
FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 22, 2004

CAPITAL CITY BANK GROUP, INC.

(Exact name of registrant as specified in its charter)

Florida ----- (State of Incorporation)	0-13358 ----- (Commission File Number)	59-2273542 ----- (IRS Employer Identification No.)
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217 North Monroe Street, Tallahassee, Florida ----- (Address of principal executive office)	32301 ----- (Zip Code)
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Registrant's telephone number, including area code: (850) 671-0300

CAPITAL CITY BANK GROUP, INC.

FORM 8-K
CURRENT REPORT

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits.

Exhibit 99.1 Capital City Bank Group, Inc.'s Press Release, dated
July 22, 2004

Item 12. Results of Operations and Financial Condition

On July 22, 2004, Capital City Bank Group, Inc. issued an earnings press release for the six-month period ended June 30, 2004. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference. This information shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference to such filing.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAPITAL CITY BANK GROUP, INC.

Date: July 27, 2004

By: /s/ J. Kimbrough Davis

J. Kimbrough Davis,
Executive Vice President and
Chief Financial Officer

CAPITAL CITY BANK GROUP, INC.

Current Report on Form 8-K

Exhibit Index

Exhibit No. -----	Description -----
99.1	Press release issued by Capital City Bank Group, Inc. on July 22, 2004

[CCBG LOGO]
Corporate Headquarters
217 North Monroe Street
Tallahassee, FL 32301

For Information Contact:
J. Kimbrough Davis 850-671-0300
Executive Vice President
Chief Financial Officer

News Release
For Immediate Release July 22, 2004

CAPITAL CITY BANK GROUP, INC. REPORTS
SECOND QUARTER EARNINGS OF
\$0.48 PER DILUTED SHARE

HIGHLIGHTS

- * Quarterly earnings totaled \$6.4 million, or \$0.48 per share, a decrease of \$.01 per share or 2.0% over the second quarter of 2003.
- * Net interest margin improved 11 basis points to 4.99% over the first quarter 2004, which continues to significantly exceed peer group.
- * Noninterest income up 5.8% over the second quarter of 2003, primarily attributable to improved deposit and asset management fees.
- * Period-end Loans grew 14.2% over second quarter 2003, reflecting strong growth in CCBG's existing markets and loans acquired in the Quincy State Bank purchase.
- * Credit quality remains strong as indicated by a nonperforming asset ratio of .27% and a net charge-off ratio of .18%.

<TABLE>
EARNINGS HIGHLIGHTS

	Three Months Ended			Six Months Ended	
	June 30, 2004	March 31, 2004	June 30, 2003	June 30, 2004	June 30, 2003
(Dollars in thousands, except per share data)					
<S>	<C>	<C>	<C>	<C>	<C>
EARNINGS					
Net Income	\$ 6,443	4,847	6,440	11,290	12,801
Diluted Earnings Per Common Share	\$ 0.48	0.37	0.49	0.85	0.97
PERFORMANCE					
Return on Average Equity	12.33%	9.45	13.26	10.90	13.40
Return on Average Assets	1.34	1.06	1.45	1.21	1.44
Net Interest Margin	4.99	4.88	5.09	4.93	5.13
Noninterest Income as % of Operating Revenue	34.39	33.64	34.16	34.03	33.56
Efficiency Ratio	63.87	68.06	60.57	65.87	60.76
CAPITAL ADEQUACY					
Tier 1 Capital Ratio	10.98%	11.09	12.58	10.98	12.58
Total Capital Ratio	11.86	12.01	13.52	11.86	13.52
Leverage Ratio	8.34	8.38	8.85	8.34	8.85
Equity to Assets	10.35	10.57	10.45	10.35	10.45

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	Three Months Ended			Six Months Ended	
	June 30, 2004	March 31, 2004	June 30, 2003	June 30, 2004	June 30, 2003
(Dollars in thousands, except per share data)					
ASSET QUALITY					
Allowance as % of Non-Performing Loans	452.82%	717.20	331.15	452.82	331.15
Allowance as a % of Loans	0.90	0.94	0.93	0.90	0.93
Net Charge-Offs as % of Average Loans	0.18	0.29	0.27	0.23	0.27
Nonperforming Assets as % of Loans and ORE	0.27	0.20	0.38	0.27	0.38
PERFORMANCE					
High	\$ 43.15	45.55	36.43	45.55	36.43
Low	35.54	39.05	29.74	35.50	26.81
Close	\$ 39.59	41.25	36.08	39.59	36.08
Average Daily Trading Volume	12,294	8,328	13,251	10,311	12,170

</TABLE>

TALLAHASSEE -- Capital City Bank Group, Inc. (NASDAQ: CCBG) reported earnings for the second quarter totaling \$6.4 million, or \$0.48 per diluted share. This compares to \$6.4 million, or \$0.49 per diluted share in the second quarter of 2003, a decrease of \$.01 per share, or 2.0%. The Return on Average Assets was 1.34% and the Return on Average Equity was 12.33%, compared to 1.45% and 13.26%, respectively, for the comparable period in 2003.

Growth in operating revenues of 5.1% was offset by higher expense levels, reflecting the addition of three new offices in the second half of 2003 and the acquisition of Quincy State Bank in the first quarter of 2004.

William G. Smith, Jr., President and CEO, stated, "The Company turned in a solid performance during the second quarter and has momentum heading into the latter half of this year. Loan growth continues to boost the margin and credit quality remains strong."

Net interest income in the second quarter was up \$941,000, or 4.7% compared to the second quarter of 2003, due primarily to a decrease in interest expense of 17.3%. While net interest income on a dollar basis improved, the net interest margin declined 10 basis points from the second quarter of 2003 to a level of 4.99%, reflecting a 32 basis point decline in earning asset yields partially offset by an improvement in the cost of funds of 22 basis points. The margin stabilized in the first quarter of 2004 and, on a linked quarter basis, posted an 11 basis point improvement in the second quarter attributable to strong loan growth.

Provision for loan losses of \$580,000 represents a \$306,000 reduction over the second quarter of 2003, reflecting a decrease in net charge-offs. Net charge-offs totaled \$649,000, or .18% of average loans for the quarter compared to \$889,000, or .27% for the second quarter of 2003. At quarter-end the allowance for loan losses was .90% of outstanding loans and provided coverage of 453% of nonperforming loans.

Noninterest income increased \$603,000, or 5.8%, over the second quarter of 2003, primarily due to higher deposit and asset management fees, and other income. These increases were partially offset by a reduction in mortgage banking revenues. The increase in deposit fees was driven by higher NSF/OD fees, partially attributable to a recent change in fee structure and

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lower NSF/OD charge-offs. Improvement in asset management fees reflects the recent acquisition of trust accounts from Synovus Trust Company. Higher merchant service fees and retail brokerage fees contributed to the improvement in other income. Mortgage banking revenues declined from the comparable period in 2003 reflecting a general slow-down in residential lending markets. However, revenues grew \$292,000, or 42.1% from first to second quarter.

Noninterest expense grew by \$2.1 million, or 10.7%, in the second quarter of 2004. Higher expense for compensation, occupancy, and advertising expense were the primary reasons for the increase. The increase in compensation was driven by higher expense for associate salaries, pension, and associate insurance. These increases are primarily attributable to the late first quarter integration of Quincy State Bank. The increase in occupancy was driven by higher depreciation, premises rental, and software license expense, primarily attributable to an increase in the number of offices. Advertising expense increased consistent with several initiatives implemented in the second quarter and will fluctuate consistent with advertising strategies planned throughout the year.

Average earning assets for the quarter increased \$109.5 million, or 6.8%, over the comparable period in 2003. The increase in earning assets was driven by a \$174.4 million, or 13.3% increase in average loans generated from growth in existing markets and \$85 million in loans acquired in the recent Quincy State Bank purchase. All loan categories reflect strong gains. Offsetting the increase in average loans was a decrease in short-term investments of \$68.7 million, or 60.1%.

Nonperforming assets of \$4.1 million declined from the second quarter of 2003 by \$1.0 million and represented .27% of total loans and other real estate at quarter-end. This compares to .38% and .54%, respectively, for the second and fourth quarters of 2003.

Average total deposits increased \$122.8 million, or 8.7%, over the second quarter of 2003 driven by a \$72.5 million increase in nonmaturity deposits, which produced a favorable shift in deposit mix and a positive impact on the Company's cost of funds. Deposits acquired in the purchase of Quincy State Bank totaled \$101 million.

The Company ended the second quarter with approximately \$24.8 million in

average net overnight funds as compared to \$99.3 million in the second quarter of 2003. The decrease reflects loan growth, repayment of \$40 million in Federal Home Loan Bank advances, and the use of cash to fund the recent acquisition of Quincy State Bank.

Capital City Bank Group, Inc. is a \$2.0 billion financial services company headquartered in Tallahassee, Florida, providing traditional deposit and credit services, asset management, trust, mortgage banking, merchant services, bankcards, data processing and securities brokerage services. Founded in 1895, the Company has 57 banking offices, five residential lending offices, 73 ATMs and 11 Bank 'N Shop locations in Florida, Georgia, and Alabama.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The matters discussed in this press release, that are not historical facts, contain forward-looking information with respect to strategic initiatives. Such forward-looking statements are based on current plans and expectations, which are subject to a number of uncertainties and risks that have been described in Capital City Bank Group's annual report on Form 10-K for the fiscal year ended December 31, 2003, and the Company's other filings with the Securities and Exchange Commission. These uncertainties and risks could cause future results to differ materially from those anticipated by such statements.

<TABLE>

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENT OF INCOME
Unaudited

Months Ended	2004		2003		Six	
June 30,	Second	First	Fourth	Third	Second	-----
(Dollars in thousands, except per share data)	Quarter	Quarter	Quarter	Quarter	Quarter	2004
INTEREST INCOME						
Interest and Fees on Loans 44,289	\$ 22,922	21,272	21,398	21,747	22,126	44,194
Interest on Investment Securities 3,349	1,227	1,176	1,350	1,434	1,539	2,403
Interest on Funds Sold 685	116	222	274	303	332	338
Total Interest Income 48,323	24,265	22,670	23,022	23,484	23,997	46,935
INTEREST EXPENSE						
Interest on Deposits 6,280	2,385	2,394	2,558	2,729	3,053	4,779
Interest on Short-term Borrowings 669	249	287	319	282	340	536
Interest on Long-term Debt 1,045	587	497	462	495	501	1,084
Total Interest Expense 7,994	3,221	3,178	3,339	3,506	3,894	6,399
Net Interest Income 40,329	21,044	19,492	19,683	19,978	20,103	40,536
Provision for Loan Losses 1,665	580	961	850	921	886	1,541
Net Interest Income after Provision for Loan Losses 38,664	20,464	18,531	18,833	19,057	19,217	38,995
NONINTEREST INCOME						
Service Charge Revenue 8,041	4,427	3,944	4,155	4,123	4,074	8,371

Data Processing Revenue	703	633	656	578	611	1,336
1,169						
Asset Management Fees	950	741	735	660	650	1,691
1,255						
Mortgage Banking Revenue	986	694	1,140	2,066	1,540	1,680
2,884						
Other Fees	3,965	3,869	3,928	3,525	3,553	
7,834 7,024						

Total Noninterest Income	11,031	9,881	10,614	10,952	10,428	20,912
20,373						
=====						
NONINTEREST EXPENSE						
Compensation	10,809	10,740	10,016	10,551	9,766	
21,549 19,894						
Premises	1,749	1,617	1,504	1,589	1,510	
3,366 2,879						
FF&E	1,977	2,063	2,123	2,048	1,874	
4,040 3,669						
Intangible Amortization	926	826	810	810	810	1,752
1,621						
Other Expense	6,140	5,829	6,140	5,186	5,556	11,969
10,880						

Total Noninterest Expense	21,601	21,075	20,593	20,184	19,516	42,676
38,943						
=====						
OPERATING PROFIT	9,894	7,337	8,854	9,825	10,129	17,231
20,094						
Provision for Income Taxes	3,451	2,490	2,758	3,529	3,689	5,941
7,293						

NET INCOME	\$ 6,443	4,847	6,096	6,296	6,440	
11,290 12,801						
=====						
PER SHARE DATA						
Basic Earnings	\$ 0.48	0.37	0.47	0.47	0.49	0.85
0.97						
Diluted Earnings	0.48	0.37	0.46	0.47	0.49	0.85
0.97						
Cash Dividends	\$ 0.180	0.180	0.180	0.170	0.170	0.360
0.306						
AVERAGE SHARES						
Basic	13,274	13,262	13,223	13,221	13,209	
13,268 13,209						
Diluted	13,277	13,286	13,265	13,260	13,255	
13,271 13,255						
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CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
Unaudited

(Dollars in thousands, except per share data)	2004		2003		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
<S>	<C>	<C>	<C>	<C>	<C>
ASSETS					
Cash and Due From Banks	\$ 97,154	93,427	93,140	105,407	98,388
Funds Sold	107,399	90,469	125,452	161,579	168,773

Total Cash and Cash Equivalents	204,553	183,896	218,592	266,986	267,161
Investment Securities, Available-for-Sale	183,732	188,763	181,734	162,734	170,745
Loans, Net of Unearned	1,521,497	1,465,804	1,341,632	1,322,888	1,332,387

Allowance for Loan Losses	(13,657)	(13,720)	(12,429)	(12,424)	(12,434)
Loans, Net	1,507,840	1,452,084	1,329,203	1,310,464	1,319,953
Premises and Equipment	56,263	56,394	54,011	55,347	53,132
Intangible Assets	40,608	41,512	25,792	26,603	27,413
Other Assets	33,834	34,604	37,170	32,289	32,186
Total Other Assets	130,705	132,510	116,973	114,239	112,731
Total Assets	\$2,026,830	1,957,253	1,846,502	1,854,423	1,870,590
LIABILITIES					
Deposits:					
Noninterest Bearing Deposits	\$ 520,118	482,703	455,550	456,302	456,050
Interest Bearing Deposits	1,092,618	1,088,963	1,018,655	1,029,139	1,042,527
Total Deposits	1,612,736	1,571,666	1,474,205	1,485,441	1,498,577
Short-Term Borrowings	127,012	112,343	108,184	112,255	101,629
Long-Term Debt	58,427	49,950	46,475	38,016	57,664
Other Liabilities	18,934	16,366	14,829	19,820	17,251
Total Liabilities	1,817,109	1,750,325	1,643,693	1,655,532	1,675,121
SHAREOWNERS' EQUITY					
Common Stock	133	132	132	132	132
Additional Paid-in-Capital	17,922	17,788	16,157	15,278	15,447
Retained Earnings	191,645	187,592	185,134	181,395	177,346
Accumulated Other Comprehensive Income	21	1,416	1,386	1,786	2,544
Total Shareowners' Equity	209,721	206,928	202,809	198,891	195,469
Total Liabilities and Owners' Equity	\$2,026,830	1,957,253	1,846,502	1,854,423	1,870,590
OTHER BALANCE SHEET DATA					
Earning Assets	\$1,812,628	1,745,036	1,648,818	1,647,201	1,671,905
Intangible Assets					
Goodwill	19,656	19,633	6,680	6,680	6,680
Deposit Base	19,786	20,683	19,112	19,923	20,733
Other	1,166	1,196	-	-	-
Interest Bearing Liabilities	1,278,057	1,251,256	1,173,314	1,179,410	1,201,820
Book Value Per Diluted Share	\$ 15.80	15.54	15.27	15.00	14.73
Tangible Book Value Per Diluted Share	12.74	12.43	13.33	13.00	12.67
Actual Basic Shares Outstanding	13,275	13,273	13,236	13,222	13,221
Actual Diluted Shares Outstanding	13,277	13,312	13,280	13,256	13,267

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<TABLE>

CAPITAL CITY BANK GROUP, INC.
ALLOWANCE FOR LOAN LOSSES
AND NONPERFORMING ASSETS
Unaudited

(Dollars in thousands, except per share data)	2004		2003		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
	<C>	<C>	<C>	<C>	<C>
ALLOWANCE FOR LOAN LOSSES					
Balance at Beginning of Period	\$13,720	12,429	12,424	12,434	12,437
Acquired Reserves	6	1,307	0	0	0
Provision for Loan Losses	580	961	850	921	886
Net Charge-Offs	649	977	845	931	889

Balance at End of Period	\$13,657	13,720	12,429	12,424	12,434
As a % of Loans	0.90%	0.94	0.93	0.94	0.93
As a % of Nonperforming Loans	452.82	717.20	529.80	183.35	331.15
As a % of Nonperforming Assets	334.73	459.63	170.24	148.51	244.73
CHARGE-OFFS					
Commercial, Financial and Agricultural	\$ 286	167	46	61	177
Real Estate - Construction	0	0	0	0	0
Real Estate - Mortgage	0	39	0	91	0
Real Estate - Residential	11	83	58	119	32
Consumer	885	1,047	1,054	937	916
Total Charge-Offs	\$ 1,182	1,336	1,158	1,208	1,125
RECOVERIES					
Commercial, Financial and Agricultural	\$ 24	12	13	73	42
Real Estate - Construction	0	0	0	0	0
Real Estate - Mortgage	0	0	0	0	0
Real Estate - Residential	176	0	17	0	0
Consumer	333	347	283	204	194
Total Recoveries	\$ 533	359	313	277	236
NET CHARGE-OFFS	\$ 649	977	845	931	889
Net Charge-Offs as a % of Average Loans <F1>	0.18	0.29	0.25	0.28	0.27
RISK ELEMENT ASSETS					
Nonaccruing Loans	\$ 3,016	1,913	2,346	6,776	3,755
Restructured	0	0	0	0	0
Total Nonperforming Loans	3,016	1,913	2,346	6,776	3,755
Other Real Estate	1,064	1,072	4,955	1,590	1,326
Total Nonperforming Assets	\$ 4,080	2,985	7,301	8,366	5,081
Past Due Loans 90 Days or More	\$ 330	1,351	328	410	1,976
Nonperforming Loans as a % of Loans	0.20%	0.13	0.17	0.51	0.28
Nonperforming Assets as a % of Loans and Other Real Estate	0.27	0.20	0.54	0.63	0.38
Nonperforming Assets as a % of Capital <F2>	1.83	1.35	3.39	3.96	2.44

<FN>
<F1> Annualized
<F2> Capital includes allowance for loan losses.
</FN>
</TABLE>

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<TABLE>

CAPITAL CITY BANK GROUP, INC.

AVERAGE BALANCE AND INTEREST RATES <F1>

Unaudited

Quarter 2003	Second Quarter of 2004			First Quarter 2004			Fourth
	Average Balance	Average Interest	Average Rate	Average Balance	Average Interest	Average Rate	Average Balance
(Dollars in thousands)							
Interest Rate							
ASSETS:							
Loans, Net of Unearned Interest	\$1,491,142	\$22,961	6.19%	1,357,206	21,310	6.32	1,329,673
21,436 6.40							
Investment Securities							
Taxable Investment Securities	134,634	745	2.21	121,702	635	2.09	133,029
774 2.31							
Tax-Exempt Investment Securities	50,191	732	5.83	54,274	822	6.06	58,006
875 6.03							

Total Investment Securities 1,649 3.45	184,825	1,477	3.20	175,976	1,457	3.31	191,035
Funds Sold 274 0.93	45,688	116	1.01	101,286	222	0.87	115,561

Total Earning Assets 23,359 5.66	1,721,655	\$24,554	5.74%	1,634,468	22,989	5.66	1,636,269
=====							
Cash and Due From Banks	89,921			90,327			81,272
Allowance For Loan Losses	(13,804)			(12,725)			(12,494)
Other Assets	131,713			118,426			114,505

Total Assets	\$1,929,485			1,830,496			1,819,552
=====							
LIABILITIES:							
Interest Bearing Deposits							
NOW Accounts 130 0.19	\$ 283,297	121	0.17%	271,878	124	0.18	273,497
Money Market Accounts 242 0.44	215,746	239	0.44	215,078	239	0.45	215,540
Savings Accounts 28 0.10	129,684	32	0.10	115,985	28	0.10	111,957
Time Deposits 2,158 1.99	433,514	1,993	1.85	420,501	2,003	1.92	429,209

	1,062,241	2,385	0.90	1,023,442	2,394	0.94	1,030,203
2,558 0.99							
Short-Term Borrowings 319 1.22	109,723	249	0.91	104,406	288	1.11	103,606
Long-Term Debt 462 4.27	53,752	587	4.39	47,023	497	4.25	42,881

Total Interest Bearing Liabilities 3,339 1.13	1,225,716	\$ 3,221	1.06%	1,174,871	3,179	1.09	1,176,690
=====							
Noninterest Bearing Deposits	476,389			433,718			420,892
Other Liabilities	17,169			15,512			20,031

Total Liabilities	1,719,274			1,624,101			1,617,613

SHAREOWNERS' EQUITY:	\$ 210,211			206,395			201,939

Total Liabilities and Shareowners' Equity	\$1,929,485			1,830,496			1,819,552
=====							
Interest Rate Spread 20,020 4.53		\$21,333	4.68%		19,810	4.57	
=====							
Interest Income and Rate Earned 23,359 5.66		\$24,554	5.74		22,989	5.66	
Interest Expense and Rate Paid <F2> 3,339 0.81		3,221	0.75		3,179	0.78	

Net Interest Margin 20,020 4.85		\$21,333	4.99%		19,810	4.88	
=====							

<FN>
<F1> Interest and average rates are calculated on a tax-equivalent basis using the 35% Federal tax rate.
<F2> Rate calculated based on average earning assets.
</FN>
</TABLE>

<TABLE>

CAPITAL CITY BANK GROUP, INC.
AVERAGE BALANCE AND INTEREST RATES <F1>
Unaudited

(Dollars in thousands)	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS:						
Loans, Net of Unearned Interest	\$1,336,139	\$21,796	6.47%	1,316,705	22,166	6.75
Investment Securities						
Taxable Investment Securities	108,234	841	3.09	118,494	929	3.13
Tax-Exempt Investment Securities	60,306	898	5.96	62,552	923	5.90
Total Investment Securities	168,540	1,739	4.12	181,046	1,852	4.09
Funds Sold	130,010	303	0.91	114,382	332	1.15
Total Earning Assets	1,634,689	\$23,838	5.79%	1,612,133	24,350	6.06
Cash and Due From Banks	80,246			74,537		
Allowance For Loan Losses	(12,534)			(12,531)		
Other Assets	113,604			112,852		
Total Assets	\$1,816,005			1,786,991		
LIABILITIES:						
Interest Bearing Deposits						
NOW Accounts	\$ 263,729	151	0.23%	256,675	193	0.30
Money Market Accounts	220,924	257	0.46	211,314	392	0.74
Savings Accounts	111,644	28	0.10	109,424	68	0.25
Time Deposits	434,206	2,293	2.10	434,515	2,400	2.22
Total Interest Bearing Deposits	1,030,503	2,729	1.05	1,011,928	3,053	1.21
Short-Term Borrowings	92,316	282	1.21	102,510	340	1.33
Long-Term Debt	53,041	495	3.70	54,434	501	3.69
Total Interest Bearing Liabilities	1,175,860	\$ 3,506	1.18%	1,168,872	3,894	1.34
Noninterest Bearing Deposits	421,376			403,870		
Other Liabilities	19,709			19,468		
Total Liabilities	1,616,945			1,592,210		
SHAREOWNERS' EQUITY:	\$ 199,060			194,781		
Total Liabilities and Shareowners' Equity	\$1,816,005			1,786,991		
Interest Rate Spread		\$20,332	4.61%		20,456	4.72
Interest Income and Rate Earned		\$23,838	5.79		24,350	6.06
Interest Expense and Rate Paid <F2>		3,506	0.85		3,894	0.97
Net Interest Margin		\$20,332	4.94%		20,456	5.09

<FN>
<F1> Interest and average rates are calculated on a tax-equivalent basis using the 35% Federal tax rate.
<F2> Rate calculated based on average earning assets.

</FN>
</TABLE>

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<TABLE>

CAPITAL CITY BANK GROUP, INC.
AVERAGE BALANCE AND INTEREST RATES <F1>
Unaudited

(Dollars in thousands)	Six Months Ended June 30, 2004			Six Months Ended June 30, 2003		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS:						
Loans, Net of Unearned Interest	\$1,424,175	\$44,271	6.25%	1,303,008	44,375	6.87
Investment Securities						
Taxable Investment Securities	128,167	1,380	2.15	128,514	2,109	3.28
Tax-Exempt Investment Securities	52,233	1,554	5.95	63,656	1,877	5.90

Total Investment Securities	180,400	2,934	3.26	192,170	3,986	4.15
Funds Sold	73,487	338	0.91	118,523	685	1.15

Total Earning Assets	1,678,062	\$47,543	5.70%	1,613,701	49,046	6.13
Cash and Due From Banks	90,124			78,473		
Allowance For Loan Losses	(13,264)			(12,575)		
Other Assets	125,069			112,198		

Total Assets	\$1,879,991			1,791,797		
=====						
LIABILITIES:						
Interest Bearing Deposits						
NOW Accounts	\$ 277,588	245	0.18%	259,630	396	0.31
Money Market Accounts	215,412	478	0.45	212,918	812	0.77
Savings Accounts	122,835	60	0.10	107,841	133	0.25
Time Deposits	427,007	3,996	1.88	434,669	4,939	2.29

	1,042,842	4,779	0.92	1,015,058	6,280	1.25
Short-Term Borrowings	107,064	536	1.01	104,642	669	1.29
Long-Term Debt	50,387	1,084	4.33	63,354	1,045	3.33

Total Interest Bearing Liabilities	1,200,293	\$ 6,399	1.07%	1,183,054	7,994	1.36
=====						
Noninterest Bearing Deposits	455,053			396,744		
Other Liabilities	16,342			19,389		

Total Liabilities	1,671,688			1,599,187		
SHAREOWNERS' EQUITY:	\$ 208,303			192,610		

Total Liabilities and Shareowners' Equity	\$1,879,991			1,791,797		
=====						
Interest Rate Spread		\$41,144	4.63%		41,052	4.77
=====						
Interest Income and Rate Earned		\$47,543	5.70		49,046	6.13
Interest Expense and Rate Paid <F2>		6,399	0.77		7,994	1.00

Net Interest Margin		\$41,144	4.93%		41,052	5.13

<FN>

<F1> Interest and average rates are calculated on a tax-equivalent basis using the 35% Federal tax rate.

<F2> Rate calculated based on average earning assets.

</FN>

</TABLE>