

**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) September 5, 2019

**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)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of Each Exchange
Common Stock, No Par Value	FMAO	NASDAQ Capital Market

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.

Farmers & Merchants Bancorp, Inc. (the “Company”) has delivered a letter to its shareholders concerning earnings for the quarter ended June 30, 2019 and the Company’s stock performance. Attached as Exhibit 99.1 is a copy of the letter to shareholders.

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.

#### **SAFE HARBOR STATEMENT**

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

ITEM 9.01. Financial Statements and Exhibits

(d) Exhibits.

<b><u>Exhibit Number</u></b>	<b><u>Description of Exhibit</u></b>
99.1	<a href="#"><u>Letter to Shareholders, dated September 5, 2019.</u></a>

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**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: September 5, 2019

/s/ Lars B. Eller

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Lars B. Eller

President and Chief Executive Officer

/s/ Barbara J. Britenriker

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Barbara J. Britenriker

Executive Vice President and Chief Financial Officer



# FARMERS & MERCHANTS BANCORP, INC.

## To All Shareholders:

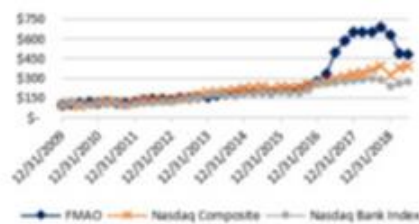
I am extremely encouraged by F&M's business and financial results as F&M ended the 2019 second quarter with record quarterly earnings, assets, and book value. We believe favorable trends will continue as we recently completed a new long-term strategic plan that is focused on profitable growth, while appropriately managing risk. Unfortunately, our stock price has recently declined, which we do not believe is a reflection of any fundamental issue with our financial or operating performance.

F&M's management and Board of Directors believe there are three important factors shareholders should consider when looking at the company's recent stock performance. These factors are:

1. F&M's long-term stock performance is compelling.
2. F&M's focus on continued growth in profitability and earning into our stock price.
3. F&M's limited trading liquidity creates disproportionate volatility in our stock performance.

We live in a world dominated by the desire for instant gratification, but in reality, instant results are hard to find. At F&M we do not focus on making short-term business decisions but are committed to creating long-term strategies that will benefit our organization for many years to come, and our approach has been very successful. **Every \$100 invested in F&M stock as of December 31, 2009, by June 30, 2019 has become \$480, assuming reinvestment of dividends, as a result of appreciation in our stock price and our quarterly dividend payments.** We remained focused on executing our strategic growth plan, while rewarding shareholders with our quarterly dividend payment that has increased 75% over the past 10 years.

**Total Shareholder Return Since 12/31/09**



**Earning into our Stock Price:** F&M has an established track record of growing earnings. Profitability over the past 10 years has benefitted from the addition of seven, highly productive, new offices opened since 2009, expansion of our net interest margin, growth in loans outstanding, and continued strong asset quality. Going forward, we must continue to grow earnings and we have developed a strategic plan that is focused on achieving this goal. Specifically, in 2019 and beyond, profitability will benefit from the contribution of the Limberlost (Bank of Geneva) acquisition, improved productivity at recently opened office, continued geographic expansion in locations with compelling demographics, the pursuit of additional acquisition opportunities, and proactively managing our costs of funds, while growing noninterest income.

**Trading Liquidity Impacts Stock Performance:** According to equity research analysts at KBW, an investment bank specializing on the financial services sector, active institutional managers continued to modestly reduce their exposure to stock of financial institutions in 2Q19. Macro trends like this impact all companies within the sector but will disproportionately affect F&M because of our low trading liquidity. Over the past five years we have worked on improving our trading liquidity by meeting with institutional investors, becoming listed on the Nasdaq Stock Exchange, and completing a two-for-one stock split. In addition, because we financed a portion of the Limberlost (Bank of Geneva) acquisition using our stock, we increased the amount of F&M's common stock outstanding by approximately 20%. We will continue our efforts on improving our stock's liquidity.

We remain committed to our core operating strategies, serving our customers and local communities, nurturing an environment for our employees to thrive, and creating long-term value for our shareholders. We have not changed our commitments as a result of the recent volatility and performance of our stock price, and we will not manage the business for short-term gains. Our 2019 second quarter results demonstrate the continued strength in our business and the positive operating and financial trends underway at F&M. We believe we are headed in the right direction and we look forward to years of continued success and value creation for our shareholders.

Sincerely,

Jack C. Johnson  
Chairman of the Board

Lars B. Eller  
President & CEO