Investing	
Activities	
(8,059)	(226)
CASH FLOWS	
FROM	
FINANCING	
ACTIVITIES	
Net increase	
in deposits	
3,595	(5,197)
Net change in	
short-term	
borrowings	
(5,655)	
(8,669)	
Increase in	
long-term	
borrowings	0
0	Payments on
long-term	
borrowings	
(1,126)	
(1,557)	
Payments of	
dividends	
(1,885)	
(1,560)	-----
-----	
Net Cash	
Provided	
(Used) by	
Financing	
Activities	
(5,071)	
(16,983)	----
-----	
Net change in	
cash and cash	
equivalents	
(2,398)	
(2,648)	Cash
and cash	
equivalents -	
Beginning of	
year 19,535	
18,787	-----
-----	

CASH AND CASH  
 EQUIVALENTS -  
 END OF THE  
 YEAR \$ 17,137  
 \$ 16,139  
 =====  
 =====  
 RECONCILIATION  
 OF CASH AND  
 CASH  
 EQUIVALENTS:  
 Cash and cash  
 due from  
 banks \$  
 15,397 \$  
 15,531  
 Interest  
 bearing  
 deposits  
 1,740 608 ---  
 -----  
 - \$ 17,137 \$  
 16,139  
 =====  
 =====

See Notes to Condensed Consolidated Unaudited Financial Statements. 3

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 September 30, 2004 are not necessarily indicative of the results that are expected for the year ended December 31, 2004. 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, 2003. ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS Statements contained in this portion of the Company's report may be forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "intend," "believe," "expect," "anticipate," "should," "planned," "estimated," and "potential." Such forward-looking statements are based on current expectations, but may differ materially from those currently

anticipated due to a number of factors, which include, but are not limited to, factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time. Other factors which could have a material adverse effect on the operations of the company and its subsidiaries which include, but are not limited to, changes in interest rates, general economic conditions, legislative and regulatory changes, monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board, the quality and composition of the loan or investment portfolios, demand for loan products, deposit flows, competition, demand for financial services in the Bank's market area, changes in relevant accounting principles and guidelines and other factors over which management has no control. The forward-looking statements are made as of the date of this report, and the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results differ from those projected in the forward-looking statements. 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 continues to remain strong as the investment portfolio holds steady. Deposit growth was moderate during the first nine months and has grown by \$7.5 million as compared to September 30, 2003. The third quarter of 2004 shows an increase in net loans of approximately \$8.4 million compared to December 31, 2003, but remains behind the loans balances of September 2003. Loans showed an increase of \$5.6 million over previous quarter, June 2004. Loan growth for the third quarter has come primarily from the real estate market. The bank focused advertising on home equity loans and were able to increase the borrowings on lines while capturing additional market share through a new promotion. Balances in the overall real estate portfolio increased by \$7.7 million over previous quarter. Overall, company assets have declined in comparison to nine months and one year ago. Loan demand has seen a slight improvement throughout the first nine months of 2004. Loan demand is projected to increase as the economy continues to strengthen. Financial results for the agricultural community, which comprises 4

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS (Continued) ITEM 2 approximately 12% of the overall portfolio, were strong during 2003 after two rough years. This has helped to strengthen the asset quality of the portfolio. Past dues (over 30 days) in the total loan portfolio have continued to decline and hit historical lows for the company. This is a positive indicator for future loan losses to remain low during 2004. Deposits increased compared to both year-end and a year ago totaling \$3.6 and \$7.5 million, respectively. During 2003 a great deal of depositors invested short term in the hopes of rising rates. Fifty percent of the certificate of deposit portfolio matured during the first half. The goal was to extend the duration of the portfolio while maintaining the balances. The bank has been successful with promotions to encourage depositors to invest longer. The bank has seen the most growth in time deposits during 2004 and is striving to maintain its net interest margin by controlling the liabilities repricing. The additional deposit money and a small portion of the investment portfolio was used to finance the modest increase in loans. Should loan growth outpace deposit generation in the last quarter, the investment portfolio will be used to fund the loan growth. Additional funds are available in short and long-term borrowings as those balances have decreased \$11.8 and \$6.8 million compared to September and December 2003, respectively. The income statement shows yields on all portfolios have decreased compared to 2003. Overall net interest income is lower by \$335,000 for the nine months ended September 2004 from 2003 income. Maintaining the margin is an important part of the ongoing profitability of the company. The discussion on market risk to follow documents the exposure of margin and earnings to interest rate risk. The decrease in net interest margin has followed the table as we saw the interest rates increase these last two quarters. The largest determinant for the improved profitability in 2004 is the lower loan loss provision. Approximately \$5.4 million was the provision for September 2003 compared to \$.9 million as of September 2004. The reduction in provision offset the loss of other noninterest income that had been derived from real estate refinancing during 2003 accounted for in the other income of \$2.9 million of September 2003 compared to \$2.1 million so far in 2004. Personnel expenses have increased during 2004 due to increased medical costs, additional staff and an incentive accrual based on the improved performance of the bank. Earnings per share ended at a record high of \$4.76. The company continues to be well-capitalized as the capital ratios below show: Primary Ratio 11.81% Tier I Leverage Ratio 10.89% Risk Based Capital Tier 1 14.84% Total Risk Based Capital 16.09% Stockholders' Equity/Total Assets 11.10%

ITEM 3 MARKET RISK Market risk is the exposure to loss resulting from changes in interest rates and equity prices. The primary market risk to which the Company is subject is interest rate risk. The majority of the Company's interest rate risk arises, from the instruments, positions and transactions entered into for the purposes, other than trading, such as loans, available for sale securities, interest bearing deposits, short term borrowings and long term borrowings. Interest rate risk occurs when interest bearing assets and liabilities reprice at different times as market interest rates change. For example, if fixed rate assets are funded with variable rate debt, the spread between asset and liability rates will decline or turn negative if rates increase. 5



ITEM 3 MARKET RISK (Continued) Interest rate risk is managed within an overall asset/liability framework for the Company. The principal objectives of asset/liability management are to manage sensitivity of net interest spreads and net income to potential changes in interest rates. Funding positions are kept within predetermined limits designed to ensure that risk-taking is not excessive and that liquidity is properly managed. The Company employs a sensitivity analysis in the form of a net interest rate shock as shown in the table following. Interest Rate Shock on Net Interest Margin Interest Rate Shock on Net Interest Income Net Interest % Change to Rate Rate Cumulative % Change to Margin (Ratio) Flat Rate Direction Changes by Total (\$000) Flat Rate - -----

Interest Rate Shock	Net Interest Margin	Net Interest Income	Net Interest % Change to Rate	Rate	Rate	Cumulative % Change to Margin (Ratio)	Flat Rate	Direction	Changes by Total (\$000)	Flat Rate
Rising 3.000%	27,221	-4.785%	4.25%	-2.901%	Rising 2.000%	27,561	-3.595%	4.28%	4.23%	-3.388%
-2.379%	Rising 1.000%	27,909	-2.380%	4.38%	0.000%	Flat 0.000%	28,589	0.000%		
4.41%	0.788%	Falling -1.000%	28,800	0.737%	4.17%	-4.761%	Falling -2.000%	27,230		
-4.755%	3.78%	-13.775%	Falling -3.000%	24,864	-13.032%	As the table shows, should rates increase as predicted, the bank's exposure to interest rate risk is minimal. To the extent that the bank has the ability not to instantly reprice the liability side of the balance sheet, the risk would decrease even more. With the rate change increases that have occurred during the last quarter, the bank did experience a decrease in net interest income as predicted with the June table and reflected in the positive numbers shown for a 100 basis point falling rate shock. Very little movement of interest bearing asset or liability balances has occurred during the last quarter that would effect the maturity or pricing of those instruments. The falling rate scenario shows the highest risk on a 300 basis point drop. With the Federal Reserve upward movement that has occurred so far this year, this scenario seems most unlikely.				

ITEM 4 CONTROLS AND PROCEDURES As of September 30 2004, an evaluation was performed under the supervision and with the participation of the Company's management including the CEO and CFO, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures were effective as of September 30, 2004. There have been no significant changes in the Company's internal controls subsequent to September 30, 2004. PART II ITEM 1 LEGAL PROCEEDINGS None ITEM 2 CHANGES IN SECURITIES AND USE OF PROCEEDS None ITEM 3 DEFAULTS UPON SENIOR SECURITIES None 6

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS None ITEM 5 OTHER INFORMATION Daniel Schutt has joined the bank as an Executive Vice President and Chief Lending Administrator. Mr. Schutt brings over 35 years of banking experience and strengthens the executive management team, specifically in the lending documentation and procedures area. The Corporate Governance and Nominating Board Committee held its first meeting August 20th and appointed Robert Frey as Chairman. The committee plans to have regularly scheduled meetings and already has a full slate of agenda items. The committee will be recommending additional policies and procedures surrounding governance and stock issues. ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K 3.1 Articles of Incorporation of the Registrant (incorporated by reference to Registrant's Quarterly Report on Form 10-Q filed with the Commission on May 10, 2004) 3.2 Code of Regulations of the Registrant (incorporated by reference to Registrant's Quarterly Report on Form 10-Q filed with the Commission on May 10, 2004) 31.1 Rule 13-a-14(a) Certification -CEO 31.2 Rule 13-a-14(a) Certification -CFO 32.1 Section 1350 Certification - CEO 32.2 Section 1350 Certification - CFO No reports on Form 8-K were filed by the registrant during the quarter ended September 30, 2004. 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, thereunto duly authorized. Farmers & Merchants Bancorp, Inc., Date: October 29, 2004 By: /s/ Joe E. Crossgrove ----- Joe E. Crossgrove President and CEO Date: October 29, 2004 By: /s/ Barbara J. Britenriker ----- Barbara J. Britenriker Exec. Vice-President and CFO 7

EXHIBIT INDEX EXHIBIT NO. DESCRIPTION 31.1 Certification of Chief Executive Officer pursuant to Section 302 31.2 Certification of Chief Financial Officer pursuant to Section 302 32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

## CERTIFICATIONS

I, Joe E. Crossgrove, President and CEO of Farmers & Merchants Bancorp, Inc.,  
certify that:

- 1 I have reviewed this quarterly report on Form 10-Q of Farmers & Merchants Bancorp, Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-(e)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [This paragraph intentionally left blank.]
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have significant role in the registrant's internal control over financial reporting.

Date: October 29, 2004

/s/ Joe E. Crossgrove

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Joe E. Crossgrove  
President and Chief Executive Officer

## CERTIFICATIONS

I, Barbara J. Britenriker, Executive Vice-President and CFO of Farmers & Merchants Bancorp, Inc., certify that:

- 1 I have reviewed this quarterly report on Form 10-Q of Farmers & Merchants Bancorp, Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-(e)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. [This paragraph intentionally left blank.]
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have significant role in the registrant's internal control over financial reporting.

Date: October 29, 2004

/s/ Barbara J. Britenriker

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Barbara J Britenriker  
Executive Vice President and  
Chief Financial Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Farmers & Merchants Bancorp, Inc. on Form 10-Q for the period ending September 30, 2004, as filed with the Securities and Exchange Commission ("the report"), I, Joe E. Crossgrove, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1 The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
  
- 2 The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Farmers & Merchants Bancorp, Inc. as of the dates and for the periods expressed in the Report.

Date: October 29, 2004

/s/ Joe E. Crossgrove

-----  
Joe E. Crossgrove, President and  
Chief Executive Officer

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of Farmers & Merchants Bancorp, Inc. on Form 10-Q for the period ending September 30, 2004, as filed with the Securities and Exchange Commission ("the report"), I, Barbara J. Britenriker, Exec.

Vice-President and Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1 The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Farmers & Merchants Bancorp, Inc. as of the dates and for the periods expressed in the Report.

Date: October 29, 2004 /s/ Barbara J. Britenriker

-----  
Barbara J. Britenriker, Exec. Vice President  
and Chief Financial Officer