SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For the Quarterly Period Ended:
September 30, 2003

Commission File Number: 0-13358

CAPITAL CITY BANK GROUP, INC.
(Exact name of registrant as specified in its charter)

Florida	59-2273542
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

217 North Monroe Street, Tallahassee, Florida 32301
(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code: (850) 671-0300

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

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes [X] No [ ]

At October 31, 2003, 13,221,843 shares of the Registrant's Common Stock, $.01 par value, were outstanding.

CAPITAL CITY BANK GROUP, INC.

FORM 10-Q I N D E X

INTRODUCTORY NOTE

This Report and other Company communications and statements may contain "forward-looking statements," including statements about our beliefs, plans, objectives, goals, expectations, estimates and intentions. These statements are subject to significant risks and uncertainties and are subject to change based on various factors, many of which are beyond our control. For information concerning these factors and related matters, see Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

PART I. FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

<TABLE>

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIODS ENDED SEPTEMBER 30
(Unaudited)
(Dollars In Thousands, Except Per Share Amounts)<F1>

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2003	2002	2003	2002
<S>	<C>	<C>	<C>	<C>
INTEREST INCOME				
Interest and Fees on Loans	$23,066	$23,897	$69,603	$71,294
Investment Securities:				
U.S. Treasury	147	-	433	-
U.S. Govt. Agencies and Corporations	554	1,326	2,048	4,244
States and Political Subdivisions	592	678	1,833	2,099
Other Securities	141	320	470	1,317
Funds Sold	303	182	987	1,089
Total Interest Income	24,803	26,403	75,374	80,043
INTEREST EXPENSE				
Deposits	2,729	4,496	9,008	16,657
Short-Term Borrowings	282	194	951	531
Long-Term Debt	495	256	1,541	648
Total Interest Expense	3,506	4,946	11,500	17,836
Net Interest Income	21,297	21,457	63,874	62,207
Provision for Loan Losses	921	991	2,586	2,434
Net Interest Income After Provision for Loan Losses	20,376	20,466	61,288	59,773
NONINTEREST INCOME				
Service Charges on Deposit Accounts	4,123	2,979	12,164	8,716
Data Processing	578	485	1,747	1,494
Asset Management Fees	660	585	1,915	1,890
(Loss) Gain on Sale of Investment Securities	(22)	-	1	-
Mortgage Banking Revenues	2,434	1,612	5,903	3,957
Other	3,547	3,426	10,548	9,876
Total Noninterest Income	11,320	9,087	32,278	25,933

NONINTEREST EXPENSE

Salaries and Associate Benefits	12,238	10,888	34,964	31,947
Occupancy, Net	1,589	1,363	4,468	4,242
Furniture and Equipment	2,048	1,819	5,717	5,656
Other	5,996	6,456	18,498	18,478
Total Noninterest Expense	21,871	20,526	63,647	60,323
Income Before Income Taxes	9,825	9,027	29,919	25,383
Income Taxes	3,529	3,226	10,822	9,023
NET INCOME	$ 6,296	$ 5,801	$19,097	$16,360
Basic Net Income Per Share	$ .47	$ .44	$ 1.44	$ 1.23
Diluted Net Income Per Share	$ .47	$ .44	$ 1.44	$ 1.23
Cash Dividends Per Share	$ .1700	$ .1220	$ .4760	$ .3660
Basic Average Shares Outstanding	13,221,264	13,188,677	13,221,114	13,237,377
Diluted Average Shares Outstanding	13,260,140	13,237,747	13,255,047	13,286,447

<FN>
<F1> All share and per share data have been adjusted to reflect the 5-for-4 stock split effective June 13, 2003.
</FN>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

</TABLE>

<TABLE>

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
AS OF SEPTEMBER 30, 2003 AND DECEMBER 31, 2002
(Unaudited)
(Dollars In Thousands, Except Per Share Amounts)<F1>

<S>	September 30, 2003 <C>	December 31, 2002 <C>
ASSETS		
Cash and Due From Banks	$ 105,407	$ 89,823
Funds Sold	161,579	170,936
Total Cash and Cash Equivalents	266,986	260,759
Investment Securities, Available-for-Sale	162,734	180,315
Loans, Net of Unearned Interest	1,322,888	1,285,221
Allowance for Loan Losses	(12,424)	(12,495)
Loans, Net	1,310,464	1,272,726
Premises and Equipment	55,347	48,897
Intangibles	26,603	29,034
Other Assets	32,289	33,040
Total Assets	$1,854,423	$1,824,771
LIABILITIES		
Deposits:		
Noninterest Bearing Deposits	$ 456,302	$ 406,081
Interest Bearing Deposits	1,029,139	1,028,119
Total Deposits	1,485,441	1,434,200
Short-Term Borrowings	112,255	113,675
Long-Term Debt	38,016	71,745
Other Liabilities	19,820	18,620
Total Liabilities	1,655,532	1,638,240
SHAREOWNERS' EQUITY		
Preferred Stock, $.01 par value, 3,000,000 shares authorized, no shares issued and outstanding	-	-

Common Stock, $.01 par value; 112,500,000 shares authorized; 13,221,840 shares outstanding at September 30, 2003 and 13,196,211 shares outstanding at December 31, 2002	132	132
Additional Paid-In Capital	15,578	14,691
Retained Earnings	181,395	168,587
Accumulated Other Comprehensive Income, Net of Tax	1,786	3,121
Total Shareowners' Equity	198,891	186,531
Total Liabilities and Shareowners' Equity	$1,854,423	$1,824,771

<FN>
<F1> All share and per share data have been adjusted to reflect the 5-for-4 stock split effective June 13, 2003.
</FN>

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.
</TABLE>

<TABLE>

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30
(Unaudited)
(Dollars In Thousands)

<S>	2003 <C>	2002 <C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 19,097	$ 16,360
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Provision for Loan Losses	2,586	2,434
Depreciation	3,543	3,711
Net Securities Amortization	1,545	725
Amortization of Intangible Assets	2,431	2,432
Gain on Sale of Investment Securities	(1)	-
Non-Cash Compensation	850	246
Net Decrease in Other Assets	2,799	3,811
Net Increase in Other Liabilities	1,200	1,909
Net Cash Provided by Operating Activities	34,050	31,628
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Payments/Maturities of Investment Securities Available-for-Sale	75,989	54,224
Proceeds from Sale of Investment Securities Available-for-Sale	125	-
Purchase of Investment Securities	(62,184)	(27,824)
Net Increase in Loans	(41,599)	(46,572)
Purchase of Premises & Equipment	(10,051)	(4,418)
Sales of Premises & Equipment	57	111
Net Cash Used in Investing Activities	(37,663)	(24,479)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Increase (Decrease) in Deposits	51,241	(146,318)
Net (Decrease) Increase in Short-Term Borrowings	(41,746)	3,304
Borrowing of Long-Term Debt	7,612	57,040
Repayment of Long-Term Debt	(1,015)	(3,623)
Dividends Paid	(6,289)	(4,850)
Repurchase of Common Stock	-	(3,396)
Issuance of Common Stock	37	511
Net Cash Provided by (Used in) Financing Activities	9,840	(97,332)
Net Increase (Decrease) in Cash and Cash Equivalents	6,227	(90,183)
Cash and Cash Equivalents at Beginning of Period	260,759	256,830
Cash and Cash Equivalents at End of Period	$266,986	$166,647
Supplemental Disclosure:		
Interest Paid on Deposits	$ 9,455	$ 19,702

Interest Paid on Debt	$ 2,499	$ 1,094
Transfer of Loans to ORE	$ 1,275	$ 946
Income Taxes Paid	$ 12,560	$ 9,815
Issuance of Common Stock as Non-Cash Compensation	$ 850	$ 246
Transfer of Current Portion of Long-Term Debt to Short-Term Borrowings	$ 40,326	$ -

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

</TABLE>

CAPITAL CITY BANK GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) MANAGEMENT'S OPINION AND ACCOUNTING POLICIES

Basis of Presentation

The consolidated financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, including Regulation S-X. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. Prior period financial statements have been reformatted and/or amounts reclassified, as necessary, to conform with the current presentation.

In the opinion of management, the consolidated financial statements contain all adjustments, which are those of a recurring nature, and disclosures necessary to present fairly the financial position of the Company as of September 30, 2003 and December 31, 2002, the results of operations for the three and nine month periods ended September 30, 2003 and 2002, and cash flows for the nine month periods ended September 30, 2003 and 2002.

The Company and its subsidiaries follow accounting principles generally accepted in the United States of America and reporting practices applicable to the banking industry. The principles that materially affect its financial position, results of operations and cash flows are set forth in Notes to Consolidated Financial Statements which are included in the Company's 2002 Annual Report on Form 10-K.

Stock-based Compensation

As of September 30, 2003, the Company had three stock-based compensation plans, consisting of the Associate Stock Incentive Plan ("AIP"), the Associate Stock Purchase Plan ("ASPP") and the Director Stock Purchase Plan ("DSPP"). In addition to stock-based compensation plans, the Company also executed an employee incentive stock option arrangement effective January 1, 2003. Prior to 2003, the Company accounted for its stock-based compensation under the recognition and measurement provisions of APB Opinion No. 25, Accounting for Stock Issued to Employees ("APB 25"), and related interpretations. Stock-based employee compensation cost is reflected in 2002 net income for only the AIP, as the ASPP and DSPP were considered noncompensatory under the provisions of APB 25. Effective January 1, 2003, the Company adopted the fair value recognition provisions of the Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 123 ("SFAS 123"), Accounting for Stock-Based Compensation, prospectively to all employee awards granted, modified, or settled on or after January 1, 2003. Awards under the Company's plans vest over periods ranging from six months to four years. Therefore, the cost related to stock-based employee compensation included in the determination of net income for 2003 and 2002 is different than that which would have been recognized if the fair value based method had been applied to all awards since the original effective date of SFAS 123, as a result of the difference between compensation measurement dates under SFAS 123 and APB 25, the differences in what instruments are considered noncompensatory, and the fact that awards granted prior to January 1, 2003 remain accounted for under APB 25. The following table illustrates the effect on net income and earnings per share if the fair value based method had been applied to all outstanding and unvested awards in each period.

(Dollars in Thousands, Except Per Share Data)[F1]	THREE MONTHS ENDED SEPTEMBER 30, 2003	THREE MONTHS ENDED SEPTEMBER 30, 2002	NINE MONTHS ENDED SEPTEMBER 30, 2003	NINE MONTHS ENDED SEPTEMBER 30, 2002
Net income, as reported	$6,296	$5,801	$19,097	$16,360
Add: Stock-based employee compensation expense included in reported net income, net of related tax effects	320	138	541	415
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(104)	(97)	(334)	(291)
Pro forma net income	$6,512	$5,842	$19,304	$16,484
Earnings per share:				
Basic-as reported	$ .47	$ .44	$ 1.44	$ 1.23
Basic-pro forma	$ .49	$ .44	$ 1.46	$ 1.25
Diluted-as reported	$ .47	$ .44	$ 1.44	$ 1.23
Diluted-pro forma	$ .49	$ .44	$ 1.46	$ 1.24

[F1] All share and per share data have been adjusted to reflect the 5-for-4 stock split effective June 13, 2003.

(2) INVESTMENT SECURITIES

The carrying value and related market value of investment securities at September 30, 2003 and December 31, 2002 were as follows (dollars in thousands):

	September 30, 2003			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U.S. Treasury	$ 33,386	$ 128	$ -	$ 33,514
U.S. Govt. Agencies and Corporations	43,000	303	-	43,303
States and Political Subdivisions	57,320	1,849	-	59,169
Mortgage-Backed Securities	14,276	483	-	14,759
Other Securities	11,932	57	-	11,989
Total	$159,914	$2,820	$ -	$162,734

	December 31, 2002			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U.S. Treasury	$ 10,438	$ 5	$ -	$ 10,443
U.S. Govt. Agencies and Corporations	51,075	884	-	51,959
States and Political Subdivisions	62,845	2,632	2	65,475
Mortgage-Backed Securities	34,750	1,180	-	35,930
Other Securities	16,281	227	-	16,508
Total	$175,389	$4,928	$ 2	$180,315

</TABLE>

(3) LOANS

The composition of the Company's loan portfolio at September 30, 2003 and December 31, 2002 was as follows (dollars in thousands):

<TABLE>

<S>	September 30, 2003 <C>	December 31, 2002 <C>
Commercial, Financial and Agricultural	$ 151,671	$ 141,459
Real Estate - Construction	92,877	91,110
Real Estate - Commercial Mortgage	381,868	356,807
Real Estate - Residential	322,729	336,705
Real Estate - Home Equity	111,955	92,277
Real Estate - Loans Held-for-Sale	9,173	22,454
Consumer	226,428	221,776
Other Loans<F1>	26,187	22,633
Loans, Net of Unearned Interest	$1,322,888	$1,285,221

<FN>
<F1> Consists primarily of loans-in-process.
</FN>
</TABLE>

(4) ALLOWANCE FOR LOAN LOSSES

An analysis of the changes in the allowance for loan losses for the nine month period ended September 30, 2003 and 2002, is as follows (dollars in thousands):

<TABLE>

	September 30,	
<S>	2003 <C>	2002 <C>
Balance, Beginning of the Period	$12,495	$12,096
Provision for Loan Losses	2,586	2,434
Recoveries on Loans Previously Charged-Off	724	1,129
Loans Charged-Off	(3,381)	(3,197)
Balance, End of Period	$12,424	$12,462

</TABLE>

Impaired loans are primarily defined as all nonaccruing loans for the loan categories which are included within the scope of SFAS 114. Selected information pertaining to impaired loans is depicted in the table below (dollars in thousands):

<TABLE>

	September 30,			
	2003		2002	
Impaired Loans:	Balance	Valuation Allowance	Balance	Valuation Allowance
<S>	<C>	<C>	<C>	<C>
With Related Credit Allowance	$4,112	$605	$1,274	$370
Without Related Credit Allowance	1,028	-	1,369	-
Average Recorded Investment for the Period	7,091	N/A	2,643	N/A

</TABLE>

The Company recognizes income on impaired loans primarily on the cash basis. Any change in the present value of expected cash flows is recognized through the allowance for loan losses. For the periods ended

September 30, 2003 and 2002, the Company recognized $148,000 and $96,000, respectively, in interest income on impaired loans, all of which was collected in cash.

(5) DEPOSITS

The composition of the Company's interest bearing deposits at September 30, 2003 and December 31, 2002 was as follows (dollars in thousands):

	September 30, 2003	December 31, 2002
NOW Accounts	$ 266,110	$ 276,487
Money Market Accounts	219,438	209,508
Savings Deposits	111,714	104,053
Other Time Deposits	431,877	438,071
Total Interest Bearing Deposits	$1,029,139	$1,028,119

(6) INTANGIBLE ASSETS

As of January 1, 2002, the Company adopted SFAS 142, Goodwill and Other Intangible Assets ("SFAS 142"). The adoption of SFAS 142 required the Company to discontinue goodwill amortization and identify reporting units to which the goodwill related for purposes of assessing potential impairment of goodwill on an annual basis, or more frequently, if events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. In accordance with the guidelines in SFAS 142, the Company determined it has one reporting unit with goodwill.

The Company had intangible assets of $26.6 million and $29.0 million at September 30, 2003 and December 31, 2002, respectively. Intangible assets were as follows (dollars in thousands):

	September 30, 2003		December 31, 2002	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Core Deposits Intangibles	$33,752	$13,829	$33,752	$11,398
Goodwill	10,466	3,786	10,466	3,786
Total Intangible Assets	$44,218	$17,615	$44,218	$15,184

Net Core Deposit Intangibles:

As of September 30, 2003 and December 31, 2002, the Company had core deposit intangibles of $19.9 million and $22.5 million, respectively. The adoption of SFAS No. 142 did not have a material impact on the useful lives assigned to the Company's intangible assets subject to amortization. Amortization expense for the first nine months of 2003 and 2002 was $2.4 million and $2.4 million, respectively.

Goodwill:

As of September 30, 2003 and December 31, 2002, the Company had goodwill, net of accumulated amortization, of $6.7 million. Goodwill is the Company's only intangible asset that is no longer subject to amortization under the provisions of SFAS No. 142.

(7) COMPREHENSIVE INCOME

Total comprehensive income is defined as net income and all other changes in equity from transactions and other events and circumstances from non-owner sources which, for the Company, consists solely of changes in unrealized gains (losses) on available-for-sale securities, net of income taxes. The Company reported total comprehensive income, net of tax, for the three and nine month periods ended September 30, 2003 and 2002, as follows (dollars in thousands):

<TABLE>

	THREE MONTHS ENDED SEPTEMBER 30, 2003	THREE MONTHS ENDED SEPTEMBER 30, 2002	NINE MONTHS ENDED SEPTEMBER 30, 2003	NINE MONTHS ENDED SEPTEMBER 30, 2002
<S>	<C>	<C>	<C>	<C>
Net Income	$6,296	$5,801	$19,097	$16,360
Other Comprehensive Income, Net of Tax				
Unrealized (Losses) Gains on Securities:				
Unrealized (Losses) Gains on Securities During the Period	(757)	680	(1,334)	1,321
Less: Reclassification Adjustments for Losses (Gains) in Net Income	14	-	(1)	-
Total Unrealized (Losses) Gains On Securities	(743)	680	(1,335)	1,321
Other Comprehensive Income, Net of Tax	$5,553	$6,481	$17,762	$17,681

</TABLE>

<TABLE>

QUARTERLY FINANCIAL DATA (UNAUDITED)
(Dollars in Thousands, Except Per Share Data)<F1>

	2003 Third	2003 Second	2003 First	2002 Fourth	2002 Third	2002 Second	2002 First	2001 Fourth
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Summary of Operations:								
Interest Income	$ 24,803	$ 25,234	$ 25,337	$ 26,052	$ 26,403	$ 26,599	$ 27,041	$ 28,706
Interest Expense	3,506	3,894	4,100	4,667	4,946	5,693	7,197	9,454
Net Interest Income	21,297	21,340	21,237	21,385	21,457	20,906	19,844	19,252
Provision for Loan Losses	921	886	779	863	991	641	802	932
Net Interest Income After Provision for Loan Losses	20,376	20,454	20,458	20,522	20,466	20,265	19,042	18,320
Noninterest Income	11,320	10,781	10,177	11,243	9,087	8,552	8,294	8,536
Conversion/ Merger Expense	-	-	-	59	-	39	114	588
Noninterest Expense	21,871	21,106	20,670	21,316	20,526	20,293	19,351	19,251
Income Before Provision for Income Taxes	9,825	10,129	9,965	10,390	9,027	8,485	7,871	7,017
Provision for Income Taxes	3,529	3,689	3,604	3,668	3,226	3,037	2,760	2,522
Net Income	$ 6,296	$ 6,440	$ 6,361	$ 6,722	$ 5,801	$ 5,448	$ 5,111	$ 4,495

Net Interest Income (FTE)	$ 21,650	$ 21,693	$ 21,607	$ 21,786	$ 21,873	$ 21,332	$ 20,284	$ 19,689
Per Common Share:								
Net Income Basic	$ .47	$ .49	$ .48	$ .51	$ .44	$ .41	$ .39	$ .34
Net Income Diluted	.47	.49	.48	.51	.44	.41	.38	.34
Dividends Declared	.1700	.1700	.1360	.1360	.1220	.1220	.1220	.1220
Diluted Book Value	15.00	14.73	14.42	14.08	13.74	13.39	13.10	12.86
Market Price:								
High	40.93	36.43	32.32	32.04	29.55	27.84	22.00	19.74
Low	35.00	29.74	26.81	22.26	22.32	20.60	18.12	17.52
Close	38.16	36.08	31.29	31.35	26.45	27.62	21.60	19.38
Selected Average Balances:								
Loans	$1,336,139	$1,316,705	$1,289,161	$1,292,893	$1,266,591	$1,234,787	$1,229,344	$1,242,516
Earning Assets	1,634,689	1,612,133	1,615,286	1,591,536	1,511,485	1,547,603	1,575,698	1,584,225
Assets	1,816,005	1,786,991	1,796,657	1,762,174	1,678,620	1,720,095	1,748,211	1,756,995
Deposits	1,451,879	1,415,798	1,407,763	1,404,818	1,388,396	1,440,615	1,467,257	1,488,961
Shareowners' Equity	199,060	194,781	190,416	185,412	180,910	176,678	175,485	176,549
Common Equivalent Average Shares:								
Basic	13,221	13,209	13,207	13,189	13,189	13,219	13,305	13,343
Diluted	13,260	13,255	13,253	13,238	13,238	13,257	13,343	13,393
Ratios:								
ROA	1.38%	1.45%	1.44%	1.51%	1.37%	1.27%	1.19%	1.01%
ROE	12.55%	13.26%	13.55%	14.38%	12.72%	12.37%	11.81%	10.10%
Net Interest Margin (FTE)	5.26%	5.40%	5.42%	5.44%	5.74%	5.52%	5.22%	4.93%
Efficiency Ratio	63.87%	62.50%	62.48%	62.08%	63.68%	65.20%	64.88%	65.30%

<FN>
<F1> All share and per share data have been adjusted to reflect the 5-for-4 stock split effective June 13, 2003.
</FN>
</TABLE>

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

Management's discussion and analysis provides supplemental information, which sets forth the major factors that have affected the Company's financial condition and results of operations and should be read in conjunction with the Consolidated Financial Statements and related notes. The Financial Review is divided into subsections entitled "Results of Operations," "Financial Condition," "Liquidity and Capital Resources" and "Accounting Policies." Information therein should facilitate a better understanding of the major factors and trends that affect the Company's earnings performance and financial condition, and how the Company's performance during 2003 compares with prior years. Throughout this section, Capital City Bank Group, Inc., and its subsidiaries, collectively, are referred to as "CCBG" or the "Company." Capital City Bank is referred to as "CCB" or the "Bank."

The period-to-date averages used in this report are based on daily balances for each respective period. In certain circumstances, comparing average balances for the comparable quarters of consecutive years may be more meaningful than simply analyzing year-to-date averages. Therefore, where appropriate, quarterly averages have been presented for analysis and have been noted as such. See Table I for average balances and interest rates presented on a quarterly basis.

All share and per share data have been adjusted to reflect the 5-for-4 stock split effective June 13, 2003.

This Report and other Company communications and statements may contain "forward-looking statements." These forward-looking statements include, among others, statements about our beliefs, plans, objectives, goals, expectations, estimates and intentions that are subject to significant risks and uncertainties and are subject to change based on various factors, many of which are beyond our control. The words "may," "could," "should," "would," "believe," "anticipate," "estimate," "expect," "intend," "plan" and similar expressions are intended to identify forward-looking statements. The following factors, among others, could cause our financial performance to differ materially from what is contemplated in those forward-looking statements:

* The strength of the United States economy in general and the strength of the local economies in which we conduct operations may be different than expected resulting in, among other things, a deterioration in credit quality or a reduced demand for credit, including the resultant effect on our loan portfolio and allowance for loan losses;

* The effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System;

* Inflation, interest rate, market and monetary fluctuations;

* Adverse conditions in the stock market and other capital markets and the impact of those conditions on our capital markets and capital management activities, including our investment and wealth management advisory businesses and brokerage activities;

* Changes in U.S. foreign or military policy;

* The timely development of competitive new products and services by us and the acceptance of those products and services by new and existing customers;

* The willingness of customers to accept third-party products marketed by us;

* The willingness of customers to substitute competitors' products and services for our products and services and vice versa;

* The impact of changes in financial services laws and regulations (including laws concerning taxes, banking, securities and insurance);

* Technological changes;

* Changes in consumer spending and saving habits;

* The effect of corporate restructuring, acquisitions or dispositions, including the actual restructuring and other related charges and the failure to achieve the expected gains, revenue growth or expense savings from such corporate restructuring, acquisitions or dispositions;

* The growth and profitability of our noninterest or fee income being less than expected;

* Unanticipated regulatory or judicial proceedings;

* The impact of changes in accounting policies by the Securities and Exchange Commission;

* Adverse changes in the financial performance and/or condition of our borrowers, which could impact the repayment of those borrowers' outstanding loans; and

* Our success at managing the risks involved in the foregoing.

We caution that the foregoing list of important factors is not exhaustive. Also, we do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by us or on our behalf.

The Company is headquartered in Tallahassee, Florida and as of September 30, 2003 had 57 banking offices, 72 ATMs and 11 Bank 'N Shop locations covering 22 counties in Florida, Georgia and Alabama. The Company also has four mortgage lending offices located in four additional Florida counties.

RESULTS OF OPERATIONS

Net Income

Earnings for the three and nine month periods ended September 30, 2003 were $6.3 million, or $0.47 per diluted share and $19.1 million, or $1.44 per diluted share, respectively. This compares to $5.8 million, or $0.44 per diluted share, and $16.4 million, or $1.23 per diluted share in 2002. Amortization of intangible assets, net of taxes, totaled $1.5 million, or

$0.11 per diluted share, for the first nine months in 2003 and 2002.

The Company experienced growth in operating revenues (net interest income plus noninterest income) of 6.8% and 9.1% over the comparable three and nine month periods in 2002, respectively. The increase in both third quarter and year-to-date earnings was primarily attributable to growth in noninterest income, which increased 24.6% and 24.5%, respectively. Noninterest income grew as a result of higher service charge revenues, reflecting a higher level of NSF/overdraft fees, and increased mortgage banking revenues, which reflect the higher volume of fixed-rate residential mortgage production sold in the secondary market. A condensed earnings summary is presented below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Interest and Dividend Income	$24,803	$26,403	$75,374	$80,043
Taxable-Equivalent Adjustment[F1]	353	416	1,076	1,282
Interest Income (FTE)	25,156	26,819	76,450	81,325
Interest Expense	3,506	4,946	11,500	17,836
Net Interest Income (FTE)	21,650	21,873	64,950	63,489
Provision for Loan Losses	921	991	2,586	2,434
Taxable-Equivalent Adjustment	353	416	1,076	1,282
Net Interest Income After Provision for Loan Losses	20,376	20,466	61,288	59,773
Noninterest Income	11,320	9,087	32,278	25,933
Noninterest Expense	21,871	20,526	63,647	60,323
Income Before Income Taxes	9,825	9,027	29,919	25,383
Income Taxes	3,529	3,226	10,822	9,023
Net Income	$ 6,296	$ 5,801	$19,097	$16,360
Percent Change	8.53%	55.02%	16.73%	32.24%
Return on Average Assets[F2]	1.38%	1.37%	1.42%	1.28%
Return on Average Equity[F2]	12.55%	12.72%	13.11%	12.38%

[F1] Computed using a federal statutory tax rate of 35%
[F2] Annualized

Net Interest Income

Net interest income represents the Company's single largest source of earnings and is equal to interest income and fees generated by earning assets, less interest expense paid on interest bearing liabilities. Third quarter taxable-equivalent net interest income decreased $223,000, or 1.0%, over the comparable quarter in 2002. During the first nine months of 2003, taxable-equivalent net interest income increased $1.5 million, or 2.3%, over 2002. The year-to-date favorable impact was a result of lower funding costs and a shift in earning assets mix, partially offset by declining asset yields attributable to the low interest rate environment. Table I on page 21 provides a comparative analysis of the Company's average balances and interest rates.

For the three and nine month periods ended September 30, 2003, taxable-equivalent interest income decreased $1.7 million, or 6.2%, and $4.9 million, or 6.0%, respectively, over the comparable prior year periods. Earning assets continue to reprice at lower levels, reflecting the low rate environment and competition experienced in most markets. New loan production and repricing of existing earning assets produced a 93 basis point reduction in the yield on earning assets, which declined from 7.04% for the third quarter in 2002 to 6.11% for the same period in 2003. Earning asset yields are expected to decline during the fourth quarter as assets reprice and yields on new production are below current portfolio yields.

Interest expense for the three and nine month periods ended September 30, 2003 declined $1.4 million, or 29.1%, and $6.3 million, or 35.5%, respectively, from the comparable prior year periods. The favorable variances attributable to lower rates were further enhanced by a favorable shift in mix, as certificates of deposit, generally a higher cost deposit product, declined relative to total deposits. Certificates of deposit, as a percent of year-to-date average deposits, declined from 35.7% in 2002 to 30.5% in 2003. The average rate paid on interest bearing liabilities in the third quarter of 2003 declined 57 basis points over the comparable period in 2002, to a level of 1.18%.

The Company's interest rate spread (defined as the average federal taxable-equivalent yield on earning assets less the average rate paid on interest bearing liabilities) increased from 4.99% in the first nine months of 2002 to 5.01% in the comparable period of 2003, reflecting the lower cost of funds.

The Company's net interest margin percentage (defined as taxable-equivalent net interest income divided by average earning assets) was 5.36% in the first nine months of 2003, versus 5.50% in the first nine months of 2002. The lower margin reflects the repricing of earning assets at lower yields partially offset by lower funding costs. The margin, in terms of both amount and percent, may continue to decline over the next quarter as historically low interest rates continue to prevail and drive earning asset yields lower.

Depending on the magnitude, incremental loan growth can partially, or completely, offset a reduction in net interest income attributable to lower yields.

Provision for Loan Losses
- -------------------------

The provision for loan losses was $921,000 and $2.6 million, respectively for the three and nine month periods ended September 30, 2003, compared to $991,000 and $2.4 million for the same periods in 2002. The increase for the first nine months of 2003 reflects a higher level of net charge-offs between comparable periods.

Net charge-offs increased by $589,000 over 2002, but remain at low levels relative to the size of the portfolio. The net charge-off ratio increased to ..27% versus .22% in 2002. The increase in net charge-offs reflects a slight increase in gross charge-offs coupled with a lower level of consumer loan recoveries.

Charge-off activity for the respective periods is set forth below (dollars in thousands):

<TABLE>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
<S>	<C>	<C>	<C>	<C>
CHARGE-OFFS				
Commercial, Financial and Agricultural	$ 61	$ 278	$ 379	$ 682
Real Estate - Construction	-	-	-	-
Real Estate - Commercial Mortgage	91	-	91	-
Real Estate - Residential	119	37	172	110
Consumer	937	760	2,739	2,405
Total Charge-offs	1,208	1,075	3,381	3,197
RECOVERIES				
Commercial, Financial and Agricultural	73	21	129	122
Real Estate - Construction	-	-	-	-
Real Estate - Commercial Mortgage	-	-	-	-
Real Estate - Residential	-	1	1	36
Consumer	204	297	594	971
Total Recoveries	277	319	724	1,129
Net Charge-offs	$ 931	$ 756	$2,657	$2,068
Net Charge-offs (Annualized) as a Percent of Average Loans Outstanding, Net of Unearned Interest	.28%	.24%	.27%	.22%

</TABLE>

Noninterest Income
- ------------------

Noninterest income increased $2.2 million, or 24.6%, and $6.3 million, or

24.5%, over the comparable three and nine month periods in 2002. Noninterest income represented 34.7% and 33.6% of operating revenue for the three and nine month periods of 2003, respectively, compared to 29.8% and 29.4% for the same periods in 2002. Increases in deposit fees and mortgage banking revenues were the primary drivers underlying the growth.

Service charges on deposit accounts increased $1.1 million, or 38.4%, and $3.4 million, or 39.6%, respectively, over the comparable three and nine month periods for 2002. Service charge revenues in any one period are dependent on the number of accounts, primarily transaction accounts, the level of activity subject to service charges and the rate of collection. The higher revenues in the first nine months of 2003, compared to 2002, are attributable to an increase in overdraft/NSF fees, which are anticipated to have a favorable impact through the end of the year.

Data processing revenues of $578,000 and $1.7 million for the three and nine month periods ended September 30, 2003 reflect an increase of 19.2% and 16.9% over the comparable periods in 2002. The increase for both periods was a result of higher revenues from both financial clients and government contract processing. The Company currently provides data processing services for six financial clients, an increase of one from the third quarter ended 2002. During the first nine months of 2003, financial clients represented approximately 60.6% of total processing revenues compared to 59.4% in the comparable period in 2002. Management expects fourth quarter revenues to remain consistent with the quarterly revenues generated in the first three quarters of 2003.

Income from asset management activities increased $75,000, or 12.8%, compared to the third quarter of 2002, and $25,000, or 1.3% over the comparable nine month period in 2002. At September 30, 2003, assets under management totaled $374.8 million, representing an increase of $50.8 million, or 15.7% from September 30, 2002. This growth is due to an increase in new business and improvements in asset values due to rising stock market values. Recent growth in assets under management is expected to enhance revenues through the end of the year.

Mortgage banking revenues increased $822,000, or 51.0%, and $1.9 million, or 49.2%, respectively, over the comparable three and nine month periods of 2003. The Company continues to be among the leaders in the production of residential real estate loans in a majority of its markets. The bank generally sells into the secondary market all fixed rate residential loan production. The low interest rates have produced a high level of fixed rate production and increased mortgage banking revenues through the first nine months of the year. The level of interest rates, origination volume and percent of fixed rate production is expected to impact the Company's ability to maintain the current level of mortgage banking revenues for the remainder of the year.

Other income increased $121,000, or 3.5%, and $672,000, or 6.8%, respectively, over the comparable three and nine month periods of 2002. For the first nine months of 2003, the Company experienced increases in retail brokerage fees of $57,000, debit/credit settlement fees of $82,000, ATM/Debit card fees of $44,000, merchant processing fees of $404,000, interchange fees of $190,000, and earnings from equity investment of $88,000. Partially offsetting these increases were decreases in credit life insurance commission fees of $48,000, miscellaneous recoveries of $71,000, gain on sale of ORE of $38,000, and miscellaneous income of $38,000.

Noninterest income as a percent of average assets was 2.40% and 2.02%, respectively, for the first nine months of 2003 and 2002. The increase in 2003 is attributable to growth in deposit fees and mortgage banking revenues.

Noninterest Expense

Noninterest expense increased $1.3 million, or 6.6%, and $3.3 million, or 5.5%, respectively, over the comparable three and nine month periods of 2002. Factors impacting the Company's noninterest expense during the first nine months of 2003 are discussed below.

Compensation expense increased $1.3 million, or 12.4%, and $3.0 million, or 9.4%, respectively, over the comparable three and nine month periods of 2002. For the nine month period, the Company experienced increases in pension costs of $1.1 million, salaries of $1.3 million, associate insurance of $245,000, and stock-based incentive compensation of $285,000. The higher level of pension expense is a result of an increase in the number of plan participants and the lower than expected return on plan assets resulting from a general stock market decline. Healthcare premiums have risen due to the addition of plan participants and the rising costs charged by healthcare providers. Higher salaries are reflective of normal associate raises and higher commission payments to associates in the mortgage production division. In addition, the number of full-time equivalent employees increased by 17 over the second quarter of 2003, primarily attributable to the addition of new offices. Stock-based compensation expense has increased primarily due the general increase in the Company's stock price in 2003 and the adoption of SFAS 123 accounting methodology.

Occupancy expense, including premises, furniture, fixtures and equipment increased $455,000, or 14.3%, and $287,000, or 2.9%, respectively, over the comparable three and nine month periods in 2003. For the first nine months of the year, the Company experienced increases in utilities of $27,000, property taxes of $107,000, and furniture/fixtures of $164,000. These increases are primarily attributable to the opening of two new banking offices during the third quarter.

Other noninterest expense decreased $460,000, or 7.1%, and increased $20,000, or .11%, respectively, over the comparable three and nine month periods of 2002. The increase for the nine month period was due to: (1) higher legal costs of $79,000 primarily resulting from litigation costs and new corporate governance compliance requirements; (2) higher processing service expense of $220,000 resulting from higher ATM fees and payroll processing fees; (3) increased ATM/Visa settlement service fees of $335,000 resulting from higher transaction volumes in merchant services, and (4) higher contribution expense of $103,000 due to higher level of contribution to the CCBG Foundation and local charities.

These increases were partially offset by declines in advertising expense of $253,000, printing/supplies expense of $95,000, and miscellaneous expense of $400,000 (related to a reduction legal reserves).

Annualized net noninterest expense (noninterest income minus noninterest expense, excluding intangible amortization) as a percent of average assets was 2.15% in the first nine months of 2003 versus 2.48% for the first nine months of 2002. The Company's efficiency ratio (noninterest expense, excluding intangible amortization, expressed as a percent of the sum of taxable-equivalent net interest income plus noninterest income) was 62.96% in the first nine months of 2003 compared to 64.57% for the comparable period in 2002. This improvement is attributable to growth in operating revenues.

Income Taxes

The provision for income taxes increased $303,000, or 9.4%, during the third quarter and $1.8 million, or 20.0%, during the first nine months of 2003, relative to the comparable prior year periods. The Company's effective tax rate for the first nine months of 2003 was 36.2% versus 35.5% for the comparable period in 2002. The increase in the effective tax rate is attributable to a higher operating profit and a reduction in tax-exempt municipal interest.

FINANCIAL CONDITION

The Company's average assets increased $84.6 million, or 4.9%, from $1.71 billion for the first nine months of 2002 to $1.80 billion for the comparable period in 2003. Average earning assets of $1.62 billion for the nine months ended September 30, 2003, increased $76.1 million, or 4.9% from the comparable period in 2002. There has been a favorable shift in the mix of earning assets in 2002 and the first nine months of 2003 as the Company experienced net loan growth. Growth in the loan portfolio was fueled by increased production in all lending categories, with the exception of the residential 1-4 family real estate category. The current loan growth was primarily funded through the maturity of investment securities and borrowings from the Federal Home Loan Bank ("FHLB"). Table I on page 21 presents average balances for the three and nine month periods ended September 30, 2003 and 2002.

Average loans increased $70.4 million, or 5.7%, over the comparable nine month period in 2002. The strong production levels have resulted in growth in all loan categories, with the exception of the residential 1-4 family real estate category. The low interest rate environment has provided incentive for consumers to refinance existing mortgages and take advantage of low fixed rate financing. On average, 85% of the bank's residential loan production is sold to the secondary market and not held in CCB's portfolio. As a result, the bank's residential portfolio has declined throughout the year. Loans, as a percent of average earning assets, increased to 81.1% for the first nine months of 2003, compared to 80.5% for the comparable period of 2002. Price and product competition remain strong. As the low interest rate environment continues, there is an increased demand for fixed-rate, longer term financing. Loan demand, with the exception of 1-4 family residential production, is moderate in most markets.

Although management is continually evaluating alternative sources of revenue, lending is a major component of the Company's business and is key to profitability. While management strives to identify opportunities to increase loans outstanding and enhance the portfolio's overall contribution to earnings, it can do so only by adhering to sound lending principles applied in a prudent and consistent manner. Thus, management will not relax its underwriting standards in order to achieve designated growth goals.

Management maintains the allowance for loan losses at a level sufficient to provide for the estimated credit losses inherent in the loan portfolio as of the balance sheet date. Credit losses arise from the borrowers' inability and unwillingness to repay, and from other risks inherent in the lending process, including collateral risk, operations risk, concentration risk and economic risk. All related risks of lending are considered when assessing the adequacy of the loan loss reserve. The allowance for loan losses is established through a provision charged to expense. Loans are charged against the allowance when management believes collection of the principal is unlikely. The allowance for loan losses is based on management's judgment of overall loan quality. This is a significant estimate based on a detailed analysis of the loan portfolio. The balance can and will change based on changes in the assessment of the portfolio's overall credit

quality. Management evaluates the adequacy of the allowance for loan losses on a quarterly basis.

The allowance for loan losses at September 30, 2003 was $12.4 million, slightly lower than the $12.5 million recorded at September 30, 2002. The allowance as a percent of total loans was .94% at September 30, 2003, versus ..97% at September 30, 2002. While there can be no assurance that the Company will not sustain loan losses in a particular period that are substantial in relation to the size of the allowance, management's assessment of the loan portfolio would not indicate a likelihood of this occurrence. It is management's opinion that the allowance at September 30, 2003 is adequate to absorb losses inherent in the loan portfolio.

The Company continues to operate with a high level of liquidity as year-to-date average funds sold totaled $122.4 million. This represents an increase of $34.4 million, or 39.1%, from the September 30, 2002 level of $88.0 million. For a further discussion on liquidity and the recent FHLB advances, see the section "Liquidity and Capital Resources".

The investment portfolio is a significant component of the Company's operations and, as such, it functions as a key element of liquidity and asset/liability management. For the nine months ended September 30, 2003, the average investment portfolio decreased $28.7 million, or 13.5%, from the comparable period of 2002. The decline was partially offset by management's decision to purchase available-for-sale securities during the fourth quarter of 2002 and throughout 2003. The excess funds generated from the securities maturing were used to fund loan growth. Management will continue to evaluate the need to purchase additional securities for the investment portfolio for the remainder of 2003.

Securities in the available-for-sale portfolio are recorded at fair value and unrealized gains and losses associated with these securities are recorded, net of tax, as a separate component of shareowners' equity. At September 30, 2003, shareowners' equity included a net unrealized gain of $1.8 million compared to a gain of $3.1 million at December 31, 2002. The decrease in value reflects the slight increase in interest rates in 2003.

The Company's nonperforming assets were $8.4 million at September 30, 2003, $3.8 million at December 31, 2002, and $3.7 million September 30, 2002. As a percent of nonperforming loans, the allowance for loan losses represented 183% at September 30, 2003 versus 498% at December 31, 2002 and 504% at September 30, 2002. Nonperforming loans include nonaccruing and restructured loans. Other real estate, which includes property acquired either through foreclosure or by receiving a deed in lieu of foreclosure, was $1.6 million at September 30, 2003, versus $1.3 million at December 31, 2002 and $1.2 million at September 30, 2002. The ratio of nonperforming assets as a percent of loans plus other real estate was .63% at September 30, 2003 compared to .30% at December 31, 2002 and .28% at September 30, 2002. The deterioration in the loan quality metrics noted above is primarily attributable to one large commercial real estate loan in the amount of $3.7 million that was placed on non-accrual status in the third quarter. The bank expects to take ownership of the subject property through the receipt of a deed in lieu of foreclosure in the fourth quarter. Management believes this loan is well secured and expects no loss upon disposition of the collateral.

Average deposits decreased $6.5 million to $1.42 billion for the first nine months of 2003. The Company experienced a steep decline in certificates of deposit throughout 2002. This decline was partially offset by growth of nonmaturity deposits that created a favorable shift in deposit mix and a positive impact on the Bank's cost of funds.

The ratio of average noninterest bearing deposits to total deposits was 28.4% for the first nine months of 2003 compared to 24.7% for the first nine months of 2002. For the same periods, the ratio of average interest bearing liabilities to average earning assets was 72.8% compared to 75.4%.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity for a banking institution is the availability of funds to meet increased loan demand and/or excessive deposit withdrawals. Management monitors the Company's financial position in an effort to ensure the Company has ready access to sufficient liquid funds to meet normal transaction requirements, take advantage of investment opportunities and cover unforeseen liquidity demands. In addition to core deposit growth, sources of funds available to meet liquidity demands include cash received through ordinary business activities (i.e., collection of interest and fees), federal funds sold, loan and investment maturities, bank lines of credit for the Company, approved lines for the purchase of federal funds by CCB and FHLB advances. The Company maintains a $25.0 million revolving line of credit. As of September 30, 2003, the Company had no borrowings under the revolving line of credit.

During the first nine months of 2003, the Company borrowed $7.6 million from the FHLB to fund loan growth. The borrowings consisted of seven separate advances with a weighted average maturity of 144 months and a weighted average rate of 3.72%. In September of 2003, the Bank repaid a $20 million advance from the FLHB. This advance originated during the third quarter of 2002, when $75 million was borrowed from the FHLB to fund growth in loan demand and the decline in certificates of deposit. The borrowings consisted of four separate advances with maturities ranging from 12 to 36 months and a weighted average rate of 2.51%.

The Company's equity capital was $198.9 million as of September 30, 2003 compared to $186.5 million as of December 31, 2002. Management continues to monitor its capital position in relation to its level of assets with the objective of maintaining a strong capital position. The leverage ratio was 9.19% at September 30, 2003 compared to 8.46% at December 31, 2002. Further, the Company's risk-adjusted capital ratio of 12.98% at September 30, 2003, exceeds the 8.0% minimum requirement and 10.5% "well-capitalized" threshold under the risk-based regulatory guidelines.

Adequate capital and financial strength is paramount to the stability of CCBG and its subsidiary bank. Cash dividends declared and paid should not place unnecessary strain on the Company's capital levels. Although a consistent dividend payment is believed to be favorably viewed by the financial markets and shareowners, the Board of Directors will declare dividends only if the Company is considered to have adequate capital. Future capital requirements and corporate plans are considered when the Board considers a dividend payment. In June 2003, the Board of Directors authorized a dividend increase of 25% and a 5-for-4 stock split. Dividends declared and paid during the first nine months of 2003 totaled $.476 per share compared to $.366 per share for the first nine months of 2002, an increase of 30.1%. The dividend payout ratios for the nine months ended September 30, 2003 and 2002 were 32.94% and 29.65%, respectively.

State and federal regulations as well as the Company's long-term debt agreements place certain restrictions on the payment of dividends by both the Company and the Bank. At September 30, 2003, these regulations and covenants did not impair the Company's (or its subsidiaries') ability to declare and pay dividends or to meet other existing obligations in the normal course of business.

During the first nine months of 2003, shareowners' equity increased $12.4 million, or 8.9%, on an annualized basis. Growth in equity during the first nine months was positively impacted by net income of $19.1 million and the issuance of common stock of $887,000. Equity was reduced by dividends paid during the first nine months of $6.3 million, or $.476 per share and a reduction in the net unrealized gain on available-for-sale securities of $1.3 million. At September 30, 2003, the Company's common stock had a book value of $15.00 per diluted share compared to $14.08 at December 31, 2002.

On March 30, 2000, the Company's Board of Directors authorized the repurchase of up to 625,000 shares of its outstanding common stock. On January 24, 2002, the Company's Board of Directors authorized the repurchase of an additional 312,500 shares of its outstanding common stock. The purchases will be made in the open market or in privately negotiated transactions. The Company did not purchase any shares in the first nine months of 2003. During 2002, 155,775 shares were acquired. From March 30, 2000 through September 30, 2003, the Company repurchased 572,193 shares at an average purchase price of $19.23 per share. (Note: all shares above are stated on a split-adjusted basis).

OTHER

Prior to 2002, the Bank maintained relationships with a small number of Independent Service Organizations (ISOs) in connection with its card processing operations. Certain merchant clients of one ISO have alleged they are entitled to receive financial reserves placed with the ISO. The Bank is currently named as a co-defendant in a lawsuit brought against the ISO by a merchant. Management does not believe that the ultimate resolution of this issue will have a material impact on the Company's financial position or results of operations. The Bank no longer maintains merchant service relationships with ISOs.

Critical Accounting Policies

The consolidated financial statements and accompanying Notes to Consolidated Financial Statements are prepared in accordance with accounting principles generally accepted in the U.S., which require the Company to make various estimates and assumptions (see Note 1 in the Notes to Consolidated Financial Statements in the Company's 2002 Form 10-K). The Company believes that, of its significant accounting policies, the following may involve a higher degree of judgment and complexity.

Allowance for Loan Losses:
- ------------------------- The allowance for loan losses is established through a charge to the provision for loan losses. Provisions are made to reserve for estimated losses in loan balances. The allowance for loan losses is a significant estimate and is evaluated quarterly by the Company for adequacy. The use of different estimates or assumptions could produce a different required allowance, and thereby a larger or smaller provision recognized as expense in any given reporting period. A further discussion of the allowance for loan losses can be found in the section entitled "Allowance for Loan Losses" and Note 1 in the Notes to Consolidated Financial Statements in the Company's 2002 Form 10-K.

Intangible Assets:
- ----------------- Intangible assets consist primarily of goodwill and core deposit assets that were recognized in connection with various acquisitions. Goodwill represents the excess of the cost of acquired businesses over the fair market value of their identifiable net assets. The Company performs an impairment review on an annual basis to determine if there has been impairment of its goodwill. Impairment testing requires management to make significant judgments and estimates relating to the fair value of its identified reporting units. Significant changes to these estimates may have a material impact on the Company's reported results.

Core deposit assets represent the premium the Company paid for core deposits. Core deposit intangibles are amortized on the straight-line method over various periods ranging from 10 - 15 years, with the majority being amortized over approximately 10 years. Generally, core deposits refer to nonpublic, nonmaturing deposits including noninterest-bearing deposits, NOW, money market and savings. The Company makes certain estimates relating to the useful life of these assets, and the rate of run-off based on the nature of the specific assets and the customer bases acquired. If there is a reason to believe there has been a permanent loss in value, management will assess these assets for impairment. Any changes in the original estimates may materially affect reported earnings.

Recent Accounting Pronouncements

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities, an interpretation of ARB No. 51." Interpretation No. 46 addresses the consolidation by business enterprises of variable interest entities which have certain characteristics. This interpretation applies immediately to variable interests in variable interest entities created or obtained after January 31, 2003. The Company does not currently maintain any variable interest entities that would require the accounting treatment prescribed by this pronouncement.

In May 2003, the FASB issued Statement No. 150 (SFAS No. 150), "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 improves the accounting for certain financial instruments that, under previous guidance, issuers could account for as equity. The new statement requires that those instruments be classified as liabilities in statements of financial position. Accounting for three types of freestanding financial instruments is affected: mandatorily redeemable shares, which

the issuing company is obligated to buy back in exchange for cash or other assets; put options and forward purchase contracts involving instruments that do or may require the issuer to buy back some of its shares in exchange for cash or other assets; and obligations that can be settled with shares, for which the monetary value is fixed, tied solely or predominantly to a variable such as a market index, or varies inversely with the value of the issuers' shares. SFAS No. 150 also requires disclosures about alternative ways of settling the instruments and the capital structure of entities, all of whose shares are mandatorily redeemable. SFAS No. 150 is effective for all financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The Company does not currently maintain any financial instruments that would require the accounting treatment prescribed by this pronouncement.

<TABLE>

TABLE I
AVERAGES BALANCES & INTEREST RATES
(Taxable Equivalent Basis - Dollars in Thousands)

FOR THREE MONTHS ENDED SEPTEMBER 30,	2003 Balance	2003 Interest	2003 Rate	2002 Balance	2002 Interest	2002 Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS						
Loans, Net of Unearned Interest<F1>	$1,336,139	$23,114	6.86%	$1,266,591	$23,969	7.51%
Taxable Investment Securities	108,234	841	3.08%	131,939	1,646	4.95%
Tax-Exempt Investment Securities<F2>	60,306	898	5.96%	68,692	1,022	5.95%
Funds Sold	130,010	303	0.91%	44,263	182	1.61%
Total Earning Assets	1,634,689	25,156	6.11%	1,511,485	26,819	7.04%
Cash & Due From Banks	80,246			69,765		
Allowance for Loan Losses	(12,534)			(12,503)		
Other Assets	113,604			109,873		
TOTAL ASSETS	$1,816,005			$1,678,620		
LIABILITIES						
NOW Accounts	$ 263,729	$ 151	0.23%	$ 240,032	$ 324	0.54%
Money Market Accounts	220,924	257	0.46%	221,521	731	1.31%
Savings Accounts	111,644	28	0.10%	106,551	137	0.51%
Other Time Deposits	434,206	2,293	2.10%	462,139	3,304	2.84%
Total Int. Bearing Deposits	1,030,503	2,729	1.05%	1,030,243	4,496	1.73%
Short-Term Borrowings	92,316	282	1.21%	64,915	194	1.19%
Long-Term Debt	53,041	495	3.70%	24,763	256	4.09%
Total Interest Bearing Liabilities	1,175,860	3,506	1.18%	1,119,921	4,946	1.75%
Noninterest Bearing Deposits	421,376			358,153		
Other Liabilities	19,709			19,636		
TOTAL LIABILITIES	1,616,945			1,497,710		
SHAREOWNERS' EQUITY						
Common Stock	132			106		
Surplus	15,465			14,530		
Other Comprehensive Income	2,144			3,412		
Retained Earnings	181,319			162,862		
TOTAL SHAREOWNERS' EQUITY	199,060			180,910		
TOTAL LIABILITIES & EQUITY	$1,816,005			$1,678,620		
Interest Rate Spread			4.93%			5.29%
Net Interest Income		$21,650			$21,873	
Net Yield on Earning Assets			5.26%			5.74%

FOR NINE MONTHS ENDED SEPTEMBER 30,	2003 Balance	2003 Interest	2003 Rate	2002 Balance	2002 Interest	2002 Rate
ASSETS						
Loans, Net of Unearned Interest<F1>	$1,314,173	$69,736	7.09%	$1,243,711	$71,527	7.69%
Taxable Investment Securities	121,680	2,951	3.24%	143,251	5,561	5.19%
Tax-Exempt Investment Securities<F2>	62,527	2,775	5.92%	69,691	3,148	6.02%
Funds Sold	122,394	988	1.06%	88,041	1,089	1.63%
Total Earning Assets	1,620,774	76,450	6.31%	1,544,694	81,325	7.04%
Cash & Due From Banks	79,071			72,061		
Allowance for Loan Losses	(12,561)			(12,334)		

Other Assets	112,671			110,966		
TOTAL ASSETS	$1,799,955			$1,715,387		
LIABILITIES						
NOW Accounts	$ 261,011	$ 546	0.28%	$ 237,296	$ 980	0.55%
Money Market Accounts	215,616	1,069	0.66%	225,908	2,346	1.39%
Savings Accounts	109,123	161	0.20%	104,707	403	0.51%
Other Time Deposits	434,513	7,232	2.23%	510,523	12,928	3.39%
Total Int. Bearing Deposits	1,020,263	9,008	1.18%	1,078,434	16,657	2.07%
Short-Term Borrowings	100,487	951	1.27%	69,046	531	1.03%
Long-Term Debt	59,879	1,541	3.44%	17,536	648	4.94%
Total Interest Bearing Liabilities	1,180,629	11,500	1.30%	1,165,016	17,836	2.05%
Noninterest Bearing Deposits	405,045			353,366		
Other Liabilities	19,497			19,294		
TOTAL LIABILITIES	1,605,171			1,537,676		
SHAREOWNERS' EQUITY						
Common Stock	117			106		
Surplus	15,171			15,637		
Other Comprehensive Income	2,570			2,863		
Retained Earnings	176,926			159,105		
TOTAL SHAREOWNERS' EQUITY	194,784			177,711		
TOTAL LIABILITIES & EQUITY	$1,799,955			$1,715,387		
Interest Rate Spread			5.01%			4.99%
Net Interest Income		$64,950			$63,489	
Net Yield on Earning Assets			5.36%			5.50%

<FN>
<F1> Average balances include nonaccrual loans. Interest income includes fees on loans of approximately $1.7 million and $5.1 million for the three and nine months ended September 30, 2003, versus $1.2 million and $3.4 million, for the comparable periods ended September 30, 2002.
<F2> Interest income includes the effects of taxable equivalent adjustments using a 35% federal tax rate.
</FN>
</TABLE>

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Overview

Market risk management arises from changes in interest rates, exchange rates, commodity prices and equity prices. The Company has risk management policies to monitor and limit exposure to market risk. CCBG does not actively participate in exchange rates, commodities or equities. In asset and liability management activities, policies are in place which are designed to minimize structural interest rate risk.

Interest Rate Risk Management

The normal course of business activity exposes CCBG to interest rate risk. Fluctuations in interest rates may result in changes in the fair market value of the Company's financial instruments, cash flows and net interest income. CCBG's asset/liability management process manages the Company's interest rate risk.

The financial assets and liabilities of the Company are classified as other-than-trading. An analysis of the other-than-trading financial components, including the fair values, are presented in Table II on page 24. This table presents the Company's consolidated interest rate sensitivity position as of September 30, 2003 based upon certain assumptions as set-forth in the notes to the Table. The objective of interest rate sensitivity analysis is to measure the impact on the Company's net interest income due to fluctuations in interest rates. The asset and liability fair values presented in Table II may not necessarily be indicative of the Company's interest rate sensitivity over an extended period of time.

The Company is currently asset sensitive, which generally indicates that, in a period of rising interest rates, the net interest margin will be positively impacted as the velocity and/or volume of assets being repriced exceeds liabilities. The opposite is true in a falling rate environment. However, as general interest rates rise or fall, other factors such as current market conditions and competition may impact how the Company responds to changing rates and thus impact the magnitude of change in net interest income. Nonmaturity deposits offer management greater discretion as to the direction, timing and magnitude of interest rate changes and can have a material impact on the Company's interest rate sensitivity. In addition, the relative level of interest rates as compared to the current yields/rates of existing assets/liabilities can impact both the direction and magnitude of the change in net interest margin as rates rise and fall from one period to the next.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, are recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that the information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives, and management was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation and subject to the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the design and operation of the Company's disclosure controls and procedures provided reasonable assurance that the disclosure controls and procedures are effective to accomplish their objectives.

Changes in Internal Controls

The Company's management, including the Chief Executive Officer and Chief Financial Officer, has reviewed the Company's internal controls. There have been no significant changes in the Company's internal controls during the Company's most recently completed fiscal quarter, nor subsequent to the date of their evaluation, that could significantly affect the Company's disclosure controls and procedures.

<TABLE>

Table II
FINANCIAL ASSETS AND LIABILITIES MARKET RISK ANALYSIS<F1>
(Dollars in Thousands)

Other Than Trading Portfolio	September 30, 2003							
	Year 1	Year 2	Year 3	Year 4	Year 5	Beyond	Total	Market Value
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Loans								
Fixed Rate	$ 199,966	$ 97,121	$ 68,410	$26,416	$15,232	$18,218	$ 425,363	$ 436,348
Average Interest Rate	7.49%	7.79%	7.28%	7.79%	7.50%	6.59%	7.50%	
Floating Rate<F2>	579,473	118,505	165,487	17,683	3,820	12,557	897,525	918,769
Average Interest Rate	5.41%	6.95%	6.53%	7.21%	6.69%	6.96%	5.86%	
Investment Securities<F3>								
Fixed Rate	87,207	45,445	15,018	2,742	749	8,184	159,345	159,345

Average Interest Rate	3.36%	3.19%	4.03%	4.75%	5.49%	3.88%	3.36%	
Floating Rate	3,389	-	-	-	-	-	3,389	3,389
Average Interest Rate	4.51%	-	-	-	-	-	4.51%	
Other Earning Assets								
Floating Rates	161,580	-	-	-	-	-	161,580	161,580
Average Interest Rates	0.92%	-	-	-	-	-	0.92%	
Total Financial Assets	$1,031,615	$261,071	$248,915	$46,841	$19,801	$38,959	$1,647,202	$1,679,431
Average Interest Rates	4.91%	6.61%	6.59%	7.39%	7.27%	6.89%	5.55%	
Deposits<F4>								
Fixed Rate Deposits	$ 335,256	$ 63,600	$ 22,531	$ 8,451	$ 2,822	$ 6	$ 432,666	$ 435,352
Average Interest Rates	1.77%	2.90%	3.16%	3.68%	3.28%	4.85%	2.06%	
Floating Rate Deposits	596,473	-	-	-	-	-	596,473	601,200
Average Interest Rates	0.27%	-	-	-	-	-	0.27%	
Other Interest Bearing Liabilities								
Fixed Rate Debt	2,111	17,138	1,787	1,718	1,751	13,511	38,016	35,860
Average Interest Rate	5.13%	3.31%	4.90%	4.83%	4.85%	4.94%	4.20%	
Floating Rate Debt	112,255	-	-	-	-	-	112,255	105,878
Average Interest Rate	0.95%	-	-	-	-	-	0.95%	
Total Financial Liabilities	$1,046,095	$ 80,738	$ 24,318	$10,169	$ 4,573	$13,517	$1,179,410	$1,178,290
Average interest Rate	1.04%	2.99%	3.29%	3.88%	3.88%	4.94%	1.12%	

<FN>
<F1> Based upon expected cash-flows, unless otherwise indicated.
<F2> Based upon a combination of expected maturities and repricing opportunities.
<F3> Based upon contractual maturity, except for callable and floating rate securities, which are based on expected maturity and weighted average life, respectively.
<F4> Savings, NOW and money market accounts can be repriced at any time, therefore, all such balances are included as floating rate deposits in Year 1. Other time deposit balances are classified according to maturity.
</FN>
</TABLE>

PART II. OTHER INFORMATION

ITEMS 1-4

Not applicable

ITEM 5. OTHER INFORMATION

Not applicable

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(A) Exhibits

31.1 Certification of William G. Smith, Jr., Chairman, President and Chief Executive Officer of Capital City Bank Group, Inc., Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.

31.2 Certification of J. Kimbrough Davis, Executive Vice President and Chief Financial Officer of Capital City Bank Group, Inc., Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.

32.1 Certification of William G. Smith, Jr., Chairman, President and Chief Executive Officer of Capital City Bank Group, Inc., Pursuant to 18 U.S.C. Section 1350.

32.2 Certification of J. Kimbrough Davis, Executive Vice President and Chief Financial Officer of Capital City Bank Group, Inc., Pursuant to 18 U.S.C. Section 1350.

(B) Reports on Form 8-K

On July 24, 2003, the Company filed an 8-K to report the following event: issuance of a press release to report earnings for the quarter ended June 30, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned Chief Financial Officer hereunto duly authorized.

CAPITAL CITY BANK GROUP, INC.
(Registrant)

/s/ J. Kimbrough Davis
- ------------------------------
J. Kimbrough Davis
Executive Vice President and
Chief Financial Officer
Date: November 14, 2003

Exhibit 31.1 Certification of CEO Pursuant to Securities Exchange Act Rules 13a-14 and 15d-14 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, William G. Smith, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Capital City Bank Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Capital City Bank Group, Inc.

By: /s/ William G. Smith, Jr.
President and Chief Executive Officer

Date: November 14, 2003

Exhibit 31.2 Certification of CFO Pursuant to Securities Exchange Act Rules 13a-14 and 15d-14 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, J. Kimbrough Davis, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of Capital City Bank Group, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Capital City Bank Group, Inc.

By: /s/ J. Kimbrough Davis
Executive Vice President and
Chief Financial Officer

Date: November 14, 2003

Exhibit 32.1 Certification of CEO Pursuant to 18 U.S.C. Section 1350

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that (1) this Quarterly Report of Capital City Bank Group, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (this "Report"), fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and (2) the information contained in this Report fairly presents, in all material respects, the financial condition of the Company and its results of operations as of and for the periods covered therein.

Capital City Bank Group, Inc.

By: /s/ William G. Smith, Jr.
President and Chief Executive Officer

Date: November 14, 2003

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2 Certification of CFO Pursuant to 18 U.S.C. Section 1350

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned certifies that (1) this Quarterly Report of Capital City Bank Group, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2003, as filed with the Securities and Exchange Commission on the date hereof (this "Report"), fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and (2) the information contained in this Report fairly presents, in all material respects, the financial condition of the Company and its results of operations as of and for the periods covered therein.

Capital City Bank Group, Inc.

By: /s/ J. Kimbrough Davis
Executive Vice President and
Chief Financial Officer

Date: November 14, 2003

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.