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PEOPLES BANCORP INC
Form 11-K
June 15, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2004

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File No. 0-16772

A. Full title of the plan and address of the plan:

Peoples Bancorp Inc.
138 Putnam Street, P.O. Box 738
Marietta, Ohio 45750
Attn: The Retirement Planning Committee

B. Name of issuer of the securities held pursuant to the plan and address of its
principal executive office:

Peoples Bancorp Inc.
138 Putnam Street, P.O. Box 738
Marietta, Ohio 45750

SIGNATURES

The Plan. Pursuant to the requirements of the Securities and Exchange
Act of 1934, the trustees (or other persons who administer the employee benefit
plan) have duly caused this annual report to be signed on its behalf by the
undersigned hereunto duly authorized.

PEOPLES BANCORP INC.
RETIREMENT SAVINGS PLAN

Date: June 15, 2005

By: /s/ JOHN E. DAKESIAN

John E. Dakesian
Chairperson, Retirement Plan Committee

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Peoples Bancorp Inc. Retirement Savings Plan

EIN 31-0987416 PN 002

Accountants' Report and Financial Statements

December 31, 2004 and 2003

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Peoples Bancorp Inc. Retirement Savings Plan

December 31, 2004 and 2003

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Independent Accountants' Report

Plan Administrator
Peoples Bancorp Inc. Retirement Savings Plan
Marietta, Ohio

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We have audited the accompanying statements of net assets available for benefits of Peoples Bancorp, Inc. Retirement Savings Plan as of December 31, 2004 and 2003, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Peoples Bancorp Inc. Retirement Savings Plan as of December 31, 2004, and 2003, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BKD, LLP

Cincinnati, Ohio
April 14, 2005

Federal Employer Identification Number: 44-0160260

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Peoples Bancorp Inc. Retirement Savings Plan Statements of Net Assets Available for Benefits December 31, 2004 and 2003

Assets

	2004	2003

Investments, at fair value	\$ 20,357,273	\$ 17,812,333

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Accrued interest and dividends	13,220	--
	-----	-----
Net Assets Available for Benefits	\$ 20,370,493	\$ 17,812,333
	=====	=====

See Notes to Financial Statements

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Peoples Bancorp Inc. Retirement Savings Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2004 and 2003

	2004	2003
	-----	-----
Investment Income		
Net appreciation in fair value of investments	\$ 656,142	\$ 3,231,499
Interest and dividends	350,907	207,100
	-----	-----
Net investment income	1,007,049	3,438,599
	-----	-----
Contributions		
Employer	593,485	479,780
Participants	1,154,834	961,130
Rollovers	947,066	274,050
	-----	-----
Total additions	2,695,385	1,714,970
	-----	-----
Deductions		
Benefits paid to participants	1,096,430	1,323,970
Administrative expenses	47,844	44,070
	-----	-----
Total deductions	1,144,274	1,368,050
	-----	-----
Net Increase	2,558,160	3,785,510
Net Assets Available for Benefits, Beginning of Year	17,812,333	14,026,810
	-----	-----

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Net Assets Available for Benefits, End of Year	\$	20,370,493	\$	17,812,33
		=====		=====

See Notes to Financial Statements

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Peoples Bancorp Inc. Retirement Savings Plan Notes to Financial Statements December 31, 2004 and 2003

NOTE 1: DESCRIPTION OF THE PLAN

The following description of the Plan provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a more complete description of the Plan's provisions, which are available from the plan administrator.

General

The Plan is a defined contribution plan sponsored by Peoples Bancorp Inc. (Company) for the benefit of its full-time employees who have at least one hour of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). AMVESCAP National Trust Company is the trustee and serves as the custodian of the Plan.

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual contributions of up to 100% of eligible compensation. Employee rollover contributions are also permitted. The Company makes matching contributions of 100% of the employees' salary deferral amounts up to 3% of the employees' compensation and 50% of the employees' salary deferral amounts on the next 2% of the employees' compensation. Company profit-sharing contributions are discretionary as determined by the Company's Board of Directors. Contributions are subject to certain limitations. Forfeitures are used to reduce Company contributions.

Participant Investment Account Options

Investment account options available include various funds. Each participant has the option of directing his contributions into any of the separate investment accounts and may change the allocation daily.

The Plan document also includes an automatic deferral feature whereby a participant is treated as electing to defer a certain percentage of eligible compensation unless the participant made an affirmative election otherwise.

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Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and plan earnings and is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

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Vesting

Participants are immediately vested in their voluntary contributions and the Company's matching contributions plus earnings thereon.

Payment of Benefits

Upon termination of service, an employee may elect to receive either a lump-sum amount equal to the value of his account or a monthly, quarterly, or annual installments over a period of not more than the participant's assumed life expectancy.

Participant Loans

The Plan document includes provisions authorizing loans from the Plan to active eligible participants. Loans are made to any eligible participant demonstrating a qualifying need. The minimum amount of a loan shall be \$1,000. The maximum amount of a participant's loan is determined by the available loan balance restricted to the lesser of \$50,000 or 50% of the participant's vested account balance. All loans are covered by demand notes and are repayable over a period not to exceed five years (except for loans for the purchase of a principal residence) through payroll withholdings unless the participant is paying the loan in full. Interest on the loans is based on local prevailing rates as determined by the plan administrator.

Plan Termination

Although it has not expressed an intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of plan termination, participants will become 100% vested in their accounts.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The accompanying financial statements are prepared on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets and changes in net assets and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

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Valuation of Investments and Income Recognition

Quoted market prices, if available, are used to value investments. Participant loans are valued at cost, which approximates fair value.

The investments in Peoples Bancorp Inc. Common Stock has been unitized and is comprised of cash and Peoples Bancorp Inc. Common Stock. The Plan holds between 3% and 5% of these units in cash in order to provide liquidity for timely distributions. At December 31, 2004 and 2003 these units are comprised of 282,164 and 286,119 shares of Peoples Bancorp Inc. Common Stock and cash of \$383,498 and \$403,678, respectively.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Plan Tax Status

The Plan obtained its latest determination letter on January 30, 2004, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and therefore not subject to tax.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

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NOTE 3: INVESTMENTS

The Plan's investments are held by a bank-administered trust fund. The Plan's investments (including investments bought, sold and held during the year) appreciated (depreciated) in fair value as follows:

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	Net Appreciation (Depreciation) in Fair Value During Year

Investments at fair value as determined by quoted market price	
Mutual funds	
Columbia Acorn-Z Fund	\$ 264,234
Dodge & Cox Balanced Fund	107,495
Other	399,310
Common/collective trust funds	
Invesco 500 Index Trust	190,166
Invesco Stable Value Trust	--
Other	74,034
Peoples Bancorp Inc. common stock units	(379,097)

	656,142
Investments at cost which approximates market	
Participant loans	--

Total investments	\$ 656,142
	=====

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	2003

	Net Appreciation (Depreciation) in Fair Value During Year

Investments at fair value as determined by quoted market price	
Mutual funds	
Columbia Acorn-Z Fund	\$ 481,860
Dodge & Cox Balanced Fund	158,959
Other	536,459
Common/collective trust funds	
Invesco 500 Index Trust	367,584
Invesco Stable Value Trust	--
Other	73,572

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Peoples Bancorp Inc. common stock units	1,613,060

	3,231,494
Investments at cost which approximates market	
Participant loans	--

Total investments	\$ 3,231,494
	=====

Investments that represented 5% or more of the Plan's assets are separately identified (*) above.

Interest and dividends realized on the Plan's investments for the years ended 2004 and 2003 were \$350,907 and \$207,104, respectively.

NOTE 4: PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such employer or employee association, or relatives of such persons.

The Plan holds common stock of Peoples Bancorp Inc., which is the plan sponsor. The Plan also invests in certain funds of the Plan trustee. The Plan paid \$47,844 and \$44,076 of recordkeeping fees to AMVESCAP National Trust Company during 2004 and 2003 respectively. The Company provides certain administrative services at no cost to the plan.

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Supplemental Schedule

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Peoples Bancorp Inc. Retirement Savings Plan
 EIN 31-0987416 PN 002
 Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
 December 31, 2004

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Identity of Issuer	Description of Investment	
American Century Strategic Allocation Conservative Fund	15,663 Units;	\$5.59 Per Unit
American Century Strategic Allocation Moderate Fund	16,659 Units;	\$6.77 Per Unit
American Century Strategic Allocation Aggressive Fund	19,067 Units;	\$7.71 Per Unit
Columbia Acorn-Z Fund	72,601 Units;	\$26.45 Per Unit
*Invesco 500 Index Trust	62,558 Units;	\$31.03 Per Unit
*Invesco Structured Small Cap Value Equity Trust	3,271 Units;	\$100.76 Per Unit
*Invesco Core Fixed Income Trust	14,102 Units;	\$31.78 Per Unit
*Invesco Stable Value Trust	1,575,328 Units;	\$1.00 Per Unit
*Peoples Bancorp Inc. Common Stock Units	502,988 Units;	\$16.15 Per Unit
American Growth Fund of America	30,987 Units;	\$27.38 Per Unit
Dodge & Cox Common Stock Fund	7,709 Units;	\$130.22 Per Unit
Dodge & Cox Balanced Fund	19,010 Units;	\$79.35 Per Unit
ING Pilgrim International Value Fund	53,506 Units;	\$17.65 Per Unit
AIM Mid Cap Core Equity Fund	25,609 Units;	\$28.64 Per Unit
Royce Low-Priced Stock Fund	4,285 Units;	\$15.00 Per Unit
Fidelity Advisor Mid Cap - T Fund	10,841 Units;	\$25.22 Per Unit
Participant loans	Interest rates ranging from 5.75% to 11.50%	

*Parties-in-interest

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INDEX TO EXHIBITS

EXHIBIT NUMBER	DESCRIPTION
23.1	Consent of Independent Accountants

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