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PEOPLES BANCORP INC
Form 8-K
November 14, 2003

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) November 14, 2003

PEOPLES BANCORP INC.

(Exact name of Registrant as specified in its charter)

0-16772

Commission File Number

Ohio

(State or other jurisdiction of incorporation)

31-0987416

(I.R.S. Employer
Identification Number)

138 Putnam Street
P.O. Box 738,
Marietta, Ohio

(Address of principal executive office)

45750

(Zip Code)

Registrant's telephone number, including area code: (740) 373-3155

Not applicable

(Former name or former address, if changed since last report)

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- Item 5. Other Events and Regulation FD Disclosure
On October 15, 2003, Peoples Bancorp Inc. ("Peoples") issued a news release announcing earnings for the quarter ended September 30, 2003 (the "Third Quarter Earnings Release"). This news release was included as Exhibit 99 to Peoples' Current Report on Form 8-K filed on October 16, 2003.

The consolidated balance sheets, consolidated statements of income

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and selected financial information contained in the Third Quarter Earnings Release reflected Peoples' July 1, 2003, adoption of the reporting requirements of Statement of Financial Accounting Standards No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity" ("SFAS 150"). This adoption resulted in Peoples reclassifying its Trust Preferred Securities from the mezzanine section of the balance sheet, presented as "Guaranteed preferred beneficial interest in junior subordinated debentures", to liabilities, presented as "Mandatorily redeemable capital securities of subsidiary trusts". In addition, Peoples began recognizing the related expense within the statement of income as interest expense in the third quarter of 2003, versus non-interest expense. Prior periods were not restated within the Third Quarter Earnings Release as SFAS 150 permitted only prospective application.

On November 7, 2003, the Financial Accounting Standards Board issued Staff Position No. 150-3 which deferred for an indefinite period the application of the measurement and recognition guidance in SFAS 150 for mandatory redeemable noncontrolling interests that are classified as equity in the financial statements of the subsidiary but would be classified as a liability in the parent's financial statements under SFAS 150 because the subsidiary has a limited life (i.e. trust preferred securities). As a result, Peoples reverted to the mezzanine presentation for its Trust Preferred Securities and recognized the related expense as non-interest expense in the financial statements for the quarter ended September 30, 2003. This change was reflected in the consolidated balance sheets, consolidated statements of income and selected financial information contained in Peoples' Quarterly Report on Form 10-Q filed on November 13, 2003.

The deferral of SFAS 150 had no impact to Peoples' results of operations for the three and nine months ended September 30, 2003, as the change was limited solely to the categorization of items on the balance sheet and statement of income. The following table details the changes due to reflect Staff Position No. 150-3:

| (in \$000's) | Three Months Ended September 30, 2003 | | Nine Months September 30 |
|--|--|------------------|-----------------------------|
| | Per News Release | Per Form 10-Q | Per News Release |
| Non-interest income leverage ratio (a) | 53.36% | 50.24% | 47.08% |
| Efficiency ratio (b) | 48.35% | 49.85% | 50.70% |
| Net interest margin (fully tax equivalent) | 3.58% | 3.72% | 3.69% |
| Interest Expense | \$ 9,465 | \$ 8,880 | \$ 27,930 |
| Net interest income | 14,085 | 14,670 | 41,889 |
| Net interest income after provision for loan losses | 13,165 | 13,750 | 39,203 |
| Trust Preferred expense (c) | - | 606 | 1,169 |
| Professional fees (c) | 458 | 436 | 1,442 |
| Total non-interest expense | 9,999 | 10,584 | 29,744 |

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| | | |
|---|--|-----|
| (in \$000's) | September 30, 2003 Per News Release | For |
| Mandatorily redeemable capital securities of subsidiary trust | \$ 29,155 | \$ |
| Total Liabilities | 1,597,394 | 1, |
| Guaranteed preferred beneficial interests in junior subordinated debentures | - | |

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 duly authorized.

DATE: November 14, 2003

PEOPLES BANCORP INC.

Registrant

By: /s/ ROBERT E. EVANS

Robert E. Evans
President and Chief Executive Officer

INDEX TO EXHIBITS

| EXHIBIT NUMBER | DESCRIPTION | EXHIBIT LOCATION |
|----------------|-------------|------------------|
| ----- | ----- | ----- |
| Not applicable | | |