

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For six months ended June 30, 1996

Commission file number 014492

FARMERS & MERCHANTS BANCORP, INC.

(Exact name of registrant as specified in its charter)

Ohio

34-1469491

(State or other jurisdiction of
incorporation or organization)

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

307-11 North Defiance Street

43502

(Address of principal executive
offices)

(Zip Code)

Registrant's Telephone Number, including area code 419/446-2501

Not applicable

Former name, former address, and former fiscal year, if changed
since last year

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter periods that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. Yes X No

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

Class

Outstanding as of June 30, 1996

Common Stock, No Par Value

1,300,000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

FARMERS & MERCHANTS BANKCORP, INC.

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FARMERS & MERCHANTS BANCORP, INC.
ARCHBOLD, OHIO

CONDENSED CONSOLIDATED BALANCE SHEET

(in thousands of dollars)

ASSETS	Quarter Ended June 30 1996	Market Value June 30 1996	Year Ended December 31 1995
Cash and due from banks	\$ 12,846		\$ 14,951
Interest bearing deposits in other banks	145		100
Federal Funds Sold, & Securities Purchased Under Agreement to Resell	10,620		10,710
Investment Securities			
U.S. Treasury	27,880	22,719	22,757
U.S. Government Agencies	36,337	34,475	31,237
State & Political Subdivisions	25,047	21,464	19,926
All Others	13,941	10,777	10,795
Loans and leases	352,414		339,676
Bank premises and equipment	7,332		7,198
Accrued interest and other assets	7,075		6,740
TOTAL ASSETS	\$493,637	\$89,435	\$464,090
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
Deposits:			
Demand	\$ 40,663		\$ 37,436
Time and savings	393,873		366,554
Federal Funds Purchased & Securities Sold Under Agreement to Repurchase	5,156		6,919
Other Borrowed Money	9,355		9,662
Accrued interest and other liabilities	3,685		3,898
TOTAL LIABILITIES	452,732	0	424,469
SHAREHOLDERS' EQUITY			
Common Stock, no par value - Authorized 300,000 shares; issued 260,000 shares in 1993 & 1992	12,677		12,677
Undivided profits	28,228		26,944
TOTAL SHAREHOLDERS' EQUITY	40,905	0	39,621
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$493,637	\$0	\$464,090

ASSETS	Market Value December 31 1995	Quarter Ended June 30 1995
Cash and due from banks		\$ 12,757
Interest bearing deposits in other banks		145
Federal Funds Sold, & Securities Purchased Under Agreement to Resell		4,505
Investment Securities		
U.S. Treasury	22,757	20,886
U.S. Government Agencies	31,237	21,184
State & Political Subdivisions	19,926	17,862
All Others	10,795	7,091
Loans and leases		328,320
Bank premises and equipment		7,294
Accrued interest and other assets		6,929
TOTAL ASSETS	\$84,715	\$426,973
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Demand		\$ 32,673
Time and savings		338,220
Federal Funds Purchased & Securities Sold Under Agreement to Repurchase		6,053
Other Borrowed Money		9,650
Accrued interest and other liabilities		2,931
TOTAL LIABILITIES	0	389,527

SHAREHOLDERS' EQUITY	-----

Common Stock, no par value - Authorized 300,000 shares; issued 260,000 shares in 1993 & 1992	12,677
Undivided profits	24,769

TOTAL SHAREHOLDERS' EQUITY	0 37,446

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$0 \$426,973

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See notes to condensed consolidated unaudited financial statements
Note: The balance sheet at December 31, 1995 has been derived from the
audited financial statements of that date.

FARMERS & MERCHANTS BANCORP, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF NET EARNINGS
 (In thousands of dollars)

	Six Months Ended June 30		Three Months Ended June 30	
	1996	1995	1996	1995
	-----	-----	-----	-----
INTEREST INCOME:				
Loans and leases	\$15,741	\$14,068	\$7,770	\$7,544
Investment Securities				
U.S. Treasury	676	447	361	229
U.S. Gov't Agencies	1,032	754	536	325
States & Political Subdiv.	584	582	297	298
Other	307	258	148	122
Federal funds sold	301	126	134	55
Deposits with other banks	0	0	0	0
	-----	-----	-----	-----
Total Interest Income	18,641	16,235	9,246	8,573
	-----	-----	-----	-----
INTEREST EXPENSE:				
Deposits	9,829	7,442	4,941	3,982
Short-term borrowings	170	197	80	81
Other borrowed money	302	332	150	153
	-----	-----	-----	-----
Total Interest Expense	10,301	7,971	5,171	4,216
	-----	-----	-----	-----
NET INTEREST INCOME	8,340	8,264	4,075	4,357
PROVISION FOR LOAN LOSSES	413	0	268	0
	-----	-----	-----	-----
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	7,927	8,264	3,807	4,357
OTHER INCOME:				
Service charges	533	496	274	268
Other	768	453	388	215
Securities gains (losses)	0	(29)	0	(17)
	-----	-----	-----	-----
	1,301	920	662	466
	-----	-----	-----	-----
OTHER EXPENSE:				
Salaries	2,398	1,910	1,195	972
Pension and Employee Benefits	465	405	233	230
Occupancy	617	559	268	278
Other operating	1,853	2,172	967	1,135
	-----	-----	-----	-----
	5,333	5,046	2,663	2,615
	-----	-----	-----	-----
EARNINGS BEFORE INCOME TAX	3,895	4,138	1,806	2,208
PROVISION FOR FEDERAL INCOME TAX	1,161	1,212	555	648
	-----	-----	-----	-----
NET EARNINGS	\$ 2,734	\$ 2,926	\$1,251	\$1,560
	=====	=====	=====	=====
Net income per share (Based upon the weighted average number of shares outstanding of 1,300,000 for 1996 and 1995)	2.10	2.25	0.96	1.20
	=====	=====	=====	=====

See notes to condensed consolidated unaudited financial statements.

Farmers and Merchants Bancorp, Inc.

Cash Flows From Operating Activities (In Thousands)	Jun 30 1996	Jun 30 1995
Net Earnings	2,734	2,926
Adj To Reconcile Net Earnings to Cash provided by Operating activities		
Depreciation and Amortization	347	300
Premium Amortization	336	59
Discount Amortization	(76)	(429)
Provision for Loan Losses	413	0
Provision for Deferred Taxes	229	395
(Gain) Loss on Sale of Fixed Assets	0	0
(Gain) Loss on Sale of Securities	0	29
Changes in Assets and Liabilities		
Accrued Int Receivable & Other Assets	(106)	(1,043)
Accrued Int Payable & Other Liabilities	111	258
Net Cash Provided By Operating Act	3,988	2,495
Cash Flows from Investing Activities		
Capital Expenditures	(480)	(1,337)
Proceeds from Sale of Fixed Assets	0	0
Proceeds from Sale of Securities	0	0
Proceeds from Maturities of Securities	0	10,933
Purchase of Securities	(18,749)	0
Net (Increase) Decrease in Loans	(12,749)	(26,721)
Net (Increase) Decrease in Leases	10	1
Net Cash Used by Investing Activities	(31,968)	(17,124)
Cash Flows from Financing Activities		
Net Increase (Decrease) in Deposits	30,674	26,498
Net Increase (Decrease) in Short Term Borrowings	(1,762)	(8,344)
Net Increase in Long Term Borrowings	0	0
Payments on Long Term Borrowings	(307)	(224)
Payments of Dividends	(975)	(780)
Unrealized Gains/Losses on Securities	(800)	434
Net Cash Provided by Financing Act	26,830	17,584
Net Change in Cash & Cash Equivalents	(1,150)	2,955
Cash & Cash Equivalents at Beginning of Year	24,761	14,452
Cash & Cash Equivalents at end of year	23,611	17,407
Reconcilements of Cash & Cash Equivalents		
Cash and Due from Banks	12,846	12,757
Interest Bearing Deposits	145	145
Federal Funds Sold	10,620	4,505
Total Cash and Cash Equivalents	23,611	17,407

Notes to Condensed Consolidated 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 10-Q and Rule 10-1 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 six months ended June 30, 1996 are not necessarily indicative of the results that are expected for the year ended December 31, 1996. 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, 1995.

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

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

LIQUIDITY AND CAPITAL RESOURCES

Liquidity has continued to be enhanced by the generation of cash through operations primarily by reduction in expenses, and the collection of interest income from productive assets.

The rate of increase on Capital Expenditures has slowed with the completion of the renovation of the main office and the implementation of the new proof system. There will be reasonable increase in this area due to the major renovation of one of the branch offices.

The following is a list of 5 capital ratios as they are calculated from the June 30, 1996 financial statements.

Primary Ratio	9.30%
Total Capital Ratio	11.17%
Risk Based Capital Tier 1	8.03%
Risk Based Capital Tier 2	10.94%
Stockholders Equity/Total Assets	8.29%

During the first six months of 1996 the bank's loan portfolio has increased \$12,749,000. This represents a 4% increase. This was the primary use of cash over the period. An increase of \$30,674,000 in deposits was noted for the six months ended June 30, 1996. This represents a 8% increase. This increase was do in part to the fact that the bank offers very competitive rates for its deposit products. In addition a concerted marketing effort has been implemented to attract more "core" deposits to help with the maintaining of an acceptable net interest margin.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

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

Exhibit No.	Description
27	Financial Data Schedule

(B) Reports on Form 8-K

No reports on Form 8-K were filed by the Registrant during the quarter ended June 30, 1996.

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,

Date: August 1, 1996

By: /s/ Joe E. Crossgrove

Joe E. Crossgrove
Executive Vice President
and Cashier

Date: August 1, 1996

By: /s/ Randal H. Schroeder

Randal H. Schroeder
Asst. Vice President
and Chief Accounting Officer

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
27	Financial Data Schedule

6-MOS
DEC-31-1996
JAN-01-1996
JUN-30-1996
12,846
145
10,620
0
103,205
0
0
357,914
5,500
493,637
434,536
5,156
3,685
9,355
0
0
12,677
28,228
493,637
7,770
1,342
134
9,246
4,941
5,171
4,075
268
0
2,663
1,806
1,806
0
0
1,251
.96
.96
8.42
3,969
3,877
0
7,846
5,500
458
190
5,500
5,500
0
0