
**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) August 20, 2018

Farmers & Merchants Bancorp, Inc.
(Exact Name of Registrant as Specified in its Charter)

Ohio
(State or Other Jurisdiction
of Incorporation)

001-38084
(Commission
File Number)

34-1469491
(IRS Employer
Identification No.)

307 North Defiance Street, Archbold, Ohio
(Address of Principal Executive Offices)

43502
(Zip Code)

Registrant's Telephone Number, including Area Code (419) 446-2501

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17-CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On August 17, 2018, Farmers & Merchants Bancorp, Inc., an Ohio corporation (“F&M”), and Limberlost Bancshares, Inc., an Indiana corporation (“LBI”), entered into an Agreement and Plan of Reorganization and Merger (the “Merger Agreement”), pursuant to which LBI will, subject to the terms and conditions of the Merger Agreement, merge with and into F&M (the “Merger”). On August 20, 2018, F&M filed a Current Report on Form 8-K to report the execution of the Merger Agreement and issued a press release. Attached as Exhibit 99.1 is a presentation regarding the Merger.

The information furnished under Item 8.01 of this Current Report shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

FORWARD-LOOKING STATEMENTS

This filing and the exhibit hereto may contain forward-looking statements made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements can often, but not always, be identified by the use of words like “believe”, “continue”, “pattern”, “estimate”, “project”, “intend”, “anticipate”, “expect” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “might”, “can”, “may”, or similar expressions. These forward-looking statements include, but are not limited to, statements relating to the expected timing and benefits of the proposed Merger, including future financial and operating results, cost savings, enhanced revenues, and accretion/dilution to reported earnings that may be realized from the Merger, as well as other statements of expectations regarding the Merger, and other statements of F&M’s goals, intentions and expectations; statements regarding F&M’s business plan and growth strategies; statements regarding the asset quality of F&M’s loan and investment portfolios; and estimates of F&M’s risks and future costs and benefits, whether with respect to the Merger or otherwise.

These forward-looking statements are subject to significant risks, assumptions and uncertainties that may cause results to differ materially from those set forth in forward-looking statements, including, among other things: the risk that the businesses of F&M and LBI will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; anticipated revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame; revenues following the Merger may be lower than expected; customer and employee relationships and business operations may be disrupted by the Merger; the ability to obtain required regulatory and shareholder approval, and the ability to complete the Merger on the expected timeframe; possible changes in economic and business conditions; the existence or exacerbation of general geopolitical instability and uncertainty; possible changes in monetary and fiscal policies, and laws and regulations; the effects of easing restrictions on participants in the financial services industry; the cost and other effects of legal

and administrative cases; possible changes in the creditworthiness of customers and the possible impairment of collectability of loans; fluctuations in market rates of interest; competitive factors in the banking industry; changes in the banking legislation or regulatory requirements of federal and state agencies applicable to bank holding companies and banks like Farmers & Merchants State Bank; continued availability of earnings and excess capital sufficient for the lawful and prudent declaration of dividends; changes in market, economic, operational, liquidity, credit and interest rate risks associated with F&M's business; and other risks and factors identified in F&M's filings with the Securities and Exchange Commission.

F&M does not undertake any obligation to update any forward-looking statement, whether written or oral, relating to the matters discussed in this filing. In addition, F&M's and LBI's past results of operations do not necessarily indicate either of their anticipated future results, whether the Merger is effectuated or not.

ADDITIONAL INFORMATION FOR LBI SHAREHOLDERS

This filing does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any proxy vote or approval. The proposed Merger will be submitted to LBI's shareholders for their consideration. In connection with the proposed Merger, F&M will file with the SEC a Registration Statement on Form S-4 that will include a Proxy Statement for LBI and a Prospectus of F&M, as well as other relevant documents concerning the proposed transaction. **LBI SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE CORRESPONDING PROXY STATEMENT-PROSPECTUS REGARDING THE MERGER WHEN THEY BECOME AVAILABLE, AS WELL AS ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, TOGETHER WITH ALL AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, AS THEY WILL CONTAIN IMPORTANT INFORMATION.**

Once filed, you may obtain a free copy of the Proxy Statement – Prospectus, when it becomes available, as well as other filings containing information about F&M and LBI, at the SEC's website (<http://www.sec.gov>). You may also obtain these documents, free of charge, by accessing F&M's website (<http://www.fm.bank>) under the tab "About Us", then to the heading "Investor Relations," and finally under the link "SEC Filings and Documents".

LBI and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of LBI in connection with the proposed Merger. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Proxy Statement – Prospectus regarding the proposed Merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Additional information regarding the Merger, dated August 20, 2018.

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: August 21, 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

Farmers & Merchants Bancorp, Inc.
Acquisition of
Limberlost Bancshares, Inc.



Additional Information about the Transaction

Farmers & Merchants Bancorp, Inc. ("FMAO") intends to file a registration statement on Form S-4 with the Securities and Exchange Commission (SEC), which will include a prospectus relating to the FMAO shares to be issued in the transaction, a proxy statement for a shareholder meeting of Limberlost Bancshares, Inc. ("Limberlost") at which shareholders will be asked to approve the transaction, and certain other documents regarding the proposed transaction. **Before making any voting or investment decision, investors are urged to carefully read the entire registration statement and related documents filed with the SEC, when they become available, because they will contain important information about the proposed transaction.** Investors will be able to obtain these documents free of charge at the SEC's website at www.sec.gov or by making a written request to Farmers & Merchants Bancorp, Inc., Attn: Barb Britenriker, CFO, 307 North Defiance Street, Archbold, OH 43502, or by calling (419) 445-2501.



Forward-Looking Statements Note

This presentation may contain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Any statements about our expectations, beliefs, plans, strategies, predictions, forecasts, objectives or assumptions of future events or performance are not historical facts and may be forward-looking. These statements include, but are not limited to, the expected completion date, financial benefits and other effects of the proposed merger of FMAO and Limberlost. These statements are often, but not always, made through the use of words or phrases such as “anticipates,” “believes,” “expects,” “can,” “could,” “may,” “predicts,” “potential,” “opportunity,” “should,” “will,” “estimate,” “plans,” “projects,” “continuing,” “ongoing,” “expects,” “seeks,” “intends” and similar words or phrases. Accordingly, these statements involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual strategies, actions or results to differ materially from those expressed in them, and are not guarantees of timing, future results or other events or performance. Because forward-looking statements are necessarily only estimates of future strategies, actions or results, based on management’s current expectations, assumptions and estimates on the date hereof, and there can be no assurance that actual strategies, actions or results will not differ materially from expectations, readers are cautioned not to place undue reliance on such statements. Factors that may cause such a difference include, but are not limited to, the reaction to the transaction of the companies’ customers, employees and counterparties; customer disintermediation; inflation; expected synergies, cost savings and other financial benefits of the proposed transaction might not be realized within the expected timeframes or might be less than projected; the requisite shareholder and regulatory approvals for the proposed transaction might not be obtained; credit and interest rate risks associated with FMAO’s and Limberlost’s respective businesses, customers, borrowings, repayment, investment, and deposit practices; general economic conditions, either nationally or in the market areas in which FMAO and Limberlost operate or anticipate doing business, are less favorable than expected; new regulatory or legal requirements or obligations; and other risks; certain risks and important factors that could affect FMAO’s future results are identified in its Annual Report on Form 10-K for the year ended December 31, 2017 and other reports filed with the SEC, including among other things under the heading “Risk Factors” in such Annual Report on Form 10-K. Any forward-looking statement speaks only as of the date on which it is made, and FMAO undertakes no obligation to update any forward-looking statement, whether to reflect events or circumstances after the date on which the statement is made, to reflect new information or the occurrence of unanticipated events, or otherwise.



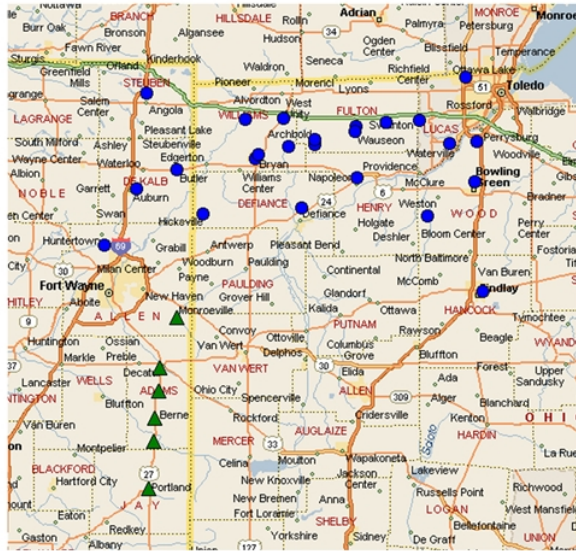
Transaction Overview

Farmers & Merchants Bancorp, Inc. to acquire Limberlost Bancshares, Inc.

- Farmers & Merchants Bancorp (“FMAO”) will acquire Limberlost Bancshares, Inc. (“Limerlost”), the bank holding company for Bank of Geneva (“Bank”), a community bank based in Geneva, Indiana
- Each share of Limberlost will receive 1,830 shares of FMAO common stock and \$8,465.00 in cash
 - Limberlost has 1,000 common shares outstanding
 - Based on FMAO closing price of \$43.88 on August 17, 2018, the implied aggregate transaction value is \$88.8 million
- Bank operates six full-service offices in the northeast Indiana communities of Geneva, Berne, Monroe, Portland, Decatur and Monroeville and reported \$287 million in total assets, \$257 million in loans and \$212 million in deposits at June 30, 2018; provides an attractive deposit mix with ~ 16% in noninterest bearing, 23% in time deposits and cost of deposits at 0.60% for the 2Q-2018
- Limberlost reported consolidated tangible equity of \$30.6 million as of June 30, 2018 and YTD (S-Corp.) net income of \$3.2 million for the 6 month period ending June 30, 2018 and \$5.3 million for the 12 month period ending December 31, 2017
- Natural extension of FMAO’s community bank footprint and complementary fit with FMAO’s recent offices in Indiana including four full-service offices (Angola, Auburn, Butler and Ft. Wayne). FMAO is planning a new office in southwest Ft. Wayne in late 2018 or early 2019



Pro Forma Branch Map



Map Legend

- ▲ Bank of Geneva
- Farmers & Merchants State Bank

*Map excludes closed offices.

Bank of Geneva						Jun-17	
Branch Address	City	County	ST	Date Established	Deposits (\$000)		
1 215 E Line St	Geneva	Adams	IN	10/12/1892	\$68,320		
2 150 W Washington St	Monroe	Adams	IN	02/15/1967	\$44,330		
3 718 US Highway 27 N	Berne	Adams	IN	04/07/1975	\$39,176		
4 1451 N Meridian St	Portland	Jay	IN	09/12/2005	\$17,954		
5 1061 S 13th St	Decatur	Adams	IN	10/01/2011	\$10,025		
6 103 Main St	Monroeville	Allen	IN	07/11/2016	\$8,988		
Total						\$188,793	

Farmers & Merchants State Bank						Jun-17	
Branch Address	City	County	ST	Date Established	Deposits (\$000)		
1 307 N Defiance St	Archbold	Fulton	OH	04/01/1897	\$227,295		
2 1130 N Shoop Ave	Wauseon	Fulton	OH	11/16/1973	\$53,542		
3 119 N Fulton St	Wauseon	Fulton	OH	08/18/1978	\$50,825		
4 2255 Scott St	Napoleon	Henry	OH	02/10/1995	\$47,357		
5 101 Main St	Delta	Fulton	OH	06/28/1985	\$45,817		
6 1000 S Main St	Bryan	Williams	OH	06/01/1992	\$41,559		
7 929 E High St	Bryan	Williams	OH	12/30/1985	\$41,356		
8 200 W Jackson St	West Unity	Williams	OH	10/13/1981	\$40,951		
9 300 S Defiance St	Stryker	Williams	OH	03/20/1981	\$37,397		
10 1150 E Main St	Montpelier	Williams	OH	06/22/1998	\$35,085		
11 200 S Broadway St	Butler	DeKalb	IN	07/18/1934	\$33,337		
12 1313 S Defiance St	Archbold	Fulton	OH	04/15/1980	\$33,208		
13 7 Turtle Creek Cir	Swanton	Lucas	OH	11/01/1999	\$32,401		
14 7001 Lighthouse Way	Perrysburg	Wood	OH	11/21/2007	\$31,144		
15 1175 Hotel Dr	Defiance	Defiance	OH	07/30/2001	\$30,436		
16 22973 Defiance Pike	Custar	Wood	OH	05/14/1914	\$26,740		
17 100 N Main St	Hicksville	Defiance	OH	01/15/1960	\$22,634		
18 2310 N Wayne St	Angola	Steuben	IN	08/07/2008	\$20,263		
19 8720 Waterville Swanton Rd	Waterville	Lucas	OH	05/20/2013	\$10,707		
20 403 Erie Pass	Auburn	DeKalb	IN	08/20/1996	\$6,466		
21 5830 Monroe St	Sylvania	Lucas	OH	08/25/2014	\$6,143		
22 12106 Lima Rd	Fort Wayne	Allen	IN	04/07/2016	\$2,660		
23 1072 N Main St	Bowling Green	Wood	OH	10/25/2016	\$714		
24 1660 Tiffin Ave	Findlay	Hancock	OH	01/29/2018	\$0		
Total						\$878,037	

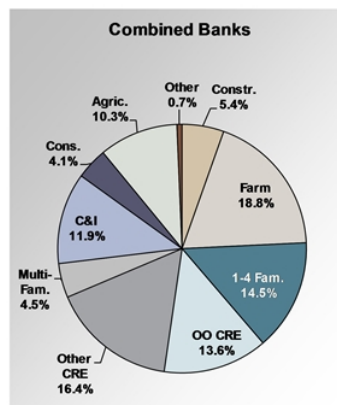
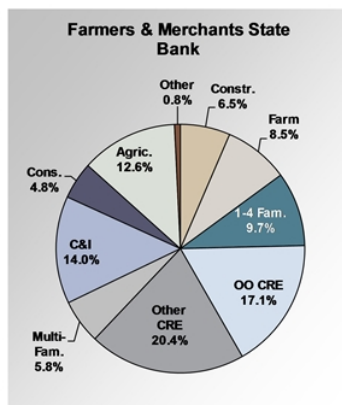
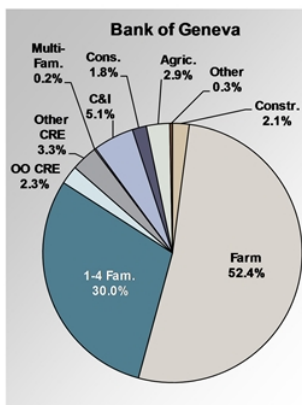


Limberlost Profile – Investment Highlights

Financial Stability & Asset Quality	<ul style="list-style-type: none">• Consistent and strong core profitability - Bank reported S-Corp. net income for 2016, 2017 and YTD 06/30/18 at \$5.0 million, \$5.5 million and \$3.2 million, respectively (S-Corp. ROAA measured 2.18% in 2016, 2.13% in 2017 and 2.32% for YTD 2018)• Bank capital ratios – 11.15% Tier 1 and 14.92% Total risk-based at 06/30/2018• NPAs to assets = 0.30%; minimal net loan charge-offs in 2017 and YTD 2018
Balance Sheet Growth and Funding	<ul style="list-style-type: none">• Loan growth from \$185 million at YE 2014 to \$257 million at June 30, 2018 which approximates \$20 million of annual loan growth: 90% loan to asset ratio at June 30, 2018• Deposit growth from \$167 million at YE 2014 to \$212 million at June 30, 2018 which approximates \$13 million per year of deposit growth• Strong core deposits with ~16% noninterest bearing DDA and 23% in CDs
Noninterest Expense Controls and Cost Savings	<ul style="list-style-type: none">• Bank's noninterest expense to average assets equaled 2.30% for YTD June 30, 2018• 61 FTE actual Bank employees• Fully-phased in cost savings estimated at \$2.3 million or approximately 32% of noninterest expense• Financial modeling included approximately 5% customer run-off
Strategically Well-Positioned	<ul style="list-style-type: none">• Natural extension of Indiana branch footprint• Attractive balance sheet growth• Enhance Bank's legal lending limit and introduce additional FMAO client services• Relatively low level of noninterest expense cost savings
Bank's Market	<ul style="list-style-type: none">• HQ is Adams County, IN with current population of 35,528 and projected to increase• Total Adams County deposits of \$711 million• Additional Bank markets include Jay County and Allen County with populations of approximately 21,000 and 374,000, respectively• Bank holds the second highest deposit market share in Adams County, IN



Pro Forma Loan Mix



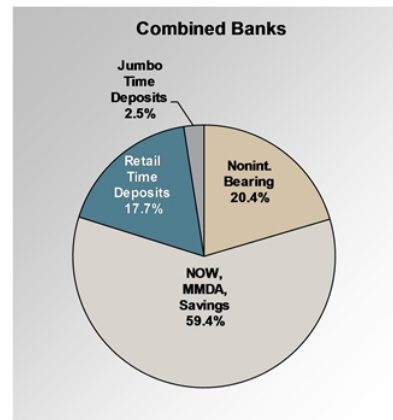
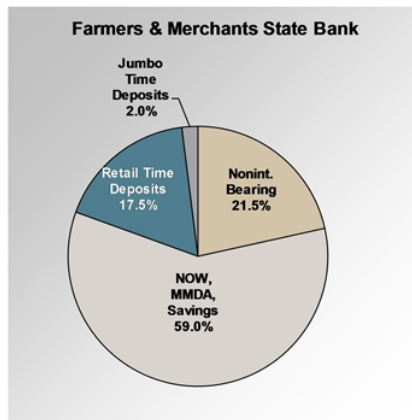
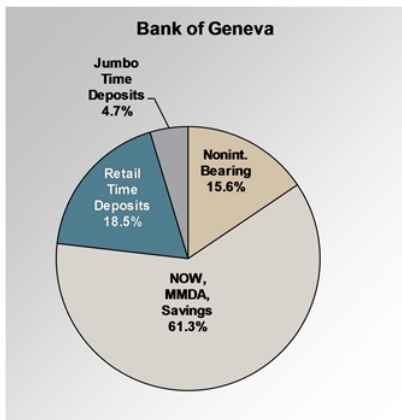
	Balance (\$000)	% of Total
Bank of Geneva		
Construction	\$5,379	2.1%
Farm Loans	\$134,923	52.4%
1-4 Family	\$77,289	30.0%
Owner-Occupied CRE	\$6,028	2.3%
Other CRE Loans	\$8,460	3.3%
Multi-Family	\$495	0.2%
C&I	\$13,179	5.1%
Consumer	\$4,536	1.8%
Agricultural	\$7,542	2.9%
Other Loans	\$858	0.3%
Less: Unearned Income	\$1,428	0.6%
Total Loans	\$257,261	100.0%
2018Q2 Loan Yield		5.61%

	Balance (\$000)	% of Total
Farmers & Merchants State Bank		
Construction	\$53,953	6.5%
Farm Loans	\$70,366	8.5%
1-4 Family	\$80,642	9.7%
Owner-Occupied CRE	\$142,323	17.1%
Other CRE Loans	\$169,631	20.4%
Multi-Family	\$48,061	5.8%
C&I	\$116,351	14.0%
Consumer	\$40,260	4.8%
Agricultural	\$104,830	12.6%
Other Loans	\$6,324	0.8%
Less: Unearned Income	\$813	0.1%
Total Loans	\$831,928	100.0%
2018Q2 Loan Yield		5.04%

	Balance (\$000)	% of Total
Combined Banks		
Construction	\$59,332	5.4%
Farm Loans	\$205,289	18.8%
1-4 Family	\$157,931	14.5%
Owner-Occupied CRE	\$148,351	13.6%
Other CRE Loans	\$178,091	16.4%
Multi-Family	\$48,556	4.5%
C&I	\$129,530	11.9%
Consumer	\$44,796	4.1%
Agricultural	\$112,372	10.3%
Other Loans	\$7,182	0.7%
Less: Unearned Income	\$2,241	0.2%
Total Loans	\$1,089,189	100.0%
Combined 2018Q2 Loan Yield		5.17%



Pro Forma Deposit Mix



	Balance (\$000)	% of Total
Bank of Geneva		
Noninterest Bearing	\$33,011	15.6%
NOW, MMDA, Savings	\$129,962	61.3%
Retail Time Deposits	\$39,262	18.5%
Jumbo Time Deposits	\$9,884	4.7%
Total Deposits	\$212,119	100.0%

	Balance (\$000)	% of Total
Farmers & Merchants State Bank		
Noninterest Bearing	\$200,665	21.5%
NOW, MMDA, Savings	\$549,353	59.0%
Retail Time Deposits	\$162,803	17.5%
Jumbo Time Deposits	\$18,543	2.0%
Total Deposits	\$931,364	100.0%

	Balance (\$000)	% of Total
Combined Banks		
Noninterest Bearing	\$233,676	20.4%
NOW, MMDA, Savings	\$679,315	59.4%
Retail Time Deposits	\$202,065	17.7%
Jumbo Time Deposits	\$28,427	2.5%
Total Deposits	\$1,143,483	100.0%

2018Q2 Cost of Total Deposits 0.60%

2018Q2 Cost of Total Deposits 0.59%

Combined Cost of Total Deposits 0.59%



Transaction Overview / Key Assumptions

Transaction Value	<ul style="list-style-type: none">• Deal value at approximately \$88.8 million• Based on FMAO's closing price of \$43.88 on August 17, 2018• Limberlost outstanding common shares: 1,000
Consideration Mix	<ul style="list-style-type: none">• Approximately 90% in FMAO stock and 10% in cash• Shareholders will receive 1,830 shares of FMAO stock and \$8,465.00 per share in cash for each Limberlost common share
Collars/Termination Right	<ul style="list-style-type: none">• No collars or right for Limberlost to terminate transaction based on a change in FMAO stock price
Modeling Assumptions	<ul style="list-style-type: none">• Loan credit mark equal to Limberlost's current loan loss reserve (1.25% of loans)• Core deposit intangible of 2.5% (\$4.1 mil); amortized 10-year sum of years' digits• No write-up in fixed assets
Transaction Costs	<ul style="list-style-type: none">• Combined transaction expenses estimated at \$5.5 million pre-tax or \$4.7 million after-tax
Estimated Cost Savings/ Revenue Enhancements	<ul style="list-style-type: none">• Approximately 24% or \$1.7 mil. in cost savings in 2019 and 32% or \$2.3 mil. in 2020• No material revenue enhancements built into modeling



Transaction Multiples / Pro Forma Results

FMAO Acquisition of Limberlost

Deal Value (8/17/18 FMAO Stock Price)	\$88.8 mil.
Price/TBV (06/30/2018) ⁽¹⁾	290%
Price/LTM Earnings (06/30/2018) ⁽²⁾	19.7x
Expected Year 1 EPS Accretion	12.8%
Expected Year 2 EPS Accretion	15.5%
TBV Dilution at Closing	6.1%
TBV Payback Period (crossover method)	2.9 years

(1) Based on Limberlost's tangible consolidated equity of \$30.6 million at 06/30/2018.

(2) Limberlost's last 12 months (LTM) tax-adjusted net income for the period ending 06/30/2018 estimated at \$4.5 million.

