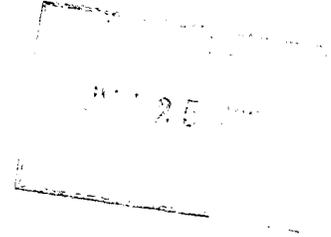


U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549



FORM 11-K

ANNUAL REPORT
PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934



- ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED, EFFECTIVE OCTOBER 7, 1996].

For the fiscal year ended December 31, 2003

OR

- TRANSACTION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

For the transaction period from _____ to _____.

Commission file number: 1-12707

- A. Full title of the plan and address of the plan, if different from that of the issuer named below:

Pinnacle Bank Profit Sharing Retirement Plan

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

Pinnacle Bancshares, Inc.
1811 Second Avenue
Jasper, AL 35501

As filed on June 25, 2004

PROCESSED
JUN 28 2004
THOMSON
FINANCIAL

Item 1. Financial Statements and Exhibits.

- (a) Financial statements (filed in Exhibit 1 hereto):

Balance Sheet

Income Statement

Supplementary Schedules:

Account Reconciliation

Fund Reconciliation

- (b) Exhibits:

1. Financial statements required by Item 1(a)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed by the undersigned hereunto duly authorized.

PINNACLE BANK
PROFIT SHARING RETIREMENT PLAN

PENSION & BENEFIT TRUST COMPANY
(Trustee)

June 21, 2004

By: 

Ruth M. Roper
Executive Vice President

Exhibit 1
Financial Statements

PINNACLE BANK
PROFIT SHARING RETIREMENT PLANBALANCE SHEET
AS OF DECEMBER 31, 2003ASSETS

American Century Income & Growth	\$ 17,536.72
American Century Short Term Gov't	6,165.58
American Century Growth	214,635.36
Bond Fund of America	23,895.32
Fidelity Magellan	490,551.25
Fixed Fund	833,298.11
Fundamental Investors	77,985.67
Gartmore Money Market	20,984.52
Gartmore Nationwide Fund	5,740.15
Invesco Small Co. Growth	12,900.81
Janus Twenty	89,664.60
Neuberger & Berman Partners	223,333.80
Nationwide S&P 500 Index	43,407.22
Oppenheimer Global	9,886.17
Schwab	376,842.24
Templeton Foreign	81,609.31

TOTAL ASSETS \$2,528,436.83

LIABILITIES & EQUITY

Liabilities	\$ 0.00
Participants' Equity	<u>2,528,436.83</u>
TOTAL LIABILITIES & EQUITY	<u>\$2,528,436.83</u>

PINNACLE BANK
PROFIT SHARING RETIREMENT PLANINCOME STATEMENTFOR THE PERIOD
JANUARY 1, 2003 TO DECEMBER 31, 2003INCOME

Contributions		
EE Salary Deferrals	\$163,522.14	
ER Safe Harbor Matching	81,428.81	
Rollover	11,290.66	
Interest	40,741.57	
Unrealized Gain/Loss	<u>368,722.91</u>	
TOTAL INCOME		\$ 665,706.09

EXPENSES

Distributions	\$184,660.91	
Insurance Premiums	<u>1,626.60</u>	
TOTAL EXPENSES		<u>\$ 186,287.51</u>
NET GAIN		<u>\$ 479,418.58</u>

Assets as of January 1, 2003	\$2,049,018.25
Plus Net Gain	<u>479,418.58</u>
Assets as of December 31, 2003	<u>\$2,528,436.83</u>

PINNACLE BANK PROFIT SHARING RETIREMENT PLAN
Valuation Period From 1/01/2003 - 12/31/2003
Account Reconciliation

Source	Beginning Balance	Gain/Loss	Contributions	Forfeitures	Transfers	Withdrawals	Ending Balance
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Discretionary	285,153.35	42,938.61	0.00	0.00	0.00	(49,338.75)	278,753.21
Deferral	1,262,722.39	276,898.07	163,522.14	0.00	0.00	(89,400.13)	1,613,742.47
Match	419,833.82	66,486.61	0.00	0.00	0.00	(32,418.31)	453,902.12
Safe Harbor	68,183.56	19,906.39	81,428.81	0.00	275.12	(2,579.04)	167,214.84
Rollover	13,125.13	3,234.80	0.00	0.00	11,015.54	(12,551.28)	14,824.19

Totals							
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PINNACLE BANK PROFIT SHARING RETIREMENT PLAN
Valuation Period From 1/01/2003 - 12/31/2003
Fund Reconciliation

	Prior Balance	Gain Loss	Contributions	Withdrawals	Transfers	Withdrawals	Ending Balance
<i>Am Cent In & Grwth AC</i>	14,238.83	3,029.13	5,518.47	0.00	(4,894.78)	(354.93)	17,536.72
<i>American Century Govt</i>	4,487.13	21.61	2,248.37	0.00	(591.53)	0.00	6,165.58
<i>American Century Growth</i>	204,851.79	40,380.13	18,172.90	0.00	(16,035.41)	(32,734.05)	214,635.36
<i>Bond Fund America</i>	70,643.81	2,360.38	6,038.13	0.00	(17,549.19)	(37,597.81)	23,895.32
<i>Fidelity Magellan</i>	366,374.03	81,520.83	42,021.10	0.00	6,355.75	(5,720.46)	490,551.25
<i>Fixed</i>	709,757.39	40,741.57	70,200.85	(7.70)	65,500.93	(52,894.93)	833,298.11
<i>Fundamental Investors Fnd</i>	63,972.02	18,839.84	13,874.84	0.00	(2,872.29)	(15,828.74)	77,985.67
<i>Gartmore Money Market IC</i>	11,917.43	23.00	9,422.14	10.20	2,968.27	(3,356.52)	20,984.52
<i>Gartmore Nationwide Fund</i>	1,696.61	897.85	3,145.69	0.00	0.00	0.00	5,740.15
<i>Insurance</i>	0.00	0.00	1,626.60	0.00	0.00	(1,626.60)	0.00
<i>Invesco Small Co.</i>	8,104.99	2,451.89	4,823.43	(1.18)	(2,478.32)	0.00	12,900.81
<i>Janus 20</i>	70,244.08	17,815.09	19,237.59	(1.32)	(2,846.11)	(14,784.73)	89,664.60
<i>Money Market</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>N&B Partners Fund</i>	156,107.25	54,815.77	20,165.59	0.00	(7,754.81)	0.00	223,333.80
<i>Nationwide S&P 500</i>	37,296.38	9,321.59	5,352.34	0.00	(4,900.99)	(3,662.10)	43,407.22
<i>Oppenheimer Global</i>	6,963.12	2,144.56	4,203.42	0.00	(3,424.93)	0.00	9,886.17
<i>SCHWAB</i>	246,949.35	115,094.63	14,798.26	0.00	0.00	0.00	376,842.24
<i>Temp Foreign Fnd</i>	75,414.04	20,006.61	4,101.23	0.00	(185.93)	(17,726.64)	81,609.31
TOTALS	2,991,255.55	527,505.55	2,463,750.00	(8.02)	(17,500.00)	(17,500.00)	3,946,903.08