

PEOPLES BANCORP INC
Form S-4
June 18, 2014

As filed with the Securities and Exchange Commission on June 18, 2014 Registration No. 333-_____
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Peoples Bancorp Inc.
(Exact name of Registrant as specified in its charter)

Ohio	6021	31-0987416
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

138 Putnam Street, Marietta, Ohio
(740) 373-3155
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

M. Ryan Kirkham, Esq.
Corporate Counsel
Peoples Bancorp Inc.
138 Putnam Street, Marietta, Ohio
(740) 376-7574
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Susan B. Zaunbrecher, Esq.
Dinsmore & Shohl LLP
First Financial Center
255 E. Fifth Street, Suite 1900
Cincinnati, Ohio 45202
Phone: (513) 977-8171

Douglas Scott Morgan, Esq.
Morgan Law.co
784 Marburn Drive
Columbus, Ohio 43214
Phone: (614) 929-5466

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this Registration Statement.

Edgar Filing: PEOPLES BANCORP INC - Form S-4

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

- Large accelerated filer Non-accelerated filer (do not check if smaller reporting company)
 Accelerated filer Smaller reporting company

If applicable, place an “x” in the box to designate the appropriate rule provision relied upon in conducting this transaction:

- Exchange Act Rule 13e-4(i)(Cross-Border Tender Offer)
 Exchange Act Rule 14d-1(d)(Cross-Border Third Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price (2)	Amount of registration fee
Common Shares, no par value	1,400,000	N/A	\$30,649,991	\$3,947.71

Represents an estimate of the maximum number of shares of common shares, no par value per share, of Peoples (1) Bancorp Inc. that Registrant anticipates issuing in connection with the proposed merger to which this registration statement relates.

Pursuant to Rule 457(c) and (f)(3) under the Securities Act, and estimated solely for the purpose of calculating the registration fee, the proposed maximum aggregate offering price was calculated as (A) the product of (i) \$106.00, the average of the bid and ask prices per share of Ohio Heritage Bancorp, Inc. common stock as reported on the (2) OTCQB on June 13, 2014, the latest practicable date prior to the date of filing of this registration statement, and (ii) 342,458, the estimated maximum number of shares of common stock of Ohio Heritage Bancorp, Inc. that may be exchanged in the merger, minus (B) \$5,650,557, the estimated aggregate amount of cash to be paid by Peoples Bancorp Inc. in the proposed merger.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting

pursuant to Section 8(a), may determine.

THE INFORMATION IN THIS PROXY STATEMENT/PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. WE MAY NOT ISSUE THESE SECURITIES UNTIL THE REGISTRATION STATEMENT IS EFFECTIVE. THIS PROXY STATEMENT/PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

PRELIMINARY PROXY STATEMENT/PROSPECTUS
DATED JUNE 18, 2014, SUBJECT TO COMPLETION

PROXY STATEMENT FOR THE SPECIAL MEETING OF SHAREHOLDERS OF
OHIO HERITAGE BANCORP, INC.

and

PROSPECTUS OF PEOPLES BANCORP INC.

MERGER PROPOSAL - YOUR VOTE IS VERY IMPORTANT

Peoples Bancorp Inc. ("Peoples"), and Ohio Heritage Bancorp, Inc. ("Ohio Heritage"), have entered into an Agreement and Plan of Merger dated as of April 4, 2014 (the "Merger Agreement"), which provides for the merger of Ohio Heritage with and into Peoples (the "Merger"). Consummation of the Merger is subject to certain conditions, including, but not limited to, obtaining the requisite vote of the shareholders of Ohio Heritage and the approval of the Merger by various regulatory agencies.

The board of directors of Ohio Heritage has called a special meeting of its shareholders to vote on the adoption and approval of the Merger Agreement. The time, date and place of the Ohio Heritage special meeting is as follows: , Eastern Daylight Savings Time, on , 2014, at Ohio Heritage Bank's main office at 200 Main Street, Coshocton, Ohio 43812. The adoption and approval of the Merger Agreement by the shareholders of Ohio Heritage requires the affirmative vote of the holders of at least 80% of the Ohio Heritage common shares outstanding and entitled to vote at the special meeting.

Under the terms of the Merger Agreement, shareholders of Ohio Heritage will be entitled to receive from Peoples, after the Merger is completed, merger consideration equal to \$110.00 per Ohio Heritage common share, payable in the form of a combination of cash and Peoples common shares to be calculated as set forth in the Merger Agreement. Such per share merger consideration will be paid as follows:

15%, or \$16.50 per Ohio Heritage common share, will be paid in cash, and

85%, or \$93.50 per Ohio Heritage common share, will be paid in Peoples' common shares (the number of which will be determined based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger (the "Share Exchange Ratio")).

The Share Exchange Ratio will not be determined until after the date of the special meeting. Therefore, at the time of the special meeting, you will not know the precise number of Peoples' common shares you may receive on the date the

Merger is completed. Peoples will not issue any fractional common shares in connection with the Merger. As a result, cash will be paid instead of any fractional common shares based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger.

This document is a proxy statement that Ohio Heritage is using to solicit proxies for use at its special meeting of shareholders to be held on , 2014, to vote on the Merger. It is also a prospectus relating to Peoples' issuance of its common shares in connection with the Merger. This proxy statement/prospectus describes the special meeting, the merger proposal and other related matters.

Ohio Heritage's board of directors recommends that you vote "FOR" the Merger

Peoples' common shares are traded on the NASDAQ Global Select Market® under the symbol "PEBO." On April 4, 2014, the date of execution of the Merger Agreement, the closing price of Peoples' common shares was \$24.45 per share. On , 2014, the closing price of Peoples' common shares was \$ per share. Ohio Heritage's common shares are traded in the over-the-counter market under the symbol "OHHB." On April 4, 2014, the date of execution of the Merger Agreement, the closing price of Ohio Heritage's common shares (based upon the closing price of such common shares on January 22, 2014, which was the most recent day that such common shares were traded prior to April 4, 2014) was \$40.40. On , 2014, the closing price of Ohio Heritage's common shares was \$.

You are encouraged to read this document, including the materials incorporated by reference into this document, carefully. In particular, you should read the "Risk Factors" section beginning on page 15 for a discussion of the risks you should consider in evaluating the Merger and how it will affect you.

Whether or not you plan to attend the special meeting of shareholders of Ohio Heritage, please complete, sign and return the enclosed proxy card in the enclosed postage-paid envelope.

Not voting by proxy or at the special meeting will have the same effect as voting against the adoption and approval of the Merger Agreement. We urge you to read carefully this proxy statement/prospectus, which contains a detailed description of the special meeting, the merger proposal, Peoples' common shares to be issued in the Merger and other related matters.

Sincerely,

W. Richard Baker
Chairman
Ohio Heritage Bancorp, Inc.

An investment in Peoples' common shares in connection with the Merger involves risk. See "RISK FACTORS" beginning on page 15.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of Peoples' common shares to be issued in the Merger or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The securities to be issued in connection with the Merger described in this proxy statement/prospectus are not savings accounts, deposit accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other federal or state governmental agency.

This proxy statement/prospectus is dated , 2014, and it is first being mailed to Ohio Heritage shareholders on or about , 2014.



Notice of Special Meeting of Shareholders

To be held at , Eastern Daylight Savings Time, on , 2014, at
200 Main Street, Coshocton, Ohio 43812

To the Shareholders of Ohio Heritage Bancorp, Inc.:

Notice is hereby given that a special meeting of the shareholders of Ohio Heritage Bancorp, Inc. will be held at , Eastern Daylight Savings Time, on , 2014, at Ohio Heritage Bank's main office at 200 Main Street, Coshocton, Ohio 43812, for the purpose of considering and voting on the following matters:

1. A proposal to adopt and approve the Agreement and Plan of Merger dated as of April 4, 2014, by and between Peoples Bancorp Inc. and Ohio Heritage Bancorp, Inc.;
2. A proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to adopt and approve the Agreement and Plan of Merger; and
3. Any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The board of directors of Ohio Heritage Bancorp, Inc. is unaware of any other business to be transacted at the special meeting.

Holders of record of Ohio Heritage Bancorp, Inc. common shares at the close of business on , 2014, the record date, are entitled to notice of and to vote at the special meeting and any adjournment or postponement of the special meeting. The affirmative vote of the holders of at least 80% of Ohio Heritage's shares is required to adopt and approve the Agreement and Plan of Merger.

A proxy statement/prospectus and proxy card for the special meeting are enclosed. A copy of the Agreement and Plan of Merger is attached as Annex A to the proxy statement/prospectus.

Your vote is very important, regardless of the number of shares of Ohio Heritage Bancorp, Inc. common stock you own. Please vote as soon as possible to make sure that your shares of common stock are represented at the special meeting. If you are a holder of record, you may cast your vote in person at the special meeting or, to ensure that your shares of Ohio Heritage Bancorp, Inc. common stock are represented at the special meeting, you may vote your shares by completing, signing and returning the enclosed proxy card. If your shares are held in a stock brokerage account or by a bank or other nominee (in "street name"), please follow the voting instructions provided by your broker, bank or nominee.

The Ohio Heritage Bancorp, Inc. board of directors unanimously recommends that you vote (1) "FOR" the adoption and approval of the Agreement and Plan of Merger and (2) "FOR" the proposal to adjourn the special meeting, if necessary, to solicit additional proxies.

By Order of the Board of Directors,

W. Richard Baker
Chairman
Ohio Heritage Bancorp, Inc.

, 2014

WHERE YOU CAN FIND MORE INFORMATION

Peoples is a publicly traded company that files annual, quarterly and other reports, proxy statements and other business and financial information with the Securities and Exchange Commission (the “SEC”). You may obtain copies of these documents by mail from the public reference room of the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the SEC at (800) SEC-0330 for further information on the public reference room. Peoples also files reports and other information with the SEC electronically, and the SEC maintains a web site located at www.sec.gov containing this information. Certain information filed by Peoples with the SEC is also available, without charge, through Peoples’ web site at www.peoplesbancorp.com under the “Investor Relations” section.

Peoples has filed a registration statement on Form S-4 to register its common shares to be issued as part of the merger consideration with the SEC. This document is a part of that registration statement. As permitted by SEC rules, this document does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits at the addresses set forth below. Statements contained in this document as to the contents of any contract or other documents referred to in this document are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This document incorporates by reference documents that Peoples has previously filed with the SEC, which contain important information about the company and its financial condition. See “Incorporation of Certain Documents by Reference” on page 51. These documents are available, without charge, to you upon written or oral request at the applicable company’s address and telephone number listed below:

Peoples Bancorp Inc.
138 Putnam Street
P.O. Box 738
Marietta, Ohio 45750
Attention: M. Ryan Kirkham, Esq.
Corporate Counsel
(740) 373-3155

Additional information about Ohio Heritage may be obtained by contacting Ohio Heritage Bancorp, Inc., 200 Main Street, Coshocton, Ohio 43812, Attention: Investor Relations, (740) 622-8311.

To obtain timely delivery, you must request the information no later than , 2014.

Peoples’ common shares are traded on the Nasdaq Global Select Market® under the symbol “PEBO.” Ohio Heritage’s common shares are traded in the over-the-counter market under the symbol “OHHB.”

Peoples has not authorized anyone to provide you with any information other than the information included in this document and documents to which are incorporated by reference. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this document and the documents incorporated by reference are accurate only as of their respective dates. Peoples’ business, financial condition, results of operations and prospects may have changed since those dates.

TABLE OF CONTENTS	
QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS	1
SUMMARY	5
SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA FOR PEOPLES	10
UNAUDITED COMPARATIVE PER SHARE DATA	13
MARKET PRICE AND DIVIDEND INFORMATION	14
RISK FACTORS	15
FORWARD-LOOKING STATEMENTS	18
THE SPECIAL MEETING OF SHAREHOLDERS OF OHIO HERITAGE	20
Time, Date and Place	20
Matters to be Considered	20
Record Date; Shares Outstanding and Entitled to Vote	20
Votes Required; Quorum	20
Solicitation and Revocation of Proxies	21
DISSENTERS' RIGHTS	21
THE MERGER	22
The Proposed Merger	22
Ohio Heritage's Background and Reasons for the Merger	22
Recommendation of the Ohio Heritage Board of Directors	25
Peoples' Reasons for the Merger	25
Opinion of Ohio Heritage's Financial Advisor	26
Regulatory Approvals Required	34
Interests of Ohio Heritage Directors and Officers in the Merger	34
Material U.S. Federal Income Tax Consequences of the Merger	35
Accounting Treatment	39
Resale of Peoples' Common Shares	39
Employee Matters	39
ADJOURNMENT OF THE OHIO HERITAGE SPECIAL MEETING	40
THE MERGER AGREEMENT	40
The Merger and Subsidiary Bank Merger	40
Effective Time	40
Merger Consideration	40
Surrender of Certificates	41
Indemnification and Directors' and Officers' Liability Insurance	41
NASDAQ Stock Listing	41
Conditions to Consummation of the Merger	41

Representations and Warranties	43
Ohio Heritage's Conduct of Business Pending the Merger	44
Sale of Subsidiary Title Company	46
Expenses of the Merger	46
Termination of the Merger Agreement	46
Voting Agreements	47
Acquisition Proposals and Termination Fee	47
Amendment	47

COMPARISON OF CERTAIN RIGHTS OF OHIO HERITAGE AND PEOPLES SHAREHOLDERS	48	
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT OF OHIO HERITAGE	50	
EXPERTS	50	
LEGAL MATTERS	51	
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	51	
Annexes:		
ANNEX A	Agreement and Plan of Merger	A-1
ANNEX B	Dissenters' Rights Under Section 1701.85 of the Ohio General Corporation Law	B-1
ANNEX C	Opinion of GBQ Consulting, LLC	C-1

Questions and Answers About the Merger and the Special Meeting

The following are answers to certain questions that you may have regarding the special meeting. You are urged to read carefully the remainder of this document because the information in this section may not provide all the information that might be important to you in determining how to vote. Additional important information is also contained in the appendices to, and the documents incorporated by reference in, this document.

Q.: Why am I receiving this proxy statement/prospectus?

A: You are receiving this proxy statement/prospectus because Peoples Bancorp Inc. (“Peoples”) and Ohio Heritage Bancorp, Inc. (“Ohio Heritage”) have entered into an Agreement and Plan of Merger dated as of April 4, 2014 (the “Merger Agreement”), attached to this proxy statement/prospectus as Annex A, pursuant to which Ohio Heritage will be merged with and into Peoples (the “Merger”). Immediately following the Merger, Ohio Heritage Bank, an Ohio-chartered savings bank and a wholly-owned subsidiary of Ohio Heritage (“Ohio Heritage Bank”), will merge with and into Peoples Bank, National Association, a national banking association and wholly owned subsidiary of Peoples (“Peoples Bank”), with Peoples Bank being the surviving entity, which transaction is referred to as the “subsidiary bank merger.” The Merger Agreement must be adopted and approved by the holders of at least 80% of the Ohio Heritage common shares outstanding and entitled to vote at the special meeting, in accordance with Section 1701.78 of the Ohio General Corporation Law and Ohio Heritage’s Articles of Incorporation.

This proxy statement/prospectus contains important information about the Merger and the special meeting of the shareholders of Ohio Heritage, and you should read it carefully. The enclosed voting materials allow you to vote your Ohio Heritage common shares without attending the special meeting.

Q: Why are Peoples and Ohio Heritage proposing to merge?

A: Ohio Heritage believes that the Merger is in the best interests of its shareholders and other constituencies because, among other reasons, the merger consideration will provide enhanced value and increased liquidity to Ohio Heritage shareholders. Furthermore, as a result of the Merger, Ohio Heritage will become part of a larger banking institution improving its ability to compete with larger financial institutions and better serve its customers’ needs while maintaining the community bank philosophy that both institutions currently share.

Peoples believes that the Merger will benefit Peoples and its shareholders by enabling Peoples to further expand into the markets currently served by Ohio Heritage and strengthening the competitive position of the combined organization. Furthermore, Peoples believes its increased asset size after the Merger will create additional economies of scale and provide opportunities for asset and earnings growth in an extremely competitive banking environment. To review the reasons for the Merger in more detail, see “THE MERGER” on page 22 of this proxy statement/prospectus.

Q: What will Ohio Heritage shareholders receive in the merger?

A: Under the terms of the Merger Agreement, shareholders of Ohio Heritage will be entitled to receive, after the Merger is completed, merger consideration equal to \$110.00 per Ohio Heritage common share, payable in the form of a combination of cash and Peoples’ common shares to be calculated as set forth in the Merger Agreement. Such per share merger consideration will be paid as follows:

15%, or \$16.50 per Ohio Heritage common share, will be paid in cash, and

85%, or \$93.50 per Ohio Heritage common share, will be paid in Peoples’ common shares (the number of which will be determined based upon the volume average-weighted closing sale price of Peoples’ common shares for the 20

consecutive trading days prior to the effective date of the Merger (the "Share Exchange Ratio").

The Shares Exchange Ratio will not be determined until after the date of the special meeting. Therefore, at the time of the special meeting, you will not know the precise number of Peoples' common shares you may receive on the date the Merger is completed. Peoples will not issue any fractional common shares in connection with the Merger. As a result, cash will be paid instead of any fractional common shares based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger.

Q: Can I make an election to select the form of merger consideration I desire to receive?

A: No. Each Ohio Heritage common share will receive the same combination of cash and Peoples common shares if the Merger closes.

Q: Does Ohio Heritage anticipate paying any dividends prior to the effective date of the Merger?

A: Yes. Under the terms of the Merger Agreement, Ohio Heritage is permitted to pay a dividend to its shareholders immediately prior to the effective date of the Merger based on an annual dividend of \$1.34 per share as prorated to the effective date. Subject to compliance with applicable law, Ohio Heritage plans to pay such a dividend.

Q: When and where will the Ohio Heritage special meeting of shareholders take place?

A: The special meeting of shareholders of Ohio Heritage will be held at , Eastern Daylight Savings Time, on , 2014, at Ohio Heritage Bank's main office at 200 Main Street, Coshocton, Ohio 43812.

Q: What matters will be considered at the Ohio Heritage special meeting?

A: The shareholders of Ohio Heritage will be asked to (1) vote to adopt and approve the Merger Agreement; (2) vote to approve the adjournment of the special meeting to solicit additional proxies if there are not sufficient votes at the time of the special meeting to adopt and approve the Merger Agreement; and (3) vote on any other business which properly comes before the special meeting.

Q: Is my vote needed to adopt and approve the Merger Agreement?

A: The adoption and approval of the Merger Agreement by the shareholders of Ohio Heritage requires the affirmative vote of the holders of at least 80% of the Ohio Heritage common shares outstanding and entitled to vote at the special meeting. The special meeting may be adjourned, if necessary, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to adopt and approve the Merger Agreement. The affirmative vote of the holders of a majority of the Ohio Heritage common shares represented, in person or proxy, at the special meeting is required to adjourn the special meeting.

Q: How do I vote?

A: If you were the record holder of Ohio Heritage common shares as of , 2014, you may vote in person by attending the special meeting or, to ensure that your Ohio Heritage common shares are represented at the special meeting, you may vote your shares by signing and returning the enclosed proxy card in the postage-paid envelope provided.

If you hold Ohio Heritage common shares in the name of a broker, bank or other nominee, please see the discussion below regarding shares held in "street name."

Q: What will happen if I fail to vote or abstain from voting?

A: If you fail to vote or if you mark "ABSTAIN" on your proxy card with respect to the proposal to adopt and approve the Merger Agreement, it will have the same effect as a vote "AGAINST" the proposal.

If you mark "ABSTAIN" on your proxy card with respect to the proposal to approve the adjournment of the Ohio Heritage special meeting, if necessary, to solicit additional proxies, it will have the same effect as a vote "AGAINST" the proposal. The failure to vote, however, will have no effect on the proposal to approve the adjournment of the Ohio

Heritage special meeting, if necessary, to solicit additional proxies.

Q:How will my shares be voted if I return a blank proxy card?

If you sign, date and return your proxy card and do not indicate how you want your Ohio Heritage common shares
A: to be voted, then your shares will be voted "FOR" the adoption and approval of the Merger Agreement and, if
necessary, "FOR" the approval of the adjournment of the special meeting to solicit additional proxies

Q: If my Ohio Heritage common shares are held in a stock brokerage account or by a bank or other nominee (in "street name"), will my broker, bank or other nominee vote my shares for me?

A: No. You must provide your broker, bank or nominee (the record holder of your common shares) with instructions on how to vote your Ohio Heritage common shares. Please follow the voting instructions provided by your broker, bank or nominee. If you do not provide voting instructions to your broker, bank or nominee, then your Ohio Heritage common shares will not be voted by your broker, bank or nominee.

Under the rules of the NASDAQ Stock Market, brokers who hold shares in "street name" for a beneficial owner of those shares typically have the authority to vote in their discretion on "routine" proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters that the NASDAQ determines to be "non-routine" without specific instructions from the beneficial owner. It is expected that all proposals to be voted on at the Ohio Heritage special meeting are such "non-routine" matters. Broker non-votes occur when a broker or nominee is not instructed by the beneficial owner of shares to vote on a particular proposal for which the broker does not have discretionary voting power.

Assuming a quorum is present, if you are an Ohio Heritage shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares,

your broker, bank or other nominee may not vote your shares on the proposal to approve the merger, which broker non-votes will have the same effect as a vote "AGAINST" such proposal; and

your broker, bank or other nominee may not vote your shares on the adjournment proposal, which broker non-votes will have no effect on the vote count for such proposal.

Q: Can I change my vote after I have submitted my proxy?

A: Yes. You may revoke your proxy at any time before a vote is taken at the special meeting by:

filing a written notice of revocation with the President of Ohio Heritage, at 200 Main Street, Coshocton, Ohio 43812;

executing and returning another proxy card with a later date; or

attending the special meeting and giving notice of revocation in person.

Your attendance at the special meeting will not, by itself, revoke your proxy.

If you hold your Ohio Heritage common shares in "street name" and you have instructed your broker, bank or nominee to vote your Ohio Heritage common shares, you must follow directions received from your broker, bank or nominee to change your vote.

Q: If I do not favor the adoption and approval of the Merger Agreement, what are my rights?

A: If you are an Ohio Heritage shareholder as of , 2014, the record date, and you do not vote your shares in favor of the adoption and approval of the Merger Agreement, you will have the right under Section 1701.85 of the Ohio General Corporation Law to demand the fair cash value for your Ohio Heritage common shares. The right to make this demand is known as "dissenters' rights." To exercise your dissenters' rights, you must deliver to Ohio Heritage a written demand for payment of the fair cash value of your shares before the vote on the Merger is taken at the special shareholders' meeting. The demand for payment must include your address, the number and class of Ohio Heritage shares owned by you, and the amount you claim to be the fair cash value of the your Ohio Heritage

shares. For additional information regarding dissenters' rights, see "DISSENTERS' RIGHTS" on page 21 of this proxy statement/prospectus and the complete text of the applicable sections of Section 1701.85 of the Ohio General Corporation Law attached to this proxy statement/prospectus as Annex B.

Q: When is the Merger expected to be completed?

A: We are working to complete the Merger as quickly as we can. We expect to complete the Merger late in the third quarter of 2014, assuming shareholder approval and all applicable governmental approvals have been received by that date and all other conditions precedent to the Merger have been satisfied or waived.

3

Q: Should I send in my Ohio Heritage stock certificates now?

A: No. Either at the time of closing or shortly after the Merger is completed, the Exchange Agent for the Merger will send you a letter of transmittal with instructions informing you how to send in your stock certificates to the Exchange Agent. You should use the letter of transmittal to exchange your Ohio Heritage stock certificates for the merger consideration. Do not send in your stock certificates with your proxy form.

Q: What do I need to do now?

A: After carefully reviewing this proxy statement/prospectus, including its annexes, please complete, sign and date the enclosed proxy card and return it in the enclosed postage-paid envelope as soon as possible. By submitting your proxy, you authorize the individuals named in the proxy to vote your Ohio Heritage common shares at the special meeting of shareholders of Ohio Heritage in accordance with your instructions. Your vote is very important. Whether or not you plan to attend the special meeting, please submit your proxy with voting instructions to ensure that your Ohio Heritage common shares will be voted at the special meeting.

Q: Who can answer my questions?

A: If you have questions about the merger or desire additional copies of this proxy statement/prospectus or additional proxy cards, please contact:

Ohio Heritage Bancorp, Inc.
Attention: Investor Relations
200 Main Street
Coshocton, Ohio 43812
(740) 622-8311

Summary

This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that may be important to you. You should read carefully this entire document and its annexes and all other documents to which this proxy statement/prospectus refers before you decide how to vote. In addition, we incorporate by reference important business and financial information about Peoples into this document. For a description of this information, see “INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE” on page 51. You may obtain the information incorporated by reference into this document without charge by following the instructions in the section entitled “WHERE YOU CAN FIND MORE INFORMATION” in the forepart of this document. Each item in this summary includes a page reference directing you to a more complete description of that item.

The Companies

Peoples Bancorp Inc.

Peoples Bancorp Inc.
138 Putnam Street
Marietta, Ohio 45750
Phone: (740) 373-3155

Peoples is a financial holding company registered under the Bank Holding Company Act of 1956, as amended, and was incorporated under the laws of the State of Ohio in 1980. Peoples offers diversified financial products and services through 51 financial service locations and 50 automated teller machines (“ATM”) in central, northeastern and southeastern Ohio, west central West Virginia and northeastern Kentucky through its financial service subsidiaries. Peoples operates principally through its wholly-owned subsidiary, Peoples Bank. Peoples’ other wholly-owned subsidiary is Peoples Investment Company. Peoples Bank’s operating subsidiaries include Peoples Insurance Agency, LLC and PBNA, L.L.C., an asset management company. Peoples Investment Company owns Peoples Capital Corporation.

On January 21, 2014, Peoples entered into an Agreement and Plan of Merger with Midwest Bancshares, Inc. (“Midwest”). Subsequently, on May 30, 2014, Peoples consummated the merger with Midwest in a stock and cash transaction valued at approximately \$12.6 million. Immediately following the merger of Midwest into Peoples, First National Bank of Wellston (“First National”), a wholly-owned subsidiary of Midwest, was merged into Peoples Bank. At that time, First National’s two offices, located in Jackson and Wellston, Ohio became offices of Peoples Bank.

On April 21, 2014, Peoples and Peoples Bank entered into an Agreement and Plan of Merger with North Akron Savings Bank, a state-chartered savings bank (“North Akron”), which operates four full-service branches in Akron, Cuyahoga Falls, Munroe Falls and Norton, Ohio. The agreement calls for North Akron to merge into Peoples Bank at the effective time of the merger. Peoples expects this transaction to be completed in the fourth quarter of 2014, subject to the satisfaction of customary closing conditions, including regulatory approvals and the approval of the shareholders of North Akron. At that time, all of North Akron’s offices will become branches of Peoples Bank.

Peoples’ primary business activities are conducted through Peoples Bank, a full-service community bank. Peoples Bank was first chartered as an Ohio banking corporation under the name “The Peoples Banking and Trust Company” in Marietta, Ohio, in 1902 and reorganized as a national banking association under its current name in 2000. Peoples Bank is a member of the Federal Reserve System and subject to regulation, supervision and examination by the Office of the Comptroller of the Currency. Peoples Bank’s products and services include traditional banking products, such as deposit accounts, lending products and trust services. Peoples Bank provides services through traditional branch

offices, ATMs and telephone and internet-based banking. Brokerage services are offered exclusively through an unaffiliated registered broker-dealer located at Peoples Bank's offices. Peoples also makes available credit cards to consumers and businesses, as well as merchant credit card processing services, through joint marketing arrangements with third parties.

Peoples Investment Company, its subsidiary Peoples Capital Corporation, and PBNA, L.L.C. were formed to optimize Peoples' consolidated capital position and provide new investment opportunities as a means of enhancing profitability. These opportunities include, but are not limited to, investments in low-income housing tax credit funds or projects, venture capital and other higher risk investments that Peoples Bank is limited or restricted from participating in. Presently, the operations of these companies do not represent a material part of Peoples' overall business activities.

Through Peoples' financial services units noted above, Peoples makes a complete line of banking, investment, insurance and trust solutions available to its customers and clients. These products and services include the following:

5

- various demand deposit accounts, savings accounts, money market accounts and certificates of deposit
- commercial, consumer and real estate mortgage loans (both commercial and residential) and lines of credit
- debit and ATM cards
- corporate and personal trust services
- safe deposit rental facilities
- money orders and cashier's checks
- full range of life, health and property and casualty insurance products
- custom-tailored fiduciary and wealth management services

At March 31, 2014, Peoples had total assets of approximately \$2.1 billion, total loans of approximately \$1.2 billion, total deposits of approximately \$1.6 billion, and total shareholders' equity of approximately \$230.6 million.

Peoples' common shares are traded on the NASDAQ Global Select Market® under the symbol "PEBO". Peoples is subject to the reporting requirements under the Securities Exchange Act of 1934, as amended, and, therefore, files reports, proxy statements and other information with the SEC. Further important business and financial information about Peoples is incorporated by reference into this proxy statement/prospectus. See "INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE" on page 51 of this proxy statement/prospectus.

Ohio Heritage Bancorp, Inc.

Ohio Heritage Bancorp, Inc.
200 Main Street
Coshocton, Ohio 43812
Phone: (740) 622-8311

Ohio Heritage is a financial holding company registered under the Bank Holding Company Act of 1956, as amended, and was incorporated under the laws of the State of Ohio in 1994. Ohio Heritage Bancorp, Inc. has one wholly-owned subsidiary - Ohio Heritage Bank.

Ohio Heritage Bank is an Ohio-chartered savings bank originally chartered in 1995. Ohio Heritage Bank's main office is located in Coshocton, Ohio and it also has five branch offices located in Coshocton, Heath, Mount Vernon, Newark and New Philadelphia, Ohio.

Ohio Heritage Bank is a full service community bank offering a range of commercial and personal banking services. Deposit services include a variety of checking accounts, savings accounts and certificates of deposit.

At March 31, 2014, Ohio Heritage had total assets of approximately \$252.6 million, total loans of approximately \$179.4 million, total deposits of approximately \$182.2 million and total shareholders' equity of approximately \$26.1 million.

Ohio Heritage's common shares are traded in the over-the-counter market under the symbol "OHHB."

The Merger (page 22)

The Merger Agreement provides that, if all of the conditions are satisfied or waived, Ohio Heritage will be merged with and into Peoples, with Peoples surviving. Immediately following the Merger, Ohio Heritage Bank will be merged with and into Peoples Bank. The Merger Agreement is attached to this proxy statement/prospectus as Annex A and is incorporated in this proxy statement/prospectus by reference. We encourage you to read the Merger Agreement

carefully, as it is the legal document that governs the Merger.

What Ohio Heritage shareholders will receive in the Merger (page 40)

Under the terms of the Merger Agreement, shareholders of Ohio Heritage will be entitled to receive, after the Merger is completed, merger consideration equal to \$110.00 per Ohio Heritage common share, payable in the form of a combination of cash and Peoples' common shares to be calculated as set forth in the Merger Agreement. Such per share merger consideration will be paid as follows:

45%, or \$16.50 per Ohio Heritage common share, will be paid in cash, and

6

85%, or \$93.50 per Ohio Heritage common share, will be paid in Peoples' common shares (the number of which will be determined based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger (the Share Exchange Ratio)).

The Share Exchange Ratio will not be determined until after the date of the special meeting. Therefore, at the time of the special meeting, you will not know the precise number of Peoples' common shares you may receive on the date the Merger is completed. Peoples will not issue any fractional common shares in connection with the Merger. As a result, cash will be paid instead of any fractional common shares based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger.

Exchange of Ohio Heritage common shares (page 41)

Once the Merger is complete, Wells Fargo Shareowner Services, as exchange agent, will mail you transmittal materials and instructions for exchanging your Ohio Heritage stock certificates for Peoples' common shares to be issued by book-entry transfer.

Ohio Heritage special meeting of shareholders (page 20)

A special meeting of shareholders of Ohio Heritage will be held at , Eastern Daylight Savings Time, on , 2014, at Ohio Heritage Bank's main office at 200 Main Street, Coshocton, Ohio 43812, for the purpose of considering and voting on the following matters:

a proposal to adopt and approve the Merger Agreement;
a proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to adopt and approve the Merger Agreement; and
any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The Ohio Heritage board of directors is presently unaware of any other business to be transacted at the special meeting.

You are entitled to vote at the special meeting if you owned Ohio Heritage common shares as of the close of business on , 2014. As of , 2014, a total of 342,458 Ohio Heritage common shares were outstanding and eligible to be voted at the Ohio Heritage special meeting. As of the same date, there were no Ohio Heritage preferred shares outstanding or eligible to be voted at the Ohio Heritage special meeting.

Required vote (page 20)

The adoption and approval of the Merger Agreement will require the affirmative vote of the holders of at least 273,967 Ohio Heritage common shares, which is 80% of the Ohio Heritage common shares outstanding and entitled to vote at the Ohio Heritage special meeting. A quorum, consisting of the holders of 171,230 of the outstanding Ohio Heritage common shares, must be present in person or by proxy at the Ohio Heritage special meeting before any action, other than the adjournment of the special meeting, can be taken. The affirmative vote of the holders of a majority of the Ohio Heritage common shares represented, in person or proxy, at the special meeting is required to adjourn the special meeting, if necessary, to solicit additional proxies.

As of , 2014, directors of Ohio Heritage owned an aggregate of 35,693 Ohio Heritage common shares, an amount equal to approximately 10.42% of the outstanding Ohio Heritage common shares. All of the directors of Ohio Heritage, who collectively have the power to vote approximately 10.42% of the outstanding Ohio Heritage common shares as of April 4, 2014, entered into a voting agreement on such date with Peoples pursuant to which they agreed, subject to certain terms and conditions, to vote all of their shares in favor of the adoption and approval of the Merger

Agreement. As of the date of this proxy statement/prospectus, Peoples and its directors, executive officers and affiliates beneficially owned no Ohio Heritage common shares.

Recommendation to Ohio Heritage shareholders (page 25)

The board of directors of Ohio Heritage unanimously approved the Merger Agreement. The board of directors of Ohio Heritage believes that the Merger is fair to and in the best interests of Ohio Heritage and its shareholders, and, as a result, the

7

directors unanimously recommend that Ohio Heritage shareholders vote “FOR” the adoption and approval of the Merger Agreement and “FOR” the proposal to adjourn the special meeting, if necessary and appropriate, to solicit additional proxies.

In reaching this decision, the board of directors of Ohio Heritage considered many factors which are described in the section captioned “THE MERGER - Ohio Heritage’s Background and Reasons for the Merger” beginning on page 22 of this proxy statement/prospectus.

Opinion of Ohio Heritage’s financial advisor (page 26)

On April 3, 2014 GBQ Consulting LLC (“GBQ”) rendered its opinion to the special committee of the board of directors of Ohio Heritage that as of the date of the opinion, and based upon and subject to the factors and assumptions set forth in the opinion, the merger consideration in the Merger was fair, from a financial point of view, to Ohio Heritage’s shareholders, collectively as a group. The full text of GBQ’s written opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this document as Annex C. Ohio Heritage shareholders are urged to read the opinion in its entirety. GBQ’s written opinion is addressed to the board of directors of Ohio Heritage, is directed only to the aggregate merger consideration in the Merger and does not constitute a recommendation as to how any holder of Ohio Heritage common shares should vote with respect to the Merger or any other matter.

Material U. S. federal income tax consequences of the Merger (page 35)

Peoples and Ohio Heritage intend that the Merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), and that, if treated accordingly, for U.S. federal income tax purposes (i) no gain or loss will be recognized by Peoples or Ohio Heritage as a result of the Merger, (ii) U.S. Ohio Heritage shareholders receiving both Peoples’ common shares and cash for their Ohio Heritage shares generally will recognize gain (but not loss) in an amount equal to the lesser of (x) their gain realized (i.e., the excess, if any, of the sum of the amount of cash and the fair market value of Peoples’ common shares received over their adjusted tax basis in the Ohio Heritage shares surrendered) and (y) the amount of cash received in the Merger, and (iii) U.S. Ohio Heritage shareholders who exercise dissenters’ rights and receive solely cash in exchange for Ohio Heritage common shares in the Merger will recognize gain or loss equal to the difference between the amount of cash received and their tax basis in their shares.

All Ohio Heritage shareholders should read carefully the description under the section captioned “THE MERGER -Material U.S. Federal Income Tax Consequences of the Merger” beginning on page 35 of this proxy statement/prospectus and should consult their own tax advisors concerning these matters. All Ohio Heritage shareholders should consult their tax advisors as of the specific tax consequences to them of the Merger, including the applicability and effect of the alternative minimum tax and any state, local, foreign or other tax laws.

Interests of directors and executive officers of Ohio Heritage (page 34)

The directors and some of the executive officers of Ohio Heritage have interests in the Merger that are different from, or in addition to, the interests of Ohio Heritage shareholders generally. These include:

- potential retention payments to be paid by Ohio Heritage to some executive officers and other employees of Ohio Heritage and Ohio Heritage Bank who are needed to assist with the integration of operations;
- continued indemnification and continued insurance for directors and officers of Ohio Heritage for events occurring before the Merger; and
-

upon the consummation of the Merger, lump sum payments to be paid to certain directors, executive officers and other key employees pursuant to salary continuation agreements and/or supplemental retirement agreements.

Ohio Heritage's board of directors was aware of these interests and considered them in approving the Merger Agreement. See "THE MERGER - Interests of Ohio Heritage Directors and Executive Officers in the Merger" beginning on page 34 of this proxy statement/prospectus.

Dissenters' rights (page 21)

Under Ohio law, if you do not vote in favor of the adoption and approval of the Merger Agreement and if you deliver a

8

written demand for payment for the fair cash value of your Ohio Heritage common shares prior to the Ohio Heritage special meeting, you will be entitled, if and when the Merger is completed, to receive the fair cash value of your Ohio Heritage common shares. The right to make this demand is known as “dissenters’ rights.” Your right to receive the fair cash value of your Ohio Heritage common shares, however, is contingent upon your strict compliance with the procedures set forth in Section 1701.85 of the Ohio General Corporation Law.

For additional information regarding your dissenters’ rights, see “DISSENTERS’ RIGHTS” on page 21 of this proxy statement/prospectus and the complete text of Section 1701.85 of the Ohio General Corporation Law attached to this proxy statement/prospectus as Annex B. If you should have any questions regarding your dissenters’ rights, you should consult with your own legal advisers.

Certain differences in shareholder rights (page 48)

When the Merger is completed, Ohio Heritage shareholders (other than those exercising dissenters’ rights) will receive Peoples common shares and, therefore, will become Peoples shareholders. As Peoples shareholders, your rights will be governed by Peoples’ Amended Articles of Incorporation and Regulations, as well as Ohio law. See “COMPARISON OF CERTAIN RIGHTS OF PEOPLES AND OHIO HERITAGE SHAREHOLDERS” beginning on page 48 of this proxy statement/prospectus.

Regulatory approvals required for the Merger (page 34)

The Merger cannot be completed until Peoples receives necessary regulatory approvals, which include the approval (or waiver thereof) of the Board of Governors of the Federal Reserve System (the “Federal Reserve”) and the approval of the Office of the Comptroller of the Currency (“OCC”). Peoples has received such approval to consummate the Merger from both the OCC and the Federal Reserve.

Conditions to the Merger (page 41)

As more fully described in this proxy statement/prospectus and in the Merger Agreement, the completion of the Merger depends on the adoption and approval of the Merger Agreement by Ohio Heritage’s shareholders and receipt of the required regulatory approvals, in addition to satisfaction of, or where legally permissible, waiver of, other customary conditions. Although Peoples and Ohio Heritage anticipate the closing of the Merger will occur late in the third quarter of 2014, neither Peoples nor Ohio Heritage can be certain when, or if, the conditions to the Merger will be satisfied or, where permissible, waived, or that the Merger will be completed. See “THE MERGER AGREEMENT - Conditions to Consummation of the Merger” beginning on page 41 of this proxy statement/prospectus.

Termination of the Merger Agreement (page 46)

Peoples and Ohio Heritage may mutually agree to terminate the Merger Agreement and abandon the Merger at any time before the Merger is effective, whether before or after shareholder approval, if the board of directors of each approves such termination by vote of a majority of the members of its entire board. In addition, either Peoples or Ohio Heritage, acting alone, may terminate the Merger Agreement and abandon the Merger at any time before the Merger is effective under the following circumstances:

- if any of the required regulatory approvals is denied;
- if the Ohio Heritage shareholders do not adopt and approve the Merger Agreement at the Ohio Heritage special shareholder meeting;
- if there is a material breach by the other party of any representation, warranty, covenant or agreement contained in the Merger Agreement that cannot be or has not been cured within 30 days of notice of the breach; or
- if the merger has not been consummated by October 31, 2014, unless the failure to complete the merger by that date is due to the knowing action or inaction of the party seeking to terminate.

Acquisition proposals and termination fee (page 47)

Because Ohio Heritage has entered into the Merger Agreement, a binding legal agreement, if Ohio Heritage or Ohio Heritage Bank executes a definitive agreement in connection with, or closes, an acquisition proposal (as defined in the Merger Agreement) with any person or entity other than Peoples and its subsidiaries, Ohio Heritage must pay Peoples the sum of \$1,130,111 immediately after the earlier of such execution or closing. See “THE MERGER AGREEMENT - Acquisition Proposals and Termination Fee” beginning on page 47 of this proxy statement/prospectus.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA FOR PEOPLES

The following table summarizes financial results achieved by Peoples for the periods and at the dates indicated and should be read in conjunction with Peoples' Consolidated Financial Statements and the notes to the Consolidated Financial Statements contained in reports that Peoples has previously filed with the SEC. Historical financial information for Peoples can be found in its Annual Report on Form 10-K for the fiscal year ended December 31, 2013. The information at and for the three months ended March 31, 2014 and 2013 is unaudited. However, in the opinion of management of Peoples, all adjustments, consisting of normal recurring adjustments necessary for a fair presentation of the results of operations for the unaudited periods have been made. The selected operating data presented below for the three months ended March 31, 2014 and 2013 are not necessarily indicative of the results that may be expected for future periods. See "WHERE YOU CAN FIND MORE INFORMATION" in the forepart of this document for instructions on how to obtain the information that has been incorporated by reference. You should not assume the results of operations for past periods noted below indicate results for any future period.

The information below has been derived from Peoples' Consolidated Financial Statements.

Edgar Filing: PEOPLES BANCORP INC - Form S-4

	Three Months Ended		At or For the Year Ended December 31,				
	March 31, 2014	2013	2013	2012	2011	2010	2009
Operating Data							
Total interest income	\$18,152	\$16,066	\$67,071	\$69,470	\$75,133	\$89,335	\$102,105
Total interest expense	2,672	3,091	11,686	14,995	21,154	29,433	40,262
Net interest income	15,480	12,975	55,385	54,475	53,979	59,902	61,843
(Recovery of) provision for loan losses	8	(1,065)	(4,410)	(4,716)	7,998	26,916	25,721
Net impairment losses on investment securities	—	—	—	—	—	(1,786)	(7,707)
Net gain (loss) on investment securities and other transactions	(19)	413	334	(778)	(443)	(39)	1,343
Total non-interest income	10,276	9,485	37,220	34,971	32,944	31,634	32,050
FDIC insurance expense	260	280	1,036	1,002	1,867	2,470	3,442
Other expense	18,557	15,905	67,229	62,472	59,464	54,572	55,240
Preferred dividends ^(a)	—	—	—	—	1,343	2,052	1,876
Net income available to common shareholders	\$4,783	\$5,022	\$17,574	\$20,385	\$11,212	\$3,529	\$2,314
Balance Sheet Data							
Total investment securities	\$662,199	\$675,836	\$680,526	\$709,085	\$669,228	\$641,307	\$751,866
Loans, net of deferred fees and costs	1,226,506	980,518	1,196,234	985,172	938,506	960,718	1,052,058
Allowance for loan losses	16,870	17,439	17,065	17,811	23,717	26,766	27,257
Total intangible assets	77,288	69,977	77,603	68,525	64,475	64,870	65,599
Total assets	2,078,253	1,938,722	2,059,108	1,918,050	1,794,161	1,837,985	2,001,827
Non-interest-bearing deposits	417,629	340,887	409,891	317,071	239,837	215,069	198,000
Total retail interest-bearing deposits	1,170,364	1,135,391	1,121,826	1,119,633	1,047,189	1,059,066	1,095,466
Brokered certificates of deposits	45,072	52,648	49,041	55,599	64,054	87,465	102,420
Short-term borrowings	68,777	32,395	113,590	47,769	51,643	51,509	76,921
Long-term borrowings	120,164	127,074	121,826	128,823	142,312	157,703	246,113
Junior subordinated debentures held by subsidiary trust	—	—	—	—	22,600	22,565	22,530
Preferred stockholders' equity ^(a)	—	—	—	—	—	38,645	38,543
Common stockholders' equity	230,576	226,079	221,553	221,728	206,657	192,036	205,425
Tangible assets ^(b)	2,000,965	1,868,745	1,981,505	1,849,525	1,729,686	1,773,115	1,936,228
Tangible equity ^(b)	153,288	156,102	143,950	153,203	142,182	165,811	178,369
Tangible common equity ^(b)	\$153,288	\$156,102	\$143,950	\$153,203	\$142,182	\$127,166	\$139,826
Per Common Share Data							
Earnings per common share - basic	\$0.45	\$0.47	\$1.65	\$1.92	\$1.07	\$0.34	\$0.22
Earnings per common share - diluted	0.44	0.47	1.63	1.92	1.07	0.34	0.22
Cash dividends declared per share	0.15	0.12	0.54	0.45	0.30	0.40	0.66
Book value per share ^(c)	21.63	21.39	20.89	21.02	19.67	18.36	19.80

Edgar Filing: PEOPLES BANCORP INC - Form S-4

Tangible book value per share (b) (c)	\$14.38	\$14.77	\$13.57	\$14.52	\$13.53	\$12.16	\$13.48
Weighted-average number of common shares outstanding - basic	10,636,089	10,556,261	10,581,222	10,527,885	10,482,318	10,424,474	10,363,975
Weighted-average number of common shares outstanding - diluted	10,740,884	10,571,383	10,679,417	10,528,286	10,482,318	10,431,990	10,374,792
Common shares outstanding at end of period	10,657,569	10,568,147	10,605,782	10,547,960	10,507,124	10,457,327	10,374,637

Edgar Filing: PEOPLES BANCORP INC - Form S-4

	Three Months Ended		At or For the Year Ended December 31,					
	March 31, 2014	2013	2013	2012	2011	2010	2009	
SIGNIFICANT RATIOS								
Return on average stockholders' equity	8.56	%9.18	%7.92	%9.52	%5.72	%2.33	%1.80	%
Return on average common stockholders' equity	8.56	9.18	7.92	9.52	5.61	1.76	1.17	
Return on average assets	0.95	1.06	0.91	1.11	0.69	0.28	0.21	
Net interest margin	3.35	3.10	3.25	3.39	3.43	3.51	3.48	
Efficiency ratio ^(d)	71.13	71.61	71.90	69.55	68.98	60.30	60.14	
Pre-provision net revenue to average assets ^(e)	1.38	1.24	1.26	1.41	1.41	1.76	1.74	
Average stockholders' equity to average assets	11.05	11.58	11.48	11.63	12.12	12.20	11.50	
Average loans to average deposits	76.94	65.36	70.79	68.23	69.86	73.01	77.97	
Dividend payout ratio	33.91	%25.79	%33.20	%23.58	%28.35	%119.33	%298.23	%
ASSET QUALITY RATIOS								
Nonperforming loans as a percent of total loans ^{(c)(f)}	0.73	%1.32	%0.73	%1.50	%3.26	%4.26	%3.31	%
Nonperforming assets as a percent of total assets ^{(c)(f)}	0.47	0.71	0.47	0.82	1.84	2.48	2.06	
Nonperforming assets as a percent of total loans and other real estate owned ^{(c)(f)}	0.79	1.41	0.81	1.58	3.49	4.7	3.89	
Allowance for loan losses as a percent of loans, net of deferred fees and costs ^(c)	1.38	1.78	1.43	1.81	2.53	2.79	2.59	
Allowance for loan losses to nonperforming loans ^{(c)(f)}	188.19	133.96	194.13	119.75	77.18	65.09	78.12	
Provision for (recovery of) loan losses as a percent of average total loans	—	(0.44)	(0.42)	(0.49)	0.84	2.61	2.35	
Net charge-offs (recoveries) as a percentage of average total loans (annualized)	0.07	%(0.29)	%(0.35)	%0.12	%1.16	%2.66	%1.96	%
CAPITAL RATIOS ^(c)								
Tier 1 common	12.56	%14.69	%12.42	%14.06	%12.82	%11.59	%10.58	%
Tier 1	12.56	14.69	12.42	14.06	14.86	16.91	15.49	
Total (Tier 1 and Tier 2)	13.92	16.05	13.78	15.43	16.20	18.24	16.80	
Tier 1 leverage	8.56	8.90	8.52	8.83	9.45	10.63	10.06	
Tangible equity to tangible assets ^(b)	7.66	8.35	7.26	8.28	8.22	9.35	9.21	
Tangible common equity to tangible assets ^(b)	7.66	%8.35	%7.26	%8.28	%8.22	%7.17	%7.22	%

(a) Amounts relate to Series A Preferred Shares issued and sold by Peoples in connection with its participation in the TARP Capital Purchase Program. Additional information regarding the Series A Preferred Shares can be found in Note 11 of the Notes to the Consolidated Financial Statements included immediately following Item 9B of Peoples' Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

(b) These amounts represent non-generally accepted accounting principles ("GAAP") financial measures since they exclude the balance sheet impact of intangible assets acquired through acquisitions on both total stockholders' equity and total assets. Additional information regarding the calculation of these measures can be found in "ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION" of Peoples' Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, under

the caption "Capital/Stockholders' Equity" and "ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of Peoples' Annual Report on Form 10-K for the fiscal year ended December 31, 2013, under the caption "Capital/Stockholders' Equity."

(c) Data presented as of the end of the period indicated.

Non-interest expense (less intangible asset amortization) as a percentage of fully tax-equivalent net interest income

(d) plus non-interest income (excluding gains or losses on investment securities, asset disposals and other transactions).

These amounts represent non-GAAP financial measures since they exclude the provision for loan losses and all gains and losses included in earnings. Additional information regarding the calculation of these measures can be found in "ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND

(e) FINANCIAL CONDITION" of Peoples' Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014, under the caption "Pre-Provision Net Revenue" and "ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS" of Peoples' Annual Report on Form 10-K for the fiscal year ended December 31, 2013, under the caption "Pre-Provision Net Revenue".

(f) Nonperforming loans include loans 90 days past due and accruing, renegotiated loans and nonaccrual loans. Nonperforming assets include nonperforming loans and other real estate owned.

UNAUDITED COMPARATIVE PER SHARE DATA

The following table sets forth for Peoples and Ohio Heritage certain historical, pro forma and pro forma-equivalent per share financial information as of and for: (i) the twelve months ended December 31, 2013, and (ii) the three months ended March 31, 2014. Note that Peoples' fiscal year ends December 31 and Ohio Heritage's fiscal year ends March 31. As such, Ohio Heritage's historical financial information for the twelve months ended December 31, 2013 and Peoples' historical financial information for the three months ended March 31, 2014, is unaudited. The information in the table below, in part, is derived from and should be read together with the historical Consolidated Financial Statements of Peoples that are incorporated by reference in this proxy statement/prospectus. The unaudited pro forma information, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect certain anticipated costs and benefits of the Merger and, accordingly, does not attempt to predict or suggest future results. It also does not necessarily reflect what the historical results of the combined company would have been had the Merger been consummated at the beginning of the periods presented. The pro forma data gives effect to the Merger and is based on numerous assumptions and estimates. The pro forma combined per share data and Ohio Heritage equivalent pro forma per share data are prepared assuming a maximum of 1,400,000 common shares will be issued in the Merger. See "THE MERGER AGREEMENT - Merger Consideration" on page 40.

	Peoples Historical	Ohio Heritage Historical	Pro Forma Combined	Equivalent Pro Forma per Ohio Heritage Share
Book value per share:				
at December 31, 2013	\$20.89	\$74.89	\$20.94	\$100.72
at March 31, 2014	\$21.63	\$76.13	\$21.68	\$104.28
Cash dividends per share:				
Twelve months ended December 31, 2013	\$0.54	\$1.21	\$0.54	\$2.60
Three months ended March 31, 2014	\$0.15	\$—	\$0.15	\$0.72
Earnings (loss) per share:				
Twelve months ended December 31, 2013	\$1.65	\$4.36	\$1.75	\$8.42
Three months ended March 31, 2014	\$0.45	\$0.88	\$0.48	\$2.28
Diluted earnings (loss) per share:				
Twelve months ended December 31, 2013	\$1.63	\$4.36	\$1.73	\$8.32
Three months ended March 31, 2014	\$0.44	\$0.88	\$0.47	\$2.24

MARKET PRICE AND DIVIDEND INFORMATION

Peoples' common shares are traded on the NASDAQ Global Select Market® under the symbol "PEBO." Ohio Heritage's common shares are traded in the over-the-counter market under the symbol "OHHB."

The information presented in the following table reflects the last reported sale prices per share of Peoples' common shares and Ohio Heritage's common shares as of April 3, 2014, the last trading day preceding our public announcement of the Merger, and on June 13, 2014, the last practicable day for which information was available prior to the date of this proxy statement/prospectus. The table also presents the equivalent market value per Ohio Heritage common share on April 3, 2014 and June 13, 2014, determined by multiplying the share price of a Peoples' common share on such dates by the assumed exchange ratio of 3.7 and adding the per share cash consideration of \$16.50. The exchange ratio will vary based on the market price of Peoples' common stock. No assurance can be given as to what the market price of Peoples' common shares will be if and when the Merger is consummated.

	Peoples' Common Shares	Ohio Heritage's Common Shares	Equivalent Market Value Per Ohio Heritage Common Share
April 3, 2014	\$ 24.76	\$ 40.40	\$ 108.11
June 13, 2014	\$ 25.69	\$ 106.00	\$ 111.55

The following table lists the high and low prices per share for Peoples' common shares and Ohio Heritage's common shares and the cash dividends declared by each company for the periods indicated.

	Peoples' Common Shares			Ohio Heritage's Common Shares*		
	High	Low	Dividends	High	Low	Dividends
2012						
First Quarter	\$ 17.84	\$ 14.59	\$ 0.11	\$ 27.95	\$ 22.00	\$ —
Second Quarter	\$ 22.54	\$ 16.48	\$ 0.11	\$ 31.00	\$ 30.00	\$ —
Third Quarter	\$ 23.93	\$ 20.22	\$ 0.11	\$ 34.00	\$ 31.00	\$ —
Fourth Quarter	\$ 23.80	\$ 17.72	\$ 0.12	\$ —	\$ —	\$ 1.10
2013						
First Quarter	\$ 22.65	\$ 20.00	\$ 0.12	\$ 35.25	\$ 34.25	\$ —
Second Quarter	\$ 22.34	\$ 19.30	\$ 0.14	\$ 36.25	\$ 34.00	\$ —
Third Quarter	\$ 23.81	\$ 20.02	\$ 0.14	\$ 39.00	\$ 35.00	\$ —
Fourth Quarter	\$ 24.00	\$ 20.11	\$ 0.14	\$ 36.50	\$ 36.50	\$ 1.21
2014						
First Quarter	\$ 26.10	\$ 20.29	\$ 0.15	\$ 40.40	\$ 36.00	\$ —
Second Quarter (through June 13, 2014)	\$ 27.36	\$ 23.58	\$ 0.15	\$ 107.50	\$ 105.00	\$ —

*Companies that have common shares quoted on the over-the-counter market typically do not have an active trading market. For example, in the quarter ended March 31, 2014, only 2,136 common shares of Ohio Heritage traded. Consequently, the prices quoted above may not represent an accurate indication of the value of Ohio Heritage common shares.

RISK FACTORS

In addition to general investment risks and the other information contained in or incorporated by reference into this proxy statement/prospectus, including the matters addressed under the heading "FORWARD-LOOKING STATEMENTS" commencing on page 18 and the matters discussed under the caption "Risk Factors" in the Annual Report on Form 10-K filed by Peoples for the year ended December 31, 2013 and other reports filed with the SEC, you should carefully consider the following risk factors in deciding how to vote on adoption and approval of the Merger Agreement.

Risks Related to the Merger

The market value of Peoples common shares you receive in the Merger may decrease if there are fluctuations in the market price of Peoples' common shares following the Merger

Under the terms of the Merger Agreement, shareholders of Ohio Heritage will be entitled to receive, after the Merger is completed, per share merger consideration equal to \$110.00 per Ohio Heritage common share, payable in the form of a combination of cash and Peoples' common shares to be calculated as set forth in the Merger Agreement. Such per share merger consideration will be paid as follows:

45%, or \$16.50 per Ohio Heritage common share, will be paid in cash, and 85%, or \$93.50 per Ohio Heritage common share, will be paid in Peoples' common shares (the number of which will be determined based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger (the "Share Exchange Ratio")).

As of , 2014, the last practicable trading day for which information was available prior to the date of this proxy statement/prospectus, the last reported sales price reported on the NASDAQ Global Select Market® for Peoples' common shares was \$ per share.

The Share Exchange Ratio will not be determined until after the date of the special meeting because it will be based upon the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger. Therefore, at the time of the special meeting, you will not know the precise number of Peoples' common shares you may receive on the date the Merger is completed.

The market value of Peoples common shares you receive in the Merger could be less than \$93.50 per Ohio Heritage common share due to fluctuations in the market price of Peoples' common shares relative to their volume average-weighted closing sale price for the 20 consecutive trading days prior to the effective date of the Merger.

The market price of Peoples' common shares on the effective date of the Merger could be less than the volume average-weighted closing sale price of Peoples' common shares for the 20 consecutive trading days prior to the effective date of the Merger, so the actual market value of Peoples' common shares you receive could be less on the effective date of the Merger than \$93.50 per Ohio Heritage common share. In addition, you will not receive your merger consideration until several days after the effective date of the Merger, and the market price of Peoples' common shares may decrease between the effective date of the Merger and the date you receive your Peoples' common shares, which would also effectively reduce the stock portion of the merger consideration below \$93.50 per Ohio Heritage common share as of the date of receipt. If there is a decrease in the market price of Peoples' common shares before you receive them, you will not be able to sell any of the Peoples' common shares that you may be entitled to receive in the Merger to avoid losses resulting from such decrease in the market price of Peoples' common shares.

Peoples could experience difficulties in managing its growth and effectively integrating the operations of Ohio Heritage and Ohio Heritage Bank

The earnings, financial condition and prospects of Peoples after the Merger will depend in part on Peoples' ability to integrate successfully the operations of Ohio Heritage and Ohio Heritage Bank and to continue to implement its own business plan. Peoples may not be able to fully achieve the strategic objectives and projected operating efficiencies anticipated in the Merger. The costs or difficulties relating to the integration of Ohio Heritage and Ohio Heritage Bank with the Peoples organization may be greater than expected or the cost savings from any anticipated economies of scale of the combined organization may be lower or take longer to realize than expected. Inherent uncertainties exist in integrating the operations of any acquired entity, and Peoples may encounter difficulties, including, without limitation, loss of key employees and customers, and the disruption of its ongoing business or possible inconsistencies in standards, controls, procedures and

policies. These factors could contribute to Peoples not fully achieving the expected benefits from the Merger.

The Merger Agreement limits Ohio Heritage's ability to pursue alternatives to the Merger with Peoples, may discourage other acquirers from offering a higher valued transaction to Ohio Heritage and may, therefore, result in less value for the Ohio Heritage shareholders

The Merger Agreement contains a provision that, subject to certain limited exceptions, prohibits Ohio Heritage from soliciting, negotiating, or providing confidential information to any third party relating to any competing proposal to acquire Ohio Heritage or Ohio Heritage Bank. In addition, if Ohio Heritage executes a definitive agreement in respect of, or closes, an acquisition transaction with a third party, the Merger Agreement provides that Ohio Heritage must pay a \$1,130,111 termination fee to Peoples. These provisions of the Merger Agreement could discourage other companies from trying to acquire Ohio Heritage even though such other companies might be willing to offer greater value to Ohio Heritage's shareholders than Peoples has offered in the Merger Agreement. The payment of the termination fee also could have a material adverse effect on Ohio Heritage's financial condition.

The fairness opinion obtained by Ohio Heritage from its financial advisor will not reflect changes in circumstances prior to the Merger

GBQ Consulting LLC, the financial advisor to Ohio Heritage, delivered a written fairness opinion to the Special Committee of the board of directors of Ohio Heritage dated April 3, 2014. The fairness opinion states that, as of the date of the opinion, the merger consideration set forth in the Merger Agreement was fair, from a financial point of view, to the holders of Ohio Heritage common shares. However, the fairness opinion does not reflect changes that may occur or may have occurred after the date on which it was delivered, including changes to the operations and prospects of Peoples or Ohio Heritage, changes in general market and economic conditions, or other changes. Should any such changes occur, it may alter the relative value of Peoples and Ohio Heritage.

Ohio Heritage shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization

Ohio Heritage's shareholders currently have the right to vote in the election of the Ohio Heritage board of directors and on other matters affecting Ohio Heritage. When the Merger is completed, each Ohio Heritage shareholder that receives shares of Peoples' common stock will become a shareholder of Peoples with a percentage ownership of the combined organization that is much smaller than the shareholder's percentage ownership of Ohio Heritage. Because of this, Ohio Heritage's shareholders will have less influence on the management and policies of Peoples than they now have on the management and policies of Ohio Heritage.

Certain of Ohio Heritage's officers and directors have interests that are different from, or in addition to, interests of Ohio Heritage's shareholders generally

The directors and officers of Ohio Heritage have interests in the Merger that are different from, or in addition to, the interests of Ohio Heritage's shareholders generally. These interests include retention payments that could be paid to certain officers, provisions in the Merger Agreement providing indemnification and insurance for directors and officers of Ohio Heritage for events occurring before the Merger and lump sum payments to be paid to certain director and executive officers pursuant to salary continuation agreements and/or supplemental retirement agreements.

Failure to complete the Merger could negatively impact the value of Ohio Heritage's stock and future businesses and financial results of Peoples and Ohio Heritage

If the Merger is not completed, the ongoing businesses of Peoples and Ohio Heritage may be adversely affected and Peoples and Ohio Heritage will be subject to several risks, including the following:

Peoples and Ohio Heritage will be required to pay certain costs relating to the Merger, whether or not the Merger is completed, such as legal, accounting, financial advisor and printing fees; under the Merger Agreement, Ohio Heritage is subject to certain restrictions regarding the conduct of its business before completing the Merger, which may adversely affect its ability to execute certain of its business strategies; and matters relating to the Merger may require substantial commitments of time and resources by Peoples and Ohio Heritage management, which could otherwise have been devoted to other opportunities that may have been beneficial to Peoples and Ohio Heritage as independent companies, as the case may be.

In addition, if the Merger is not completed, Ohio Heritage may experience negative reactions from its customers and employees. A meaningful number of Ohio Heritage operational employees have been informed that their employment will be terminated in connection with the Merger and such employees, as well as others, might resign and obtain other employment as a result of the potential Merger. Ohio Heritage also could be subject to litigation related to any failure to complete the Merger.

The Peoples common shares to be received by Ohio Heritage shareholders upon completion of the Merger will have different rights from Ohio Heritage shares

Upon completion of the Merger, Ohio Heritage shareholders will no longer be shareholders of Ohio Heritage but will instead become shareholders of Peoples, and their rights as shareholders of Peoples will be governed by the Ohio Revised Code and by Peoples' Amended Articles of Incorporation and Regulations. The terms of Peoples' Amended Articles of Incorporation and Regulations are in some respects materially different than the terms of Ohio Heritage's Amended and Restated Articles of Incorporation and Regulations. See "COMPARISON OF CERTAIN RIGHTS OF OHIO HERITAGE AND PEOPLES SHAREHOLDERS" on page 48 of this proxy statement/prospectus.

There is no assurance that the Merger will be treated as a reorganization for federal income tax purposes or as to the federal income tax consequences of the Merger

Peoples and Ohio Heritage intend for the Merger to be treated as a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code, and Peoples and Ohio Heritage intend that each will be a "party to the reorganization" within the meaning of Section 368(b) of the Internal Revenue Code. However, Peoples and Ohio Heritage have not requested and do not intend to request any legal opinion, accounting opinion, or any ruling from the Internal Revenue Service as to the U.S. federal income tax consequences of the Merger. Consequently, there is no assurance of the accuracy of the anticipated U.S. federal income tax consequences to Peoples, Ohio Heritage, and the shareholders of Ohio Heritage described in this proxy statement/prospectus.

The discussion of material U.S. federal income tax consequences contained in this proxy statement/prospectus is not a complete analysis or description of all potential U.S. federal income tax consequences of the Merger. Moreover, the discussion does not address tax consequences that may vary with, or are contingent on, individual circumstances. In addition, it does not address any U.S. federal estate, gift or other non-income tax or any foreign, state or local tax consequences of the Merger. Accordingly, we urge each Ohio Heritage shareholder to consult his, her or its tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences to him, her or it of the Merger.

Completion of the Merger is subject to many conditions and if these conditions are not satisfied or waived, the Merger will not be completed

The respective obligations of Peoples and Ohio Heritage to complete the Merger are subject to the fulfillment or written waiver of many conditions, including approval by the requisite vote of the Ohio Heritage shareholders, receipt of requisite regulatory approvals, absence of orders prohibiting completion of the merger, effectiveness of the registration statement of which this document is a part, approval of the Peoples shares to be issued to Ohio Heritage for listing on the Nasdaq Global Market, the continued accuracy of the representations and warranties by both parties, and the performance by both parties of their covenants and agreements. See "THE MERGER AGREEMENT-Conditions to the Consummation of the Merger" on page 41 of this proxy statement/prospectus. These conditions to the consummation of the Merger may not be fulfilled and, accordingly, the Merger may not be completed. In addition, if the Merger is not completed by October 31, 2014, either Peoples or Ohio Heritage may have the opportunity to choose not to proceed with the Merger, and the parties can mutually decide to terminate the Merger

Agreement at any time, before or after approval by the requisite vote of the Ohio Heritage shareholders. In addition, Peoples or Ohio Heritage may elect to terminate the Merger Agreement in certain other circumstances. See “THE MERGER AGREEMENT-Termination of the Merger Agreement” on page 46 of this proxy statement/prospectus for a fuller description of these circumstances.

Risks Related to Peoples’ Business

You should read and consider risk factors specific to Peoples’ business that will also affect the combined company after the Merger, described in Peoples’ Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as updated by subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, all of which are filed by Peoples with the SEC and incorporated by reference into this document. See “INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE” on page 51 of this proxy statement/prospectus.

FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents incorporated herein by reference contain forward-looking statements, including statements about Peoples' financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements express Peoples management's current expectations or forecasts of future events and, by their nature, are subject to assumptions, risks and uncertainties. Certain statements contained in this proxy statement/prospectus and the documents incorporated herein by reference that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, or the Reform Act, notwithstanding that such statements are not specifically identified.

In addition, certain statements may be contained in the future filings of Peoples with the SEC, in press releases and in oral and written statements made by or with the approval of Peoples that are not statements of historical fact and constitute forward-looking statements within the meaning of the Reform Act. Examples of forward-looking statements include, but are not limited to:

- statements about the benefits of the Merger between Peoples and Ohio Heritage, including future financial and operating results, cost savings, enhanced revenues and accretion to reported earnings that may be realized from the Merger;

- statements regarding plans, objectives and expectations of Peoples or Ohio Heritage or their respective management or boards of directors;

- statements regarding future economic performance; and

- statements regarding assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends," "targeted," "continue," "remain," "will," "should," "may" and other expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to:

- the risk that the businesses of Peoples and Ohio Heritage will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected;

- expected revenue synergies and cost savings from the Merger may not be fully realized or realized within the expected time frame;

- revenues or earnings following the Merger may be lower than expected;

- deposit attrition, operating costs, customer loss and business disruption following the Merger, including, without limitation, difficulties in maintaining relationships with employees, may be greater than expected;

- the inability to obtain governmental approvals of the Merger on the proposed terms and schedule;

the failure of Ohio Heritage's shareholders to approve the Merger;

local, regional, national and international economic conditions and the impact they may have on Peoples and its customers and Peoples' assessment of that impact;

changes in the level of non-performing assets, delinquent loans, and charge-offs;

material changes in the value of Peoples' common shares;

changes in estimates of future reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements;

the risk that management's assumptions and estimates used in applying critical accounting policies prove unreliable, inaccurate or not predictive of actual results;

inflation, interest rate, securities market and monetary fluctuations;

changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity;

competitive pressures among depository and other financial institutions may increase and have an effect on pricing, spending, third-party relationships and revenues;

changes in laws and regulations (including laws and regulations concerning taxes, banking and securities) with which Peoples and Ohio Heritage must comply;

the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve;

legislation affecting the financial services industry as a whole, and/or Peoples and its subsidiaries, individually or collectively;

governmental and public policy changes;

Peoples ability to integrate the Midwest acquisition and any future acquisition targets, including North Akron, may be unsuccessful, or may be more difficult, time-consuming or costly than expected; and

the impact on Peoples' businesses, as well as on the risks set forth above, of various domestic or international military or terrorist activities or conflicts.

Additional factors that could cause Peoples' results to differ materially from those described in the forward-looking statements can be found in Peoples' Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters and attributable to Peoples or Ohio Heritage or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements referenced above. Forward-looking statements speak only as of the date on which such statements are made. Peoples and Ohio Heritage undertake no obligation to update any forward-looking statement.

THE SPECIAL MEETING OF SHAREHOLDERS OF OHIO HERITAGE

Time, Date and Place

This proxy statement/prospectus is being provided to Ohio Heritage shareholders in connection with the solicitation of proxies by the Ohio Heritage board of directors for use at the special meeting of shareholders to be held at , Eastern Daylight Savings Time, on , 2014, at 200 Main Street, Coshocton, Ohio, including any adjournments of the special meeting.

Matters to be Considered

At the special meeting, the shareholders of Ohio Heritage will be asked to consider and vote upon the following matters:

a proposal to adopt and approve the Merger Agreement;

a proposal to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes at the time of the special meeting to adopt and approve the Merger Agreement; and

any other business which properly comes before the special meeting or any adjournment or postponement of the special meeting. The board of directors of Ohio Heritage is unaware of any other business to be transacted at the special meeting.

The board of directors of Ohio Heritage believes that the Merger with Peoples is in the best interests of Ohio Heritage shareholders and recommends that you vote (1) “FOR” the adoption and approval of the Merger Agreement and (2) “FOR” the proposal to adjourn the special meeting of Ohio Heritage shareholders, if necessary, to solicit additional proxies.

Record Date; Shares Outstanding and Entitled to Vote

The board of directors of Ohio Heritage has fixed the close of business on , 2014, as the record date for determining the Ohio Heritage shareholders who are entitled to notice of and to vote at the Ohio Heritage special meeting of shareholders. Only holders of Ohio Heritage common shares at the close of business on the record date will be entitled to notice of and to vote at the Ohio Heritage special meeting.

As of the close of business on , 2014, there were 342,458 Ohio Heritage common shares outstanding and entitled to vote at the special meeting. As of the same date, there were no shares of Ohio Heritage preferred stock outstanding. The Ohio Heritage common shares were held of record by approximately shareholders. Each Ohio Heritage common share entitles the holder to one vote on all matters properly presented at the special meeting.

Votes Required; Quorum

Under the Ohio Revised Code and Ohio Heritage’s Articles of Incorporation, the adoption and approval of the Merger Agreement requires the affirmative vote of the holders of at least 80% of the Ohio Heritage common shares outstanding and entitled to vote at the special meeting. Approval of an adjournment of the special meeting requires the affirmative vote of the holders of a majority of Ohio Heritage’s common shares represented, in person or by proxy, at the special meeting.

As of , 2014, directors of Ohio Heritage owned an aggregate of 35,693 Ohio Heritage common shares, an amount equal to approximately 10.42% of the outstanding Ohio Heritage common shares. All of the directors of Ohio Heritage, who collectively have the power to vote approximately 10.42% of the outstanding Ohio Heritage common shares as of April 4, 2014, entered into a voting agreement on such date with Peoples pursuant to which they agreed, subject to certain terms and conditions, to vote all of their shares in favor of the adoption and approval of the Merger Agreement. As of the date of this proxy statement/prospectus, Peoples and its directors, executive officers and affiliates beneficially owned no Ohio Heritage common shares.

Your vote is important, the adoption and approval of the Merger Agreement requires the affirmative vote of the holders of at least 80% of the Ohio Heritage common shares outstanding and entitled to vote at the Ohio Heritage special meeting. Brokers who hold shares of Ohio Heritage common shares in “street name” for the beneficial owners cannot vote these Ohio Heritage common shares on the adoption and approval of the Merger Agreement without specific instructions from the

beneficial owners. If you fail to vote or if you mark “ABSTAIN” on your proxy card, or if your Ohio Heritage common shares are held in “street name” and you fail to instruct your broker how to vote, it will have the same effect as a vote “AGAINST” the adoption and approval of the Merger Agreement.

A quorum, consisting of the holders of a majority of the outstanding Ohio Heritage common shares, must be present in person or by proxy at the Ohio Heritage special meeting before any action, other than the adjournment of the special meeting, can be taken. A properly executed proxy card marked “ABSTAIN” will be counted for purposes of determining whether a quorum is present.

The Ohio Heritage board of directors does not expect any matter other than the adoption and approval of the Merger Agreement and, if necessary, the approval of the adjournment of the special meeting to solicit additional proxies, to be brought before the Ohio Heritage special meeting. If any other matters are properly brought before the special meeting for consideration, Ohio Heritage common shares represented by properly executed proxy cards will be voted, to the extent permitted by applicable law, in the discretion of the persons named in the proxy card in accordance with their best judgment.

Solicitation and Revocation of Proxies

A proxy card accompanies each copy of this proxy statement/prospectus mailed to Ohio Heritage shareholders. Your proxy is being solicited by the board of directors of Ohio Heritage. Whether or not you attend the special meeting, the Ohio Heritage board of directors urges you to return your properly executed proxy card as soon as possible. If you return your properly executed proxy card prior to the special meeting and do not revoke it prior to its use, the Ohio Heritage common shares represented by that proxy card will be voted at the special meeting or, if appropriate, at any adjournment of the special meeting. Ohio Heritage’s common shares will be voted as specified on the proxy card or, in the absence of specific instructions to the contrary, will be voted “FOR” the adoption and approval of the Merger Agreement and, if necessary, “FOR” the approval of the adjournment of the special meeting, if necessary, to solicit additional proxies.

If you have returned a properly executed proxy card, you may revoke it at any time before a vote is taken at the special meeting by:

• filing a written notice of revocation with the President of Ohio Heritage, at 200 Main Street, Coshocton, Ohio 43812;

• executing and returning another proxy card with a later date; or

• attending the special meeting and giving notice of revocation in person.

Your attendance at the special meeting will not, by itself, revoke your proxy.

If you hold your Ohio Heritage common shares in “street name” through a broker, bank or other nominee, you must provide your broker, bank or nominee (the record holder of your shares of common stock) with instructions on how to vote your shares of common stock. Your broker, bank or other nominee will provide you with a proxy card and voting instructions. If you have instructed your broker, bank or other nominee to vote your common shares, you must follow the directions received from your broker, bank or other nominee to change or revoke your vote.

Ohio Heritage will bear its own cost of solicitation of proxies on behalf of the Ohio Heritage board of directors. Proxies will be solicited by mail, and may be further solicited by additional mailings, personal contact, telephone, facsimile or electronic mail, by directors, officers and employees of Ohio Heritage, none of whom will receive additional compensation for their solicitation activities. Ohio Heritage will also pay the standard charges and

expenses of brokerage houses, voting trustees, banks, associations and other custodians, nominees and fiduciaries, who are record holders of Ohio Heritage common shares not beneficially owned by them, for forwarding this proxy statement/prospectus and other proxy solicitation materials to, and obtaining proxies from, the beneficial owners of Ohio Heritage common shares entitled to vote at the special meeting.

DISSENTERS' RIGHTS

Rights of Dissenting Ohio Heritage Shareholders

Shareholders of Ohio Heritage are entitled to certain dissenters' rights pursuant to Sections 1701.84(A) and 1701.85 of the Ohio General Corporation Law. Section 1701.85 generally provides that shareholders of Ohio Heritage will not be entitled

to such rights without strict compliance with the procedures set forth in Section 1701.85, and failure to take any one of the required steps may result in the termination or waiver of such rights. Specifically, any Ohio Heritage shareholder who is a record holder of Ohio Heritage common shares on , 2014, the record date for the Ohio Heritage special meeting and whose shares are not voted in favor of the adoption of the Merger Agreement may be entitled to be paid the “fair cash value” of such Ohio Heritage common shares after the effective time of the Merger. To be entitled to such payment, a shareholder must deliver to Ohio Heritage a written demand for payment of the fair cash value of the shares held by such shareholder, before the vote on the merger proposal is taken, and the shareholder must otherwise comply with Section 1701.85. Any written demand must specify the shareholder’s name and address, the number and class of shares held by him, her or it on the Ohio Heritage record date, and the amount claimed as the “fair cash value” of such Ohio Heritage common shares. See the text of Section 1701.85 of the Ohio General Corporation Law attached as Annex B to this proxy statement/prospectus for specific information on the procedures to be followed in exercising dissenters’ rights.

If Ohio Heritage so requests, dissenting shareholders must submit their share certificates to Ohio Heritage within 15 days of such request, for endorsement on such certificates by Ohio Heritage that a demand for appraisal has been made. Failure to comply with such request will terminate the dissenting shareholders’ rights. Such certificates will be promptly returned to the dissenting shareholders by Ohio Heritage. If Ohio Heritage and any dissenting shareholder cannot agree upon the “fair cash value” of Ohio Heritage’s common shares, either may, within three months after service of demand by the shareholder, file a petition in the Court of Common Pleas of Coshocton County, Ohio, for a determination of the “fair cash value” of such dissenting shareholder’s Ohio Heritage common shares. The fair cash value of an Ohio Heritage common share to which a dissenting shareholder is entitled to under Section 1701.85 will be determined as of the day prior to the special meeting. The court may appoint one or more appraisers to determine the “fair cash value” and, if the court approves the appraisers’ report, judgment will be entered for the “fair cash value,” and the costs of the proceedings, including reasonable compensation of the appraisers, will be assessed or apportioned as the court considers equitable.

If an Ohio Heritage shareholder exercises his or her dissenters’ rights under Section 1701.85, all other rights with respect to such shareholder’s Ohio Heritage common shares will be suspended until Ohio Heritage purchases the shares, or the right to receive the fair cash value is otherwise terminated. Such rights will be reinstated should the right to receive the fair cash value be terminated other than by the purchase of the shares.

The foregoing description of the procedures to be followed in exercising dissenters’ rights pursuant to Section 1701.85 of the Ohio General Corporation Law may not be complete and is qualified in its entirety by reference to the full text of Section 1701.85 attached as Annex B to this proxy statement/prospectus.

THE MERGER

The Proposed Merger

The Merger Agreement provides for the merger of Ohio Heritage with and into Peoples, with Peoples surviving (the “Merger”). Immediately following the Merger, and upon the receipt of the required regulatory approvals, Ohio Heritage Bank will be merged with and into Peoples Bank, with Peoples Bank surviving the subsidiary bank merger.

The Merger Agreement is attached to this proxy statement/prospectus as Annex A and is incorporated in this proxy statement/prospectus by reference. You are encouraged to read the Merger Agreement carefully, as it is the legal document that governs the Merger.

Ohio Heritage’s Background and Reasons for the Merger

Background of the Merger

As part of their continuing efforts to maximize shareholder value, Ohio Heritage's board of directors has considered various strategic options over the years.

Previously, the Ohio Heritage board of directors believed that the long-term return to its shareholders would be enhanced by Ohio Heritage remaining an independent financial institution. However, in recent years, there has been, and there continues to be, substantial consolidation in the banking and financial services industry. This trend is necessarily of concern to smaller institutions like Ohio Heritage because larger entities have a greater depth of and access to capital and have operating efficiencies that can provide them certain competitive advantages. Ohio Heritage has been dedicated to the goal of providing superior banking services, and, in analyzing strategic alternatives, has always sought to ensure that its actions resulted in enhanced shareholder value.

During 2012 and 2013, Charles W. Sulerzyski, Chief Executive Officer of Peoples, telephoned W. Richard Baker, Chairman of Ohio Heritage, to discuss industry trends, including consolidation, and ways in which their respective businesses were complimentary. During these conversations, Mr. Sulerzyski would sometimes inquire whether Ohio Heritage would be interested in merging with Peoples and Mr. Baker would reply that Ohio Heritage was not for sale. In December 2013, Mr. Sulerzyski telephoned Mr. Baker to ask whether Ohio Heritage would be interested in merging with Peoples and discussed a possible price range at which Peoples may be interested in acquiring Ohio Heritage. He indicated that Peoples may be interested in acquiring Ohio Heritage. Mr. Baker discussed this conversation with Mr. Skelton and they decided that their fiduciary duty required them to present this information to the Ohio Heritage board of directors.

Mr. Sulerzyski telephoned Mr. Baker later in December 2013 to request a meeting to follow up on their earlier telephone conversation and Mr. Baker accepted this request. In January 2014, Mr. Sulerzyski met with Messrs. Baker and Skelton at Ohio Heritage Bank in Coshocton, Ohio to discuss a possible transaction. They discussed industry trends and a possible price range. At the conclusion of the meeting Mr. Sulerzyski asked if he could send a proposed letter of intent to Mr. Baker and Messrs. Baker and Skelton assented.

Mr. Sulerzyski, in his capacity as President and CEO of Peoples, sent a letter of intent dated February 6, 2014 to Mr. Baker, in his capacity as Chairman of Ohio Heritage, presenting Peoples' indication of interest in acquiring Ohio Heritage in a merger transaction in exchange for aggregate merger consideration of \$29.8 million, or \$87.00 per Ohio Heritage common share, payable 100% in Peoples' common stock.

On February 11, 2014, Mr. Baker contacted Douglas S. Morgan of Morgan Law.co, an attorney experienced in merger transactions, to see whether Mr. Morgan would be able to advise Ohio Heritage with respect to the letter of intent. Mr. Morgan, on February 11, 2014, contacted Todd M. Kegler of Kegler, Brown, Hill & Ritter Co., L.P.A. ("Kegler Brown") to inquire as to whether Kegler Brown would be able to assist as co-counsel. On February 12, 2014, Mr. Morgan met with Mr. Baker and Mr. Skelton to discuss the proposed letter of intent and advised them that they should advise the board of directors of the receipt of the letter of intent and recommend that the board form a special committee made up of the non-employee, independent directors to review and consider the letter of intent and make a recommendation to the Ohio Heritage board of directors regarding the transaction.

The Ohio Heritage board of directors, acting by unanimous consent resolution dated February 14, 2014, established a committee (the "Special Committee") consisting solely of independent directors with the full authority of the Ohio Heritage board of directors on behalf of Ohio Heritage to consider, negotiate and approve the terms and conditions of a potential merger transaction initially proposed by Peoples involving the potential merger of Ohio Heritage into Peoples. Joseph R. Skelton was designated as Special Committee Chairman, and Timothy A. Cox, Robert A. Skelton and Sara A. Bullens were designated as the other members of the Special Committee. The Special Committee engaged Mr. Morgan and Kegler Brown, to act as legal co-counsel to advise the Special Committee and to assist the Special Committee in its negotiations of the potential merger with Peoples.

On February 17, 2014, Mr. Morgan has a conference call with the Special Committee to discuss the letter of intent and the potential transaction. The Special Committee authorized Mr. Morgan to provide comments and suggested changes to the letter of intent for their consideration.

On February 19, 2014, Mr. Morgan met with the Special Committee at Mr. Skelton's office, reviewed the letter of intent with the Special Committee and provided his comments and suggested changes. The Special Committee authorized Mr. Morgan to prepare and send a revised letter of intent to Peoples providing for a price of \$110 per share, 85% of which would be payable in Peoples' common shares and 15% would be payable in cash. Mr. Morgan recommended that the Special Committee retain GBQ Consulting LLC ("GBQ"), a valuation firm with expertise in merger and acquisition fairness opinions, to provide a fairness opinion on the transaction. Based on Mr. Morgan's

recommendation, the Special Committee authorized Mr. Morgan to retain GBQ for this purpose.

Acting under the direction of the Special Committee, on February 20, 2014, Mr. Morgan contacted Brian Bornino of GBQ to determine if GBQ would be in a position to issue a “fairness opinion” to the Special Committee concerning the proposed merger transaction with Peoples, assuming the facts merit it.

On February 24, 2014, pursuant to the direction of the Special Committee, Mr. Morgan sent to Peoples a revised letter of intent providing for a price of \$110 per share, 85% of which would be Peoples’ common shares and 15% would be cash.

On February 26, 2014, the Special Committee received a revised letter of intent from Peoples providing for a price of \$110 per share. Over the ensuing two days Mr. Morgan negotiated the letter of intent with Peoples. On February 26, 2014, Ohio Heritage, acting through Mr. Skelton as Special Committee Chairman, and Peoples also executed a Mutual Confidentiality/Non-

Disclosure Agreement (“Confidentiality Agreement”) with a view towards enabling Ohio Heritage and Peoples to exchange information concerning, and conduct an investigation of, the business and properties of the other party in connection with a possible merger transaction.

On February 28, 2014, Mr. Skelton, in his capacity as Special Committee Chairman, and Mr. Sulerzyski, in his capacity as President and CEO of Peoples, signed a letter of intent (“Indication of Interest Letter”) outlining proposed merger terms consistent with those ultimately reflected in the Merger Agreement. Representatives of Peoples commenced a due diligence investigation, visiting Coshocton, Ohio, where the offices of Ohio Heritage are located and reviewing financial, loan and additional information concerning Ohio Heritage after the execution of the Confidentiality Agreement and the Indication of Interest Letter.

On or about March 5, 2014, Joseph R. Skelton, in his capacity as Special Committee Chairman, executed GBQ’s financial advisory engagement agreement to serve as independent financial advisor to the Special Committee and, assuming the facts merit, render a financial opinion in connection with proposed merger stating that it is fair, from a financial point of view, to the shareholders of Ohio Heritage.

Counsel to Peoples and counsel to the Ohio Heritage Special Committee commenced negotiation of the Merger Agreement on March 21, 2014 and continued such negotiations until April 3, 2014.

On April 3, 2014, the Special Committee of the board of directors of Ohio Heritage held a meeting (the “Special Committee Meeting”) to review the terms of the proposed Merger Agreement and determine whether to approve it and recommend approval to the shareholders of Ohio Heritage. All members of the Special Committee attended. Also present at the meeting, at the invitation of the Special Committee Chairman, were Mr. Morgan and representatives of Kegler Brown, acting as legal co-counsel, and W. Richard Baker, Chairman of the board of directors of Ohio Heritage. Brian D. Bornino and Eric Dollin, each of GBQ, attended telephonically.

At the Special Committee Meeting, Mr. Bornino explained that GBQ had been engaged by the Special Committee to determine whether the proposed Merger with Peoples was fair to the shareholders of the Ohio Heritage from a financial point of view, and if so to render a fairness opinion to that effect.

Following delivery of GBQ’s written opinion, Mr. Morgan and representatives of Kegler Brown then reviewed with the Special Committee the terms of the Merger Agreement and related matters in detail. Following the discussions at the Special Committee Meeting, the Special Committee unanimously determined that the form, terms and provisions of the Merger Agreement, and the terms and conditions of the Merger described therein, including but not limited to the merger consideration, were fair, advisable and in the best interests of Ohio Heritage and its shareholders, and unanimously recommended approval of the Merger Agreement and the Merger by the board of directors and the shareholders of Ohio Heritage.

The full board of directors of Ohio Heritage met to consider the recommendation of the Special Committee on April 3, 2014. Based upon the recommendation of the Special Committee and GBQ’s fairness opinion, the board of directors unanimously determined that the Merger and the merger consideration were in the best interests of Ohio Heritage and its shareholders, approved and adopted the Merger Agreement, and recommended that Ohio Heritage shareholders vote in favor of the approval and adoption of the Merger Agreement.

Mr. Baker, Chairman of Ohio Heritage, executed the Merger Agreement on behalf of Ohio Heritage on April 4, 2014. Each of the members of the Ohio Heritage board of directors executed a voting agreement as of that date obligating them to vote the shares of Ohio Heritage owned by them in favor of the Merger. The form of the voting agreement is attached as Exhibit A to the Merger Agreement, included as Annex A to this proxy statement/prospectus.

Ohio Heritage and Peoples issued a joint press release on April 4, 2014 concerning the transaction and Peoples filed a Current Report on Form 8-K with the SEC on that date, reporting that they had entered into the Merger Agreement.

Ohio Heritage's Reasons for the Merger

Ohio Heritage's Special Committee and board of directors determined that the Merger and the merger consideration were in the best interests of Ohio Heritage and its shareholders and recommends that Ohio Heritage shareholders vote in favor of the approval and adoption of the Merger Agreement.

In its deliberations and in making its determination, Ohio Heritage's Special Committee and board of directors considered many factors including, without limitation, the following:

- the belief that the financial terms of the Merger are considered fair, from a financial standpoint, to the shareholders of Ohio Heritage, based upon the opinion of GBQ;

• Ohio Heritage's community banking orientation and its compatibility with a similar operating philosophy of Peoples and Peoples Bank;

• the business, earnings, operations, financial condition, management, prospects, capital levels and asset quality of both Ohio Heritage and Peoples;

• the challenges to operating a small community bank in the current economic, regulatory and technological environment;

• Peoples' access to capital and managerial resources relative to that of Ohio Heritage;

• the provisions of the Merger Agreement;

• its desire to provide shareholders with the prospect for greater future appreciation on their investments in Ohio Heritage common shares than the amount the board of directors believed that Ohio Heritage could achieve independently;

• the greater liquidity of Peoples' common shares;

• pricing and other data from other similar transactions;

• Ohio Heritage Bank's potential to better serve its customers and enhance its competitive position in the communities in which it operates due to Peoples' ability to offer more diverse financial products and services as a larger and more highly capitalized institution;

• the ability for Ohio Heritage's board to respond to an unsolicited offer from another entity and the amount and terms of the termination fee;

• the effect of the Merger on Ohio Heritage's employees, customers and community; and

• the dividend accretion to Ohio Heritage shareholders who receive Peoples' common shares in exchange for their Ohio Heritage common shares.

The above discussion of the information and factors considered by Ohio Heritage's board of directors is not intended to be exhaustive, but includes all material factors considered by the board in arriving at its determination to approve, and to recommend that the Ohio Heritage shareholders vote to approve the Merger Agreement. The Ohio Heritage board of directors did not assign any relative or specific weights to the above factors, and individual directors may have given differing weights to different factors.

Recommendation of the Ohio Heritage Board of Directors

The Special Committee and board of directors of Ohio Heritage unanimously approved the Merger Agreement. The Special Committee and board of directors of Ohio Heritage believe that the Merger is fair to and in the best interests of Ohio Heritage and its shareholders, and, as a result, the directors unanimously recommend that Ohio Heritage shareholders vote "FOR" the adoption and approval of the Merger Agreement.

Peoples' Reasons for the Merger

Peoples believes that the Merger is in the best interests of Peoples and its shareholders. In reaching this determination, the Peoples board of directors consulted with its management, as well as its accounting and legal advisors, and considered the projected pro forma impact of the Merger and a number of other factors, including, without limitation, the following:

- the long-term interests of Peoples and its shareholders, as well as the interests of its employees, customers, creditors and the communities in which Peoples operates.
- the opportunity to acquire a bank with deep community banking relationships;

enhanced market share in Ohio with incremental high-quality, low-cost core deposits;
the market area in which Ohio Heritage's offices are located is a market in which Peoples would like to expand to;
Peoples believes it can realize cost savings and other benefits of size and operating efficiencies;
Peoples believes that the Merger should assist it in maintaining its status as an independent holding company and Peoples Bank as a community bank; and
the size and structure of the transaction allows Peoples to maintain its strong capital position and fund the cash portion of the transaction through current operations; additionally, the merged banks will also maintain a strong capital position allowing the organization to expand within its new markets.

The board of directors of Peoples also considered a variety of risks and other potentially negative factors in deliberations concerning the Merger. In particular, the board of directors of Peoples considered:

the costs associated with the regulatory approval process, the costs associated with calling a special meeting of the Ohio Heritage shareholders and other Merger related costs; and
the risks associated with combining the operations of Ohio Heritage with Peoples' existing operations, including difficulty in combining corporate, accounting, financial information and information systems.

The above discussion of the information and factors considered by Peoples' board of directors is not intended to be exhaustive, but includes all material factors considered by the board in arriving at its determination to approve. The board of directors of Peoples did not assign any relative or specific weights to the above factors, and individual directors may have given differing weights to different factors.

Opinion of Ohio Heritage's Financial Advisor

In March 2014, Ohio Heritage engaged GBQ Consulting LLC ("GBQ"), to evaluate the fairness, from a financial point of view, to the common shareholders of Ohio Heritage, of the merger consideration to be received by such holders pursuant to the Merger Agreement. GBQ is principally engaged in the valuation of businesses and business interests, including both privately-held and publicly-traded companies, for all purposes, including mergers and acquisitions, divestitures, fairness opinions for transactions by public companies, estate and gift taxes, Employee Stock Ownership Plans, recapitalizations, purchase price allocations, dissolutions, and other objectives. GBQ's business activity is predominantly with business enterprises having \$1 million to \$1 billion in annual revenue. Ohio Heritage selected GBQ as its financial advisor on the basis of its experience and expertise in providing valuation advisory and fairness opinion services for similar transactions.

As part of its engagement, GBQ assessed the fairness, from a financial point of view, of the merger consideration being received by the shareholders of Ohio Heritage. GBQ presented its opinion to the Special Committee of Ohio Heritage on April 3, 2014. Subsequent to this presentation, GBQ delivered to the Special Committee a written opinion that, as of the date of GBQ's presentation, the merger consideration was fair to Ohio Heritage, and its shareholders, from a financial point of view. The full text of GBQ's opinion is attached as Annex C to this proxy statement/prospectus. The summary of the opinion of GBQ set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.

You should consider the following when reading the discussion of GBQ's opinion in this document:

The opinion letter details the procedures followed, assumptions made, matters considered, and qualifications and limitations of the review undertaken by GBQ in connection with its opinion, and should be read in its entirety;
GBQ expressed no opinion as to the price at which Ohio Heritage's or Peoples' common shares would actually be trading at any time;
GBQ's opinion is only to be used as one input to consider in the process of analyzing the Merger;

GBQ's opinion does not address, specifically or otherwise, Ohio Heritage's underlying business decision to engage in the Merger. Moreover, GBQ has not been engaged to recommend, and has not recommended, a transaction price, and GBQ has not participated in the Merger negotiations in any way;

GBQ's opinion rendered in connection with the Merger does not constitute a recommendation to any Ohio Heritage shareholder as to how he or she should vote at the special meeting;

GBQ's opinion is derived from a financial point of view only and does not cover the procedural fairness of the Merger; and

GBQ's opinion does not consider the financial impact of trading restrictions that may exist on holders of Peoples common shares received as merger consideration. As such, GBQ's analysis of Peoples common shares assumes such shares are freely-tradable without restriction.

In arriving at its determination of the fairness, from a financial point of view, of the merger consideration offered by Peoples, GBQ completed a number of traditional valuation analyses and qualitative judgments that it deemed to be relevant. GBQ advised the special committee that its determination of fairness was not based on the possibility of the unaffiliated shareholders gaining the maximum price theoretically or practically possible. Rather, its determination of fairness was based on consideration of the overall reasonableness of the price offered in the Merger with reference to a variety of quantitative and qualitative factors and the time frame of the Merger and GBQ's analyses.

GBQ did not form a conclusion as to whether any individual analysis, when considered independently of the other analyses conducted by GBQ, supported or failed to support its opinion. GBQ did not specifically rely or place any specific weight on any individual analysis. Accordingly, GBQ believes that the analyses must be considered in their entirety, and that selecting portions of the analyses or the factors it considered, without considering all analyses and factors together, could create an imperfect view of the processes underlying the analyses performed by GBQ in connection with the preparation of its opinion.

Any estimates contained in GBQ's analyses are not necessarily predictive of future results or values, and may be significantly more or less favorable than the estimates. Estimates of values of companies do not purport to be appraisals or necessarily reflect the prices at which the companies or their securities may actually be sold.

With respect to the internally-prepared projections and estimates for Ohio Heritage's performance, management has confirmed to us that these estimates and projections reflected the best currently available estimates and judgments of management of the future financial performance of Ohio Heritage.

GBQ assumed that the assets, liabilities, financial condition and prospects of Ohio Heritage as of the date of its opinion had not changed materially since the date of the most recent financial information made available to them. GBQ also assumed and relied upon the accuracy and completeness of all financial and other information that was publicly available, furnished by Ohio Heritage, or otherwise reviewed by or discussed with them, and of the representations and warranties of Ohio Heritage contained in the Merger Agreement, in each case without independent verification of such information. GBQ assumed, without independent verification, that any financial forecasts and projections provided to them were reasonably prepared and reflected the best currently available estimates of the future financial results of Ohio Heritage and represent reasonable estimates, and GBQ relied upon such forecasts, projections and estimates in arriving at its opinion. Further, GBQ relied upon each party to advise GBQ promptly if any information previously provided became inaccurate or was required to be updated during the period of its review. GBQ was not engaged to assess the reasonableness or achievability of such forecasts, projections and estimates or the assumptions upon which they were based, and expressed no view as to the forecasts, projections, estimates or assumptions. GBQ assumed that the Merger would be consummated on the terms described in the draft Merger Agreement, without any waiver of any material terms or conditions by Ohio Heritage.

GBQ has relied, without independent verification, upon the accuracy and completeness of the information it reviewed for the purpose of rendering its opinion. GBQ did not undertake any independent evaluation or appraisal of the assets and liabilities of Ohio Heritage or Peoples, nor was it furnished with any appraisals. GBQ has not reviewed any individual credit files of Peoples or Ohio Heritage, and has assumed that Peoples' and Ohio Heritage's allowances are, in the aggregate, adequate to cover inherent credit losses. GBQ's opinion is based on economic, market and other conditions existing on the date of its opinion. No limitations were imposed by Ohio Heritage's board or its management upon GBQ with respect to the investigations made or the procedures followed by GBQ in rendering its opinion. It should be noted that although subsequent developments may affect its opinion, GBQ does not have any

obligation to update, revise or reaffirm its opinion.

In rendering its opinion, GBQ made the following assumptions:

All material governmental, regulatory and other consents and approvals necessary for the consummation of the Merger would be obtained without any adverse effect on Ohio Heritage, Peoples or on the anticipated benefits of the Merger;

Ohio Heritage and Peoples have provided all of the information that might be material to GBQ in its review; and All financial projections and forecasts were reasonably prepared on a basis reflecting the best currently available estimates and judgment of the management of Ohio Heritage as to the future operating and financial performance of Ohio Heritage.

In connection with its opinion, GBQ has:

- held discussions with certain members of senior management of the Ohio Heritage related to the Merger, Ohio Heritage's financial condition, and other factors;
- reviewed Ohio Heritage's annual reports for the fiscal years ended March 31, 2010 through 2013, including Ohio Heritage's audited financial statements for these periods, prepared by BKD LLP;
- reviewed Ohio Heritage's financial statements for the twelve months ended December 31, 2013, as presented in Ohio Heritage's Form FR Y-9SP;
- reviewed Ohio Heritage's balance sheet as of February 28, 2014, prepared by management;
- reviewed a draft of the Merger Agreement, dated March 21, 2014;
- reviewed certain publicly available information related to Ohio Heritage, including information filed with the FDIC;
- reviewed and analyzed publicly available financial information related to certain publicly traded companies that we deem sufficiently comparable to Ohio Heritage;
- reviewed and analyzed transactions and premiums paid in the sale of controlling-interests in certain companies that we deem sufficiently comparable to Ohio Heritage;
- reviewed Ohio Heritage's strategic plan and 2014 budget;
- reviewed certain publicly-available information related to Peoples, including annual reports (SEC Form 10-K), quarterly reports (SEC Form 10-Q), and other publicly-available information that we deemed relevant;
- reviewed certain publicly-available information regarding the trading volume, pricing multiples, and trends in the price of Peoples common shares;
- reviewed various documents, lists, and schedules prepared by Ohio Heritage management; and

conducted such other studies, analyses, and inquiries as we deemed necessary in arriving at our opinion, and discussed with certain members of senior management of Ohio Heritage the business, financial condition, results of operations and prospects of Ohio Heritage, including certain operating, regulatory and other financial matters.

The following is a summary of the material factors considered and analyses performed by GBQ in connection with its opinion dated April 3, 2014. The summary does not purport to be a complete description of the analyses performed by GBQ. Capitalized terms used herein without definition shall have the meanings given to such terms in the Merger Agreement.

Summary of Financial Terms of Agreement

GBQ reviewed the financial terms of the Merger Agreement, including the form of consideration and the resulting value per share to be received by Ohio Heritage common shareholders pursuant to the proposed Merger.

The terms of the Merger Agreement provide that each outstanding Ohio Heritage common share shall receive \$110.00 in value. The value paid for the shares of Ohio Heritage will be in the form of a combination of (a) cash consideration in an amount totaling 15% of the purchase price, and (b) Peoples' common shares in an amount totaling 85% of the purchase price. The number of Peoples' common shares to be issued is determined based on the volume average-weighted market price of Peoples' common shares during the twenty (20) consecutive trading days immediately preceding the effective date of the Merger. Based on 342,458 common shares of Ohio Heritage outstanding and per share acquisition price of \$110.00 per common share, the aggregate value of the transaction approximates \$37.7 million. Based on Ohio Heritage's financial information as of the date of the most recent financial information available to GBQ, \$37.7 million reflects implied transaction multiples, as follows:

Guideline Public Company Method

GBQ reviewed and compared specific financial and operating data from Ohio Heritage to that of several publicly-traded companies that GBQ deemed to have certain characteristics that are similar to those of Ohio Heritage. Based on its search, GBQ identified 1,002 publicly-traded banks listed on U.S. exchanges. From this group, 560 companies were determined by GBQ to be similar in size to Ohio Heritage (i.e., total assets between \$50 million and \$3.0 billion). Further, from these similarly sized companies, GBQ selected and analyzed a group of 128 companies with operations in and around Ohio Heritage's geographic region.

GBQ noted, however, that none of the selected publicly-traded companies is identical or directly comparable to Ohio Heritage. In its analysis, GBQ compared selected information of Ohio Heritage with the corresponding performance of the publicly-traded companies. Further, in addition to analyzing the public company group as a whole, GBQ assessed various subsets of the public companies based on the public companies' size, return on assets, return on equity, net profit margin, bank-specific ratios, and geography. The performance metrics of the companies within each identified subset, as well as Ohio Heritage's performance, is as follows:

As part of its analysis, GBQ reviewed and considered various pricing relationships among the guideline companies based upon their latest-twelve-month ("LTM") and five-year weighted average performance. The pricing relationships considered include: price to book value, price to total assets, price to interest income, and price to net income. Multiples for the selected companies were based on stock prices for the selected companies as of March 28, 2014. Estimates of future performance for the selected companies were compiled from equity analyst estimates, as provided by S&P Capital IQ. This analysis indicated the following multiples for the subsets of the selected public companies:

As evidenced in the preceding table, Ohio Heritage's implied transaction multiples from the Merger are generally in excess of the multiples exhibited by the guideline companies. Applying the indicated pricing multiples to Ohio Heritage's appropriate measures of performance suggests a market value of equity (on an acquisition basis) of between \$27.3 million and \$37.8 million, or \$79.22 to \$110.38 per share, as follows:

The concluded values incorporate an applicable acquisition premium, which was determined by GBQ to range from 30% to 40%, as discussed later in this section.

Guideline Transaction Method

From a search of multiple databases, GBQ identified for consideration in its analysis 802 transactions involving the acquisition of commercial banks. Additionally, GBQ narrowed this initial group to include the transactions involving companies that were most comparable to Ohio Heritage in terms of size (as measured by total assets). There were 375 transactions involving companies that were determined by GBQ to be similar in size to Ohio Heritage (total assets of between \$50 million and \$1 billion). Additionally, based on observed changes in banking multiples in recent years, GBQ further narrowed its list of comparable transactions to include only those that occurred between 2008 and 2013, or a total of 86 transactions.

GBQ noted, however, that none of the companies included in the selected transactions is identical or directly comparable to Ohio Heritage and that none of the selected transactions is identical or directly comparable to the Merger. GBQ compared selected information of Ohio Heritage with the corresponding data indicated in the selected transactions. Further, in

In addition to analyzing the transaction group as a whole, GBQ assessed various subsets of the transactions based on the acquired companies' size, year of sale, return on assets, net profit margin, and geography. The performance metrics of the transactions within each identified subset are as follows:

GBQ examined various multiples, including: deal price to net income, deal price to total assets, and deal price to book value. Multiples for the selected transactions were based upon the information available in the latest financial statements issued prior to the transaction announcement date.

Financial data for the selected transactions was obtained from various independent sources including Pratt's Stats, Public Stats, S&P Capital IQ, and the Mergerstat/BVR Control Premium Study. Based on an analysis of the multiples exhibited by the identified transaction subsets, a range of applicable pricing multiples was indicated. The pricing multiples implied by the selected transactions, as well as the implied pricing multiples of the Merger, are as follows:

As evidenced in the preceding table, Ohio Heritage's implied transaction multiples from the Merger are consistent with the multiples exhibited by the guideline transactions. Applying the indicated range of pricing multiples to Ohio Heritage's appropriate measures of performance suggests a transaction price (on an acquisition basis) of between \$27.7 million and \$46.1 million, or \$80.85 to \$134.67 per share, as follows:

Present Value of Future Share Price Analysis

GBQ applied a multiple of market value of equity to total assets, book value of equity, and net income based on the multiples exhibited by the guideline transactions (i.e., acquisition multiples) to projected levels of Ohio Heritage's book value of equity, total assets, and net income for the years ending March 31, 2015 through 2019, based on expected growth trends, as anticipated by management. The future indicated prices per share are discounted to March 28, 2014 at the applicable cost of equity. The resulting values per share for Ohio Heritage ranged from \$57.88 per share to \$106.03 per share.

Premiums Paid Analysis

GBQ reviewed publicly available information for selected completed or pending acquisition transactions to determine the equity premiums paid in the transactions over recent trading prices of the target companies prior to announcement of the transaction. GBQ reviewed publicly available information including, but not limited to, SEC filings, databases, and industry reports for these selected transactions to assess premiums paid for companies in Ohio Heritage's industry. In each specific transaction, GBQ determined the premium being paid by the acquirer as a percentage of the closing market trading price of the target's common stock. Based on the premiums indicated in these transactions, GBQ estimated an applicable acquisition premium of 30% to 40% was appropriate. This acquisition premium was used in the adjustment of the values suggested by the Guideline Public Company Method (as the values suggested by this method otherwise reflect non-controlling interest values).

GBQ analyzed premiums paid in the acquisition of 597 transactions of controlling interests in banks. These 597 transactions exhibited a median acquisition premium of 27.3%. Further, the quartile-to-quartile range of premiums was 11.4% to 49.6%, as follows:

In addition, GBQ analyzed the Mergerstat Review 2013 database, which tracks publicly announced formal transfers of ownership of at least 10% of a company's equity. Over the past 30 years, the premium paid ranged from 23.1% to 41.1%, with a median of 31.8%. Further, acquisitions of companies with a purchase price of between \$25.0 million and \$50.0 demonstrated an average annual median acquisition premium of 41.8%. Further, acquisition premiums in Ohio Heritage's industry have increased over time, with a median acquisition premium of 38.9% since 2008.

Summary of Valuation Methodologies

GBQ utilized the per share prices for Ohio Heritage implied by the guideline public company, guideline transaction, and present value of future share price analyses described above in determining an implied range of value of Ohio Heritage. The range of values is provided below.

Analysis of Peoples Shares

Pursuant to the terms of the Merger Agreement, 85% of the consideration paid to Ohio Heritage shareholders was in the form of Peoples' common shares. As such, GBQ performed an analysis of the market value and trading volume of Peoples' common shares. Based on this analysis, which included an analysis of public companies most similar to Peoples in terms of size, profitability, and other metrics, GBQ estimates that that Peoples' trading multiples are in-line with those exhibited by comparable public companies. Further, GBQ noted that there appears to be an active market for Peoples' common shares, with an average daily trading volume of approximately 28,000 shares in the three months preceding the Merger. As such, GBQ determined that Peoples' active trading price was relatively representative of market value.

Fairness Conclusion

GBQ compared the implied value of the Merger Consideration (i.e., \$37.7 million or \$110.00 per share) to be received by the holders of Ohio Heritage common shares with the implied value of Ohio Heritage common shares indicated by the financial analyses described herein. GBQ noted that the range of implied equity values of Ohio Heritage from the analyses discussed above is \$57.88 per share to \$134.67 per share, compared to the Merger Consideration of \$110.00 per share. Based on this analysis, GBQ determined, subject to the qualifications, assumptions, and limitations described herein, that the Merger Consideration offered to the shareholders of Ohio Heritage in the Merger Agreement is fair, from a financial point of view, to the shareholders of Ohio Heritage, excluding consideration of the financial impact to any shareholders who shall become subject to trading restrictions on Peoples common shares.

The opinion expressed by GBQ was based on market, economic, and other relevant considerations as they existed and could be evaluated as of the date of the opinion. Events occurring after the date of issuance of the opinion, including, but not limited to, changes affecting the securities markets, the results of operations or material changes in the financial condition of either Peoples or Ohio Heritage, could materially affect the assumptions used in preparing this opinion.

GBQ's Compensation and Other Relationships with Ohio Heritage and Peoples

Pursuant to the terms of its engagement agreement with GBQ, Ohio Heritage paid GBQ \$33,333 at the time of the signing of the engagement as a non-refundable retainer and \$66,667 plus out-of-pocket expenses immediately prior to the time of delivery of its fairness opinion.

Ohio Heritage has agreed to reimburse GBQ for its reasonable out-of-pocket expenses, and to indemnify GBQ against certain liabilities, including liabilities under securities laws. GBQ has not provided any consulting services to Ohio Heritage prior to this transaction. Further, GBQ has never provided consulting services to Peoples.

Regulatory Approvals Required

The Merger must receive approval from both the OCC and the Federal Reserve before the proposed Merger may be consummated. Peoples has received such approval to consummate the Merger from both the OCC and the Federal Reserve.

The approval of any regulatory applications merely implies the satisfaction of regulatory criteria for approval, which does not include review of the adequacy or fairness of the merger consideration to Ohio Heritage shareholders. Furthermore, regulatory approvals do not constitute or imply any endorsement or recommendation of the Merger or the terms of the Merger Agreement.

Interests of Ohio Heritage Directors and Officers in the Merger

As described below, some of Ohio Heritage's directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of Ohio Heritage shareholders generally. The Ohio Heritage board of directors was aware of these interests and considered them in approving the Merger Agreement.

Severance Payments

Under the terms of the Merger Agreement, Peoples shall pay to each employee, including officers, of Ohio Heritage or Ohio Heritage Bank who (i) is not subject to an existing contract providing for severance and/or a change in control payment, (ii) is an employee of Ohio Heritage or Ohio Heritage Bank immediately before the effective time of the Merger, (iii) has been an employee of Ohio Heritage or Ohio Heritage Bank for at least six months prior to the effective time of the Merger, and (iv) is not offered continued employment by Peoples or any of its subsidiaries after the effective time of the Merger, or is offered employment outside of the employee's current branch location, or at a salary less than his or her current salary, or is involuntarily terminated by Peoples without cause during the first six months after the effective time of the Merger, a severance amount equal to two weeks base pay multiplied by the number of whole years of service of such employee with Ohio Heritage or Ohio Heritage Bank, less applicable local, state and federal tax withholding; provided, however, that the minimum severance payment shall equal four weeks of base pay, and the maximum severance payment shall not exceed 26 weeks of base pay. Further, for any employee of Ohio Heritage or Ohio Heritage Bank participating in Ohio Heritage's or Ohio Heritage Bank's group health program at the effective time of the Merger who is entitled to a severance payment, the employee will be able to purchase health insurance coverage for the employee and for any spouse or other dependent covered by Ohio Heritage or Ohio Heritage Bank's group health program at the effective time of the Merger, at the full premium rate for the entire COBRA period.

Retention Payments

Under the terms of the Merger Agreement, Ohio Heritage may, at its discretion, determine that retention payments to any employees, including officers, of Ohio Heritage or Ohio Heritage Bank are necessary to allow for the continued efficient operation of Ohio Heritage Bank through, or transition to Peoples Bank after, the effective time of the Merger. The Merger Agreement allows Ohio Heritage to agree to make such payments at or prior to the effectiveness of the Merger and in such individual amounts as determined by Ohio Heritage, provided, however, that the total aggregate amount of any such retention payments does not exceed \$50,000.

Indemnification and Directors' and Officers' Liability Insurance

For a period of five years following the effective time of the Merger and subject to compliance with applicable state and federal laws, Peoples will indemnify each person who served as a director or officer of Ohio Heritage before the effective time of the Merger to the fullest extent provided by Ohio Heritage's governing documents, from and against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement in connection with any threatened,

pending or completed action, suit or proceeding by reason of the fact that the person was an officer or director of Ohio Heritage. In addition, the Merger Agreement provides that, prior to the Merger, Ohio Heritage will purchase a directors' and officers' liability insurance policy to be effective for up to five years following the effective date of the Merger, on terms no less advantageous than those contained in Ohio Heritage's existing policy.

Change in Control Payments

Ohio Heritage Bank entered into salary continuation agreements and/or supplemental retirement agreements with certain directors, executive officers and other key employees prior to being approached by Peoples regarding its interest in pursuing the Merger. Ohio Heritage Bank has been accruing for its payment obligations under those agreements since their

execution. Pursuant to those agreements, upon a change in control caused by the Merger, the individuals will, within three business days of the effective date of the Merger, receive lump sum payments equal to their remaining benefit balance plus an amount to cover such individual's tax cost, if any, attributable to Code Section 280G excise tax (such amount, the "280G Tax Gross-Up") resulting from such payment. The change in control payments under the aforementioned agreements will be paid by Peoples at or following the effective date of the Merger. The anticipated payment values under the agreements, including the 280G Tax Gross-Up, if applicable, assuming an August 1, 2014 Merger effective date, are set forth below.

Recipient	Base Change of Control Lump Sum Payment	280G Tax Gross-Up Payment
W. Richard Baker	\$ 384,104.00	\$
Robert W. Bigrigg	\$ 388,278.00	\$
Joseph R. Skelton	\$ 393,744.00	\$
Robert A. Skelton	\$ 406,111.00	\$ 72,881.75
Kelly J. Fortney	\$ 192,751.00	\$
Martin L. Merryman	\$ 196,872.00	\$
Jennifer L. Thompson	\$ 389,655.00	\$

Material U.S. Federal Income Tax Consequences of the Merger

This section describes the intended, material U.S. federal income tax consequences of the Merger to Peoples, Ohio Heritage, and U.S. holders of Ohio Heritage common shares who exchange their shares for a combination of Peoples common shares and cash pursuant to the Merger. Peoples and Ohio Heritage intend for the Merger to be treated as a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code, and Peoples and Ohio Heritage intend that each will be a "party to the reorganization" within the meaning of Section 368(b) of the Internal Revenue Code. The following discussion assumes that the Internal Revenue Service and the courts agree that the Merger is a reorganization within the meaning of Section 368(a)(1)(A) of the Internal Revenue Code, and that Peoples and Ohio Heritage are each a "party to the reorganization" within the meaning of Section 368(b) of the Internal Revenue Code. However, Peoples and Ohio Heritage have not requested and do not intend to request any legal opinion, accounting opinion, or any ruling from the Internal Revenue Service as to the U.S. federal income tax consequences of the Merger. Consequently, there is no assurance of the accuracy of the anticipated U.S. federal income tax consequences to Peoples, Ohio Heritage, and the shareholders of Ohio Heritage described in this proxy statement/prospectus.

The following discussion is based on the Internal Revenue Code, existing and proposed regulations thereunder and published rulings and decisions, all as currently in effect as of the date hereof, and all of which are subject to change, possibly with retroactive effect. Any such change could affect the continuing validity of this discussion. For purposes of this discussion, a "U.S. holder" is a beneficial owner of Ohio Heritage common shares who, for U.S. federal income tax purposes is:

- a citizen or resident of the U.S.;
- a corporation, or an entity treated as a corporation, created or organized in or under the laws of the U.S. or any state or political subdivision thereof;
- a trust that (1) is subject to (A) the primary supervision of a court within the U.S. and (B) the authority of one or more U.S. persons to control all substantial decisions of the trust or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person; or
- an estate that is subject to U.S. federal income tax on its income regardless of its source.

If a partnership (including for this purpose any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Ohio Heritage common shares, the tax treatment of a partner generally will depend on the status of the partner and the activities of the partnership. If you are a partner of a partnership holding Ohio Heritage common shares, you should consult your tax advisor.

This discussion addresses only those Ohio Heritage shareholders that hold their Ohio Heritage common shares as a capital asset within the meaning of Section 1221 of the Internal Revenue Code (generally, property held for investment), and does not address all the U.S. federal income tax consequences that may be relevant to particular Ohio Heritage shareholders in light of their individual circumstances or to Ohio Heritage shareholders that are subject to special rules, such as:

- financial institutions;
- investors in pass-through entities;
- insurance companies;
- tax-exempt organization;
- dealers in securities;
- traders in securities that elect to use mark-to-market method of accounting;