

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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): January 27, 2005  
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CAPITAL CITY BANK GROUP, INC.  
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(Exact name of registrant as specified in its charter)

Florida	0-13358	59-2273542
-----	-----	-----
(State of Incorporation)	(Commission File Number)	(IRS 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  
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-----  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

CAPITAL CITY BANK GROUP, INC.

FORM 8-K  
CURRENT REPORT

Item 2.02. Results of Operations and Financial Condition.

On January 27, 2005, Capital City Bank Group, Inc. issued an earnings press release reporting the Company's financial results for the fiscal year ended December 31, 2004. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference. Such information, including the Exhibits attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange 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.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

Item No. -----	Description of Exhibit -----
99.1	Press release, dated January 27, 2005.

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: February 1, 2005  
-----

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

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

For Information Contact:  
 J. Kimbrough Davis  
 Executive Vice President  
 Chief Financial Officer  
 850-671-0610

News Release  
 For Immediate Release January 27, 2005

CAPITAL CITY BANK GROUP, INC. REPORTS  
 2004 EARNINGS  
 OF \$2.18 PER DILUTED SHARE, UP 14.7%

## HIGHLIGHTS

- \* 2004 earnings of \$29.4 million, or \$2.18 per diluted share, represent increases of 16.7% and 14.7%, over 2003. Fourth quarter 2004 earnings of \$7.3 million, or \$.51 per diluted share, represent increases of 19.1% and 10.9%, respectively over the fourth quarter of 2003. Earnings in 2004 include a one-time, after-tax gain of \$4.2 million, or \$.32 per diluted share, recognized in the third quarter on the sale of Capital City Bank's credit card portfolio.
- \* For the year and fourth quarter, the net interest margin declined 13 basis points to 4.88% and 10 basis points to 4.75%, respectively, over the comparable periods in 2003. The reduction in margin was driven by the low interest rate environment and the fourth quarter integration of Farmers and Merchants Bank. Strong loan growth and an improved deposit mix, however, had a positive impact, which helped to mitigate the overall decline.
- \* Credit costs during 2004 were lower due to continued strong credit quality as evidenced by a nonperforming asset ratio of .29% and a net charge-off ratio of .22%.
- \* Completed acquisition of Farmers and Merchants Bank on October 15, 2004.
- \* Well capitalized with a Tier 1 capital ratio of 11.4%.

<TABLE>  
 EARNINGS HIGHLIGHTS

	Three Months Ended			Twelve Months Ended	
	Dec. 31, 2004	Sept. 30, 2004	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2003
(Dollars in thousands, except per share data)					
<S>	<C>	<C>	<C>	<C>	<C>
<b>EARNINGS</b>					
Net Income	\$ 7,262	10,819	6,096	29,371	25,193
Diluted Earnings Per Common Share	0.51	0.82	0.46	2.18	1.90
<b>PERFORMANCE</b>					
Return on Average Equity	11.61%	19.81	11.98	13.31	12.82
Return on Average Assets	1.24	2.22	1.33	1.46	1.40
Net Interest Margin	4.75	4.94	4.85	4.88	5.01
Noninterest Income as % of Operating Revenue	32.91	45.47	35.03	37.00	34.40
Efficiency Ratio	63.85	52.60	64.58	61.56	62.01
<b>CAPITAL ADEQUACY</b>					
Tier 1 Capital Ratio	11.44%	11.81	12.88	11.44	12.88
Total Capital Ratio	12.33	12.62	13.79	12.33	13.79
Leverage Ratio	8.79	9.17	9.51	8.79	9.51
Equity to Assets	10.86	11.22	10.98	10.86	10.98

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	Three Months Ended			Twelve Months Ended	
	Dec. 31, 2004	Sept. 30, 2004	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2003
(Dollars in thousands, except per share data)					
<b>ASSET QUALITY</b>					
Allowance as % of Non-Performing Loans	345.18%	261.91	529.80	345.18	529.80
Allowance as a % of Loans	0.88	0.80	0.93	0.88	0.93

Net Charge-Offs as % of Average Loans	0.22	0.22	0.25	0.22	0.27
Nonperforming Assets as % of Loans and ORE	0.29	0.36	0.54	0.29	0.54
-----STOCK					
PERFORMANCE					
High	\$ 45.98	41.20	46.83	45.98	46.83
Low	37.71	33.33	36.62	33.33	26.81
Close	41.80	38.71	45.99	41.80	45.99
Average Daily Trading Volume	11,940	10,452	10,586	10,761	11,175
-----					

</TABLE>

Capital City Bank Group, Inc. (NASDAQ: CCBG) reported earnings for the year ended 2004 totaling \$29.4 million, or \$2.18 per diluted share. This compares to \$25.2 million, or \$1.90 per diluted share in 2003, an increase of 16.7% and 14.7%, respectively. Core earnings (reported earnings excluding the one-time gain on sale of the credit card portfolio in the third quarter) for the year ended 2004 of \$25.2 million were comparable to 2003 earnings. Core earnings per diluted share for the year ended 2004 was \$1.87, a decrease of 1.6% from 2003. For the fourth quarter of 2004, earnings totaled \$7.3 million, or \$.51 per diluted share. This compares to \$6.1 million, or \$.46 per diluted share for the fourth quarter of 2003, increases of 19.1% and 10.9%, respectively. For the year 2004, the Return on Average Assets was 1.46% and the Return on Average Equity was 13.31%, compared to 1.40% and 12.82%, respectively, for 2003.

Core earnings performance for 2004 was positively impacted by favorable variances in net interest income of \$6.1 million, loan loss provision of \$1.3 million, and noninterest income of \$1.4 million, but these gains were offset by higher operating expenses of \$9.5 million reflecting higher compensation and occupancy costs (primarily attributable to newly acquired offices), and professional fees paid for Sarbanes-Oxley Section 404 compliance efforts.

William G. Smith, Jr., Chairman, President and CEO of Capital City Bank Group, said, "Capital City Bank accomplished our objectives in 2004. As we continue toward our goal of \$50 million in earnings by 2010, we made significant progress, thanks to the completion of two successful acquisitions - Quincy State Bank and Farmers and Merchants Bank of Dublin. We also implemented key strategic objectives, from the sale of our credit card portfolio to implementing several new profit initiatives, that we believe will strengthen our position of being a super-community bank in the relationship banking business."

Net interest income in 2004 grew \$6.1 million, or 7.6% over 2003 due to higher interest income driven by earning asset growth, and an improved deposit mix, partially offset by declining asset yields primarily attributable to earning asset repricing. The full year net interest margin of 4.88% declined 13 basis points from the comparable period in 2003 reflective of an 18 basis point decline in earning asset yield offset by a 5 basis point decline in the cost of funds. The reduction in yield is primarily attributable to the low level of interest rates during the year, which affected both new loan production and assets subject to repricing.

Provision for loan losses for the year totaled \$2.1 million compared to \$3.4 million in 2003. The lower provision is reflective of a reduction in the overall risk of the portfolio due to the sale of the Bank's credit card portfolio, which previously accounted for approximately one-third of total net charge-offs. Net charge-offs totaled \$3.4 million, or .22% of average loans for the year compared to \$3.5 million, or .27% for 2003. At year-end, the allowance for loan losses was .88% of outstanding loans and provided coverage of 345% of nonperforming loans.

Noninterest income increased \$8.6 million, or 20.5%, over 2003 due primarily to the \$6.9 million one-time gain on the sale of the Bank's credit card portfolio recognized in the third quarter. Gains were also realized in deposit service fees, data processing fees, asset management fees, and merchant fees that were partially offset by a decline in mortgage banking revenues. The increase in deposit fees was driven by higher

NSF/OD fees, partially attributable to a change in fee structure. Improvement in asset management fees reflects the acquisition of trust accounts from Synovus Trust Company in connection with the Quincy State Bank acquisition during the first quarter, growth in new business, and increased fee revenues from managed accounts due to improved asset returns. Data processing fees improved due to growth in processing volume for state contracts and user banks. Merchant fees also improved due to increased processing volume. Mortgage banking revenues declined from 2003 due to lower production that was affected by a general slow-down in residential lending markets.

Noninterest expense grew by \$9.5 million, or 11.9%, over 2003. Higher

expense for compensation, occupancy, professional fees, advertising, and intangibles were the primary reasons for the increase. The increase in compensation is primarily due to higher expense for associate salaries that is reflective of normal merit raises and the integration of two acquisitions during the year. The increase in occupancy was driven primarily by higher expense for utilities, property taxes, depreciation, and premises rental attributable to the increase in banking offices. The increase in professional fees is reflective of the cost of Sarbanes-Oxley Section 404 compliance and testing work. Advertising expense was higher due to an increased level of marketing initiatives aimed at supporting two new acquisitions during the year and an increased level of product and market support activities. The increase in intangibles amortization reflects the addition of intangibles associated with the two acquisitions closed in 2004.

Average earning assets increased \$429.8 million, or 26.3%, in the fourth quarter of 2004 over the comparable period in 2003. The increase in earning assets was primarily attributable to a \$450.1 million, or 33.9% increase, in average loans generated from growth in existing markets (\$165.9 million) and in loans acquired from Quincy State Bank (\$72.5 million) and Farmers and Merchants Bank of Dublin (\$211.7 million).

Nonperforming assets totaled \$5.3 million, or .29%, of total loans and other real estate at year-end. This compares to .36% for the third quarter of 2004, and .54% for the year ended 2003. Asset quality continues to be strong and a key driver in bank performance and growth.

Average total deposits increased \$402.5 million, or 27.7%, from the fourth quarter of 2003 reflecting the addition of deposits acquired from Quincy State Bank (\$84.1 million) and Farmers and Merchants Bank of Dublin (\$260.2 million), and growth in existing markets (\$58.2 million). The deposit mix for the fourth quarter improved slightly as noninterest bearing deposits made up 30.0% of total deposits compared to 29.0% in 2003.

The Company ended the fourth quarter with approximately \$60.6 million in average net overnight funds as compared to \$115.6 million in the fourth quarter of 2003. The decrease reflects the funding of loan growth, repayment of Federal Home Loan Bank advances, and the use of cash to fund the acquisition of Quincy State Bank.

About Capital City Bank Group, Inc.

Capital City Bank Group, Inc. is a \$2.4 billion financial services company headquartered in Tallahassee, Florida, providing traditional deposit and credit services, asset management, trust, mortgage banking, bankcards, data processing, and securities brokerage services. Founded in 1895, Capital City Bank has 60 banking offices, five mortgage lending offices, 75 ATMs, and 11 Bank 'N Shop locations in Florida, Georgia and Alabama. For more information about Capital City Bank Group, Inc. visit us on the Web at <http://www.ccbg.com>.

"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	Twelve
	Fourth	Third	Second	First	Fourth	2004
Dec. 31,						
(Dollars in thousands, except per share data)	Quarter	Quarter	Quarter	Quarter	Quarter	2004
<S>	<C>	<C>	<C>	<C>	<C>	<C>
INTEREST INCOME						

Interest and Fees on Loans 87,434	\$ 28,097	23,316	22,922	21,272	21,398	95,607
Interest on Investment Securities 6,135	1,485	1,197	1,227	1,176	1,350	5,085
Interest on Funds Sold 1,261	348	147	116	222	274	833
-----						
Total Interest Income 94,830	29,930	24,660	24,265	22,670	23,022	101,525
-----						
INTEREST EXPENSE						
Interest on Deposits 11,567	4,102	2,434	2,385	2,394	2,558	11,315
Interest on Short-term Borrowings 1,270	402	332	249	287	319	1,270
Interest on Subordinate Debentures -	294	-	-	-	-	294
Interest on Long-term Debt 2,002	836	642	587	497	462	2,562
-----						
Total Interest Expense 14,839	5,634	3,408	3,221	3,178	3,339	15,441
-----						
Net Interest Income 79,991	24,296	21,252	21,044	19,492	19,683	86,084
Provision for Loan Losses 3,436	300	300	580	961	850	2,141
-----						
Net Interest Income after Provision for Loan Losses 76,555	23,996	20,952	20,464	18,531	18,833	83,943
=====						
NONINTEREST INCOME						
Service Charge Revenue 16,319	4,716	4,487	4,427	3,944	4,155	17,574
Data Processing Revenue 2,403	640	652	703	633	656	2,628
Asset Management Fees 2,650	1,281	1,035	950	741	735	4,007
Mortgage Banking Revenue 6,090	722	806	986	694	1,140	3,208
Gain on Sale of Credit Cards -	324	6,857	-	-	-	7,181
Other 14,477	4,237	3,884	3,965	3,869	3,928	15,955
-----						
Total Noninterest Income 41,939	11,920	17,721	11,031	9,881	10,614	50,553
=====						
NONINTEREST EXPENSE						
Compensation 40,462	11,830	10,966	10,809	10,740	10,016	44,345
Premises 5,972	1,880	1,828	1,749	1,617	1,504	7,074
FF&E 7,840	2,179	2,174	1,977	2,063	2,123	8,393
Intangible Amortization 3,241	1,151	921	926	826	810	3,824
Other 22,206	7,877	5,744	6,140	5,829	6,140	25,590
-----						
Total Noninterest Expense 79,721	24,917	21,633	21,601	21,075	20,593	89,226
=====						
OPERATING PROFIT 38,773	10,999	17,040	9,894	7,337	8,854	45,270
Provision for Income Taxes 13,580	3,737	6,221	3,451	2,490	2,758	15,899
-----						
NET INCOME 25,193	\$ 7,262	10,819	6,443	4,847	6,096	29,371
=====						
PER SHARE DATA						

Basic Earnings 1.91	\$ 0.51	0.82	0.48	0.37	0.47	2.18
Diluted Earnings 1.90	0.51	0.82	0.48	0.37	0.46	2.18
Cash Dividends 0.656	\$ 0.190	0.180	0.180	0.180	0.180	0.730
AVERAGE SHARES						
Basic 13,222	13,955	13,283	13,274	13,262	13,223	13,444
Diluted 13,251	13,961	13,287	13,277	13,286	13,265	13,448

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</TABLE>

<TABLE>

CAPITAL CITY BANK GROUP, INC.  
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION  
Unaudited

(Dollars in thousands, except per share data)	2004				2003
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
<S>	<C>	<C>	<C>	<C>	<C>
<b>ASSETS</b>					
Cash and Due From Banks	\$ 87,039	90,458	97,154	93,427	93,140
Funds Sold	74,506	47,352	107,399	90,469	125,452
Total Cash and Cash Equivalents	161,545	137,810	204,553	183,896	218,592
Investment Securities, Available-for-Sale	210,240	156,675	183,732	188,763	181,734
Loans, Net of Unearned					
Commercial & Industrial	206,474	187,862	187,530	185,237	160,048
Real Estate Construction	140,190	119,248	108,422	96,285	89,149
Real Estate Mortgage	655,426	473,874	466,437	449,677	391,250
Real Estate Residential	425,765	375,109	348,917	340,729	331,452
Real Estate Home Equity	150,061	145,408	133,729	119,496	116,810
Consumer	222,207	212,847	216,553	216,094	202,167
Credit Card	41	170	22,636	22,713	23,987
Other Loans	24,549	21,530	32,572	30,988	19,528
Overdrafts	4,112	4,602	4,701	4,585	7,241
Total Loans, Net of Unearned	1,828,825	1,540,650	1,521,497	1,465,804	1,341,632
Allowance for Loan Losses	(16,037)	(12,328)	(13,657)	(13,720)	(12,429)
Loans, Net	1,812,788	1,528,322	1,507,840	1,452,084	1,329,203
Premises and Equipment	58,963	56,281	56,263	56,394	54,011
Intangible Assets	80,305	39,720	40,608	41,512	25,792
Other Assets	40,172	32,985	33,834	34,604	37,170
Total Other Assets	179,440	128,986	130,705	132,510	116,973
Total Assets	\$2,364,013	1,951,793	2,026,830	1,957,253	1,846,502
<b>LIABILITIES</b>					
Deposits:					
Noninterest Bearing Deposits	\$ 566,991	518,352	520,118	482,703	455,550
NOW Accounts	338,932	285,851	320,460	294,726	276,934
Money Market Accounts	270,095	209,262	214,815	222,298	207,934
Regular Savings Accounts	147,348	129,461	130,822	128,767	110,834
Certificates of Deposit	571,520	427,621	426,521	443,172	422,953
Total Deposits	1,894,886	1,570,547	1,612,736	1,571,666	1,474,205
Short-Term Borrowings	96,014	76,216	127,012	112,343	108,184
Subordinate Debentures	30,928	-	-	-	-
Long-Term Debt	68,453	62,930	58,427	49,950	46,475
Other Liabilities	16,932	23,031	18,934	16,366	14,829
Total Liabilities	2,107,213	1,732,724	1,817,109	1,750,325	1,643,693
<b>SHAREOWNERS' EQUITY</b>					
Common Stock	142	133	133	132	132
Additional Paid-in-Capital	52,363	18,411	17,922	17,788	16,157
Retained Earnings	204,648	200,073	191,645	187,592	185,134
Accumulated Other Comprehensive Income	(353)	452	21	1,416	1,386
Total Shareowners' Equity	256,800	219,069	209,721	206,928	202,809

Total Liabilities and Owners' Equity	\$2,364,013	1,951,793	2,026,830	1,957,253	1,846,502
=====					
OTHER BALANCE SHEET DATA					
Earning Assets	\$2,113,571	1,744,677	1,812,628	1,745,036	1,648,818
Intangible Assets					
Goodwill	54,341	19,657	19,656	19,633	6,680
Deposit Base	23,778	18,897	19,786	20,683	19,112
Other	2,186	1,166	1,166	1,196	-
Interest Bearing Liabilities	1,523,290	1,191,341	1,278,057	1,251,256	1,173,314
-----					
Book Value Per Diluted Share	\$ 18.13	16.48	15.80	15.54	15.27
Tangible Book Value Per Diluted Share	12.46	13.50	12.74	12.43	13.33
-----					
Actual Basic Shares Outstanding	14,155	13,285	13,275	13,273	13,236
Actual Diluted Shares Outstanding	14,161	13,289	13,277	13,312	13,280
=====					

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</TABLE>  
<TABLE>

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

(Dollars in thousands, except per share data)	2004				2003
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
<S>	<C>	<C>	<C>	<C>	<C>
=====					
ALLOWANCE FOR LOAN LOSSES					
Balance at Beginning of Period	\$12,328	13,657	13,720	12,429	12,424
Acquired Reserves	4,400	0	6	1,307	0
Reserve Reversal - Credit Card	0	-800	0	0	0
Provision for Loan Losses	300	300	580	961	850
Net Charge-Offs	991	829	649	977	845
-----					
Balance at End of Period	\$16,037	12,328	13,657	13,720	12,429
=====					
As a % of Loans	0.88%	0.80	0.90	0.94	0.93
As a % of Nonperforming Loans	345.18	261.91	452.82	717.20	529.80
As a % of Nonperforming Assets	304.25	220.10	334.73	459.63	170.24
=====					
CHARGE-OFFS					
Commercial, Financial and Agricultural	\$ 234	187	286	167	46
Real Estate - Construction	0	0	0	0	0
Real Estate - Mortgage	9	0	0	39	0
Real Estate - Residential	78	19	11	83	58
Consumer	1,015	998	885	1,047	1,054
-----					
Total Charge-Offs	\$ 1,336	1,204	1,182	1,336	1,158
=====					
RECOVERIES					
Commercial, Financial and Agricultural	\$ 34	10	24	12	13
Real Estate - Construction	0	0	0	0	0
Real Estate - Mortgage	0	14	0	0	0
Real Estate - Residential	12	1	176	0	17
Consumer	299	350	333	347	283
-----					
Total Recoveries	\$ 345	375	533	359	313
=====					
NET CHARGE-OFFS	\$ 991	829	649	977	845
=====					
Net Charge-Offs as a % of Average Loans <F1>	0.22%	0.22	0.18	0.29	0.25
=====					
RISK ELEMENT ASSETS					
Nonaccruing Loans	\$ 4,646	4,707	3,016	1,913	2,346
Restructured	0	0	0	0	0
-----					
Total Nonperforming Loans	4,646	4,707	3,016	1,913	2,346
Other Real Estate	625	894	1,064	1,072	4,955
-----					
Total Nonperforming Assets	\$ 5,271	5,601	4,080	2,985	7,301
=====					
Past Due Loans 90 Days or More	\$ 605	196	330	1,351	328

Nonperforming Loans as a % of Loans	0.25%	0.31	0.20	0.13	0.17
Nonperforming Assets as a % of Loans and Other Real Estate	0.29	0.36	0.27	0.20	0.54
Nonperforming Assets as a % of Capital <F2>	1.93	2.42	1.83	1.35	3.39

<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 2004	Fourth Quarter 2004			Third Quarter 2004			Second
	Average Balance	Average Interest Rate	Average Rate	Average Balance	Average Interest Rate	Average Rate	Average Balance
(Dollars in thousands)	Balance	Interest Rate	Rate	Balance	Interest Rate	Rate	Balance
Interest Rate							
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
<C>	<C>						
ASSETS:							
Loans, Net of Unearned Interest 22,961 6.19	\$1,179,736	\$28,180	6.30%	1,524,401	23,345	6.09	1,491,142
Investment Securities							
Taxable Investment Securities 745 2.21	152,049	1,029	2.71	118,903	729	2.45	134,634
Tax-Exempt Investment Securities 732 5.83	51,688	696	5.38	51,768	716	5.53	50,191
Total Investment Securities 1,477 3.20	203,737	1,725	3.39	170,671	1,445	3.38	184,825
Funds Sold 116 1.01	82,638	348	1.65	39,636	147	1.45	45,688
Total Earning Assets 24,554 5.74	2,066,111	\$30,253	5.83%	1,734,708	24,937	5.72	1,721,655
Cash and Due From Banks	101,959			90,010			89,921
Allowance For Loan Losses	(15,813)			(13,029)			(13,804)
Other Assets	170,613			129,683			131,713
Total Assets	\$2,322,870			1,941,372			1,929,485
LIABILITIES:							
Interest Bearing Deposits							
NOW Accounts 121 0.17	\$ 333,839	335	0.40%	280,630	153	0.22	283,297
Money Market Accounts 239 0.44	267,710	467	0.69	212,426	245	0.46	215,746
Savings Accounts 32 0.10	144,967	72	0.20	130,330	32	0.10	129,684
Time Deposits 1,993 1.85	553,435	3,228	2.32	429,702	2,004	1.86	433,514
2,385 0.90	1,299,951	4,102	1.25	1,053,088	2,434	0.92	1,062,241
Short-Term Borrowings 249 0.91	92,193	402	1.74	96,146	332	1.37	109,723
Subordinate Debentures 0 0.00	20,507	294	5.71	0	0	0.00	0
Long-Term Debt 587 4.39	77,041	836	4.32	59,837	642	4.27	53,752

Total Interest Bearing Liabilities 3,221 1.06	1,489,692	\$ 5,534	1.50%	1,209,071	3,408	1.12	1,225,716
=====							
Noninterest Bearing Deposits	553,637			492,136			476,389
Other Liabilities	30,768			22,892			17,169
-----							
Total Liabilities	2,074,097			1,724,099			1,719,274
-----							
SHAREOWNERS' EQUITY:	\$ 248,773			217,273			210,211
-----							
Total Liabilities and Shareowners' Equity	\$2,322,870			1,941,372			1,929,485
=====							
Interest Rate Spread 21,333 4.68		\$24,619	4.33%		21,529	4.60	
=====							
Interest Income and Rate Earned <F2> 24,554 5.74		\$30,253	5.83		24,937	5.72	
Interest Expense and Rate Paid <F3> 3,221 0.75		5,634	1.08		3,408	0.78	
-----							
Net Interest Margin 21,333 4.99		\$24,619	4.75%		21,529	4.94	
=====							

<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.  
<F3> Rate calculated based on average interest bearing liabilities.  
</FN>  
</TABLE>

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<TABLE>

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

(Dollars in thousands)	First Quarter 2004			Fourth Quarter 2003		
	Average Balance	Average Interest	Average Rate	Average Balance	Average Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<b>ASSETS:</b>						
Loans, Net of Unearned Interest	\$1,357,206	\$21,310	6.32%	1,329,673	21,436	6.40
Investment Securities						
Taxable Investment Securities	121,702	635	2.09	133,029	774	2.31
Tax-Exempt Investment Securities	54,274	822	6.06	58,006	875	6.03
-----						
Total Investment Securities	175,976	1,457	3.31	191,035	1,649	3.45
Funds Sold	101,286	222	0.87	115,561	274	0.93
-----						
Total Earning Assets	1,634,468	\$22,989	5.66%	1,636,269	23,359	5.66
=====						
Cash and Due From Banks	90,327			81,272		
Allowance For Loan Losses	(12,725)			(12,494)		
Other Assets	118,426			114,505		
-----						
Total Assets	\$1,830,496			1,819,552		
=====						
<b>LIABILITIES:</b>						
Interest Bearing Deposits						
NOW Accounts	\$ 271,878	\$ 124	0.18%	273,497	130	0.19
Money Market Accounts	215,078	239	0.45	215,540	242	0.44
Savings Accounts	115,985	28	0.10	111,957	28	0.10
Time Deposits	420,501	2,003	1.92	429,209	2,158	1.99
-----						
	1,023,442	2,394	0.94	1,030,203	2,558	0.99
Short-Term Borrowings	104,406	288	1.11	103,606	319	1.22
Subordinate Debentures	0	0	0.00	0	0	0.00
Long-Term Debt	47,023	497	4.25	42,881	462	4.27

Total Interest Bearing Liabilities	1,174,871	\$ 3,179	1.09%	1,176,690	3,339	1.13
Noninterest Bearing Deposits	433,718			420,892		
Other Liabilities	15,512			20,031		
Total Liabilities	1,624,101			1,617,613		
SHAREOWNERS' EQUITY:	\$ 206,395			201,939		
Total Liabilities and Shareowners' Equity	\$1,830,496			1,819,552		
Interest Rate Spread		\$19,810	4.57		20,020	4.53
Interest Income and Rate Earned <F2>		\$22,989	5.66		23,359	5.66
Interest Expense and Rate Paid <F3>		3,179	0.78		3,339	0.81
Net Interest Margin		\$19,810	4.88		20,020	4.85

<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.  
 <F3> Rate calculated based on average interest bearing liabilities.  
 </FN>  
 </TABLE>

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<TABLE>

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

(Dollars in thousands)	Twelve Months Ended Dec. 31, 2004			Twelve Months Ended Dec. 31, 2003		
	Average Balance	Average Interest	Average Rate	Average Balance	Average Interest	Average Rate
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS:						
Loans, Net of Unearned Interest	\$1,538,744	\$ 95,796	6.23%	1,318,080	87,608	6.65
Investment Securities						
Taxable Investment Securities	131,842	3,138	2.38	124,541	3,725	2.98
Tax-Exempt Investment Securities	51,979	2,965	5.70	61,387	3,650	5.95
Total Investment Securities	183,821	6,103	3.32	185,928	7,375	3.97
Funds Sold	67,278	833	1.22	120,672	1,261	1.03
Total Earning Assets	1,789,843	\$102,732	5.74%	1,624,680	96,244	5.92
Cash and Due From Banks	93,070			79,625		
Allowance For Loan Losses	(13,846)			(12,544)		
Other Assets	137,678			113,134		
Total Assets	\$2,006,745			1,804,895		
LIABILITIES:						
Interest Bearing Deposits						
NOW Accounts	\$ 292,492	\$ 733	0.25%	264,159	676	0.26
Money Market Accounts	227,808	1,190	0.52	215,597	1,312	0.61
Savings Accounts	130,282	164	0.13	109,837	189	0.17
Time Deposits	459,464	9,228	2.01	433,176	9,390	2.17
Total Interest Bearing Deposits	1,110,046	11,315	1.02	1,022,769	11,567	1.13
Short-Term Borrowings	100,582	1,270	1.26	101,274	1,270	1.25
Subordinate Debentures	5,155	294	5.71	0	0	0.00
Long-Term Debt	59,462	2,562	4.31	55,594	2,002	3.60
Total Interest Bearing Liabilities	1,275,245	\$ 15,441	1.21%	1,179,637	14,839	1.26
Noninterest Bearing Deposits	489,155			409,039		
Other Liabilities	21,614			19,631		
Total Liabilities	1,786,014			1,608,307		

SHAREOWNERS' EQUITY:	\$ 220,731		196,588	
-----				
Total Liabilities and Shareowners' Equity	\$2,006,745		1,804,895	
=====				
Interest Rate Spread	\$ 87,291	4.53%	81,405	4.66
=====				
Interest Income and Rate Earned <F2>	\$102,732	5.74	96,244	5.92
Interest Expense and Rate Paid <F3>	15,441	0.86	14,839	0.91
-----				
Net Interest Margin	\$ 87,291	4.88%	81,405	5.01
-----				

<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.  
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</FN>  
</TABLE>