

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): February 7, 2018



**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.)

217 North Monroe Street, Tallahassee, Florida  
(Address of principal executive offices)

32301  
(Zip Code)

Registrant's telephone number, including area code: (850) 402-7821

\_\_\_\_\_  
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of The Exchange Act.

---

**CAPITAL CITY BANK GROUP, INC.**

**FORM 8-K  
CURRENT REPORT**

**Item 7.01 Regulation FD Disclosure**

Capital City Bank Group, Inc. will make presentations to institutional and individual investors at various meetings during the months of February and March 2018.

A copy of the presentation materials is being furnished as Exhibit 99.1 to this report, substantially in the form intended to be used. Exhibit 99.1 is incorporated by reference under this Item 7.01.

In accordance with general instruction B.2 of Current Report on Form 8-K, this information (including Exhibit 99.1) is furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934.

**Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibits. The exhibits listed in the exhibit index are furnished pursuant to Regulation FD as part of this Current Report on Form 8-K and shall not be deemed filed for purposes of Section 18 of the Securities and Exchange Act of 1934.

Item No.    Description of Exhibit

- 99.1        Copy of presentation Capital City Bank Group, Inc. intends to provide to institutional and individual investors during the months of February and March 2018.
-

**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 7, 2018

By: /s/ J.Kimbrough Davis

J. Kimbrough Davis,

Executive Vice President and Chief Financial Officer

---

EXHIBIT INDEX

Exhibit Number	Description
99.1	<a href="#">Investor Presentation for February and March 2018.</a>

---



# Investor Presentation

Fourth Quarter 2017



## Forward-Looking Statement

**Forward-looking statements in this presentation are based on current plans and expectations that are subject to uncertainties and risks, which could cause the Company's future results to differ materially.**

The following factors, among others, could cause the Company's actual results to differ: the accuracy of the Company's financial statement estimates and assumptions; legislative or regulatory changes, including the Dodd-Frank Act, Basel III, and the ability to repay and qualified mortgage standards; fluctuations in inflation, interest rates, or monetary policies; the effects of security breaches and computer viruses that may affect the Company's computer systems or fraud related to debit card products; changes in consumer spending and savings habits; the Company's growth and profitability; the strength of the U.S. economy and the local economies where the Company conducts operations; the effects of the Company's lack of a diversified loan portfolio, including the risks of geographic and industry concentrations; harsh weather conditions and man-made disasters; changes in the stock market and other capital and real estate markets; customer acceptance of third-party products and services; increased competition and its effect on pricing, including the long-term impact on our net interest margin from the repeal of Regulation Q; negative publicity and the impact on our reputation; technological changes, especially changes that allow out of market competitors to compete in our markets; changes in accounting; and the Company's ability to manage the risks involved in the foregoing.

Additional factors can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and the Company's other filings with the SEC, which are available at the SEC's internet site (<http://www.sec.gov>). Forward-looking statements in this presentation speak only as of the date of this presentation, and the Company assumes no obligation to update forward-looking statements or the reasons why actual results could differ.

## Corporate Profile

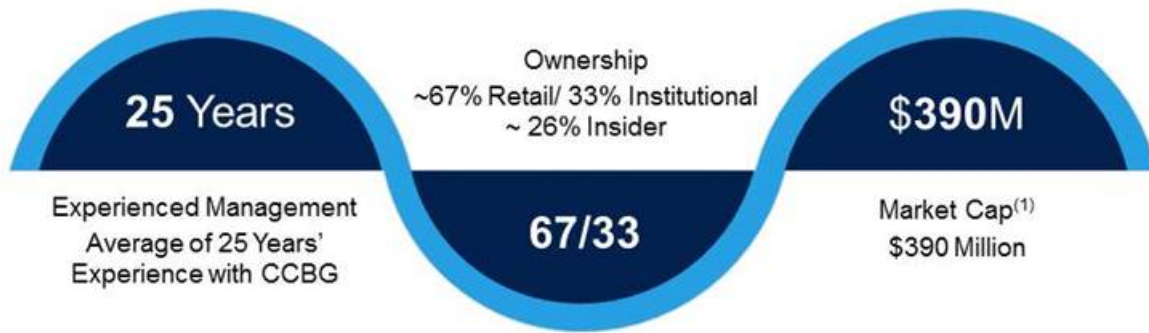
- Oldest Florida-based Publicly Traded Bank
- Managed Multiple Business Cycles Successfully
- \$2.9B Assets
- Loans: \$1.7B/Deposits: \$2.5B
- 85% Florida/15% Georgia
- 50/50 Mix of Consumer and Commercial Clients
- \$1.4B Assets Under Management

### 59 Offices in 3 MSA's





# Corporate Profile



(1) As of 12/31/2017

# Florida at a Glance

- Highest Migration Rate in U.S. - Twice U.S. Average ~1,000 People Per Day
- 3<sup>rd</sup> Most Populous State - Projected Population Growth 2X National Average
- Several Growth Measures (Jobs, Personal Income, GDP, Tourism) Now Surpass Prior Peaks and National Average
- Business-friendly State with No Personal Income Tax
- State/Local Budgets Growing and Healthy
- CCBG Markets Expected to Benefit from Multiplier Effect



# Growth Markets

## TALLAHASSEE MSA

Total Deposits (in Thousands)	\$1,109,301
Market Share <sup>(1)</sup>	14.36%
Market Share Rank <sup>(1)</sup>	#3
Top 3 Industries	Government, Education, Professional
Projected Population Growth <sup>(2)</sup>	4.4%
Projected HH Income Growth <sup>(2)</sup>	5.6%

## GAINESVILLE MSA

Total Deposits (in Thousands)	\$266,182
Market Share <sup>(1)</sup>	6.21%
Market Share Rank <sup>(1)</sup>	#6
Top 3 Industries	Education, Healthcare, Retail Distribution
Projected Population Growth <sup>(2)</sup>	5.3%
Projected HH Income Growth <sup>(2)</sup>	9.5%

## MACON MSA

Total Deposits (in Thousands)	\$94,865
Market Share <sup>(1)</sup>	2.74%
Market Share Rank <sup>(1)</sup>	#8
Top 3 Industries	Education, Healthcare, Defense
Projected Population Growth <sup>(2)</sup>	.81%
Projected HH Income Growth <sup>(2)</sup>	7.5%

## RURAL COMBINED - 15 Markets<sup>(3)</sup>

Total Deposits (in Thousands)	\$924,593
Market Share <sup>(1)(3)</sup>	10.34%
Market Champions	Agriculture, Manufacturing, County Seat
- Top 3 Market Share in 8 of 15 Markets	
- Top 4 Market Share in 10 of 15 Markets	

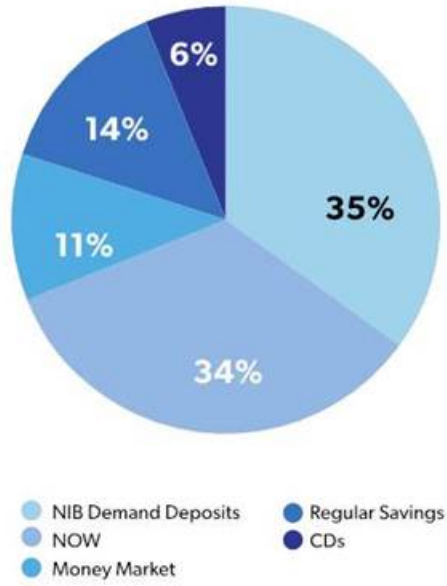
(1) Source: SNL Financial as of 6/30/2017

(2) Projected Change from 2018-2023 (Nielsen)

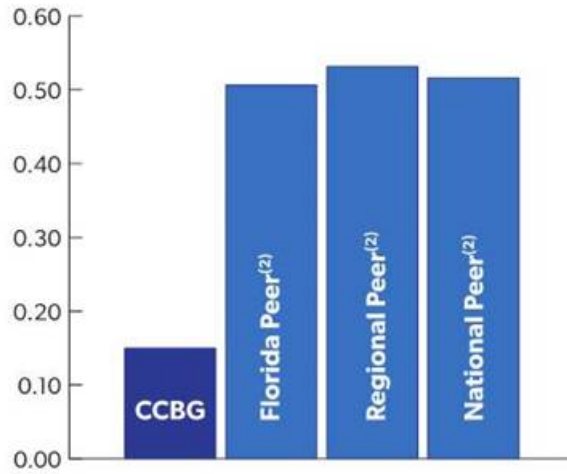
(3) Excludes Markets with < 2% Share

# Core Deposit Advantage

AVERAGE DEPOSITS BY TYPE<sup>(1)</sup>

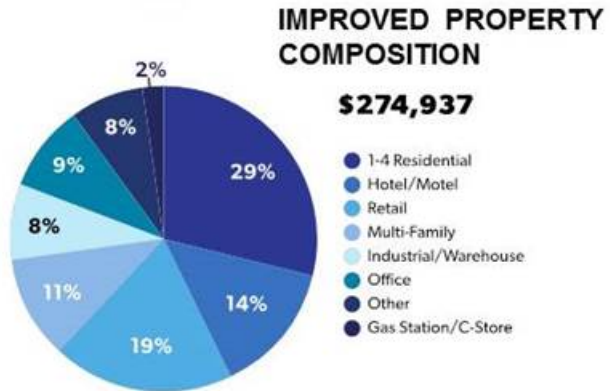
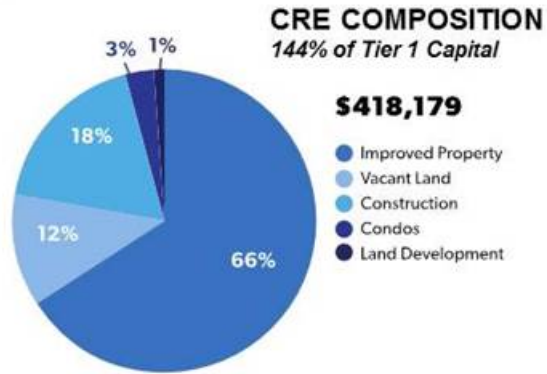
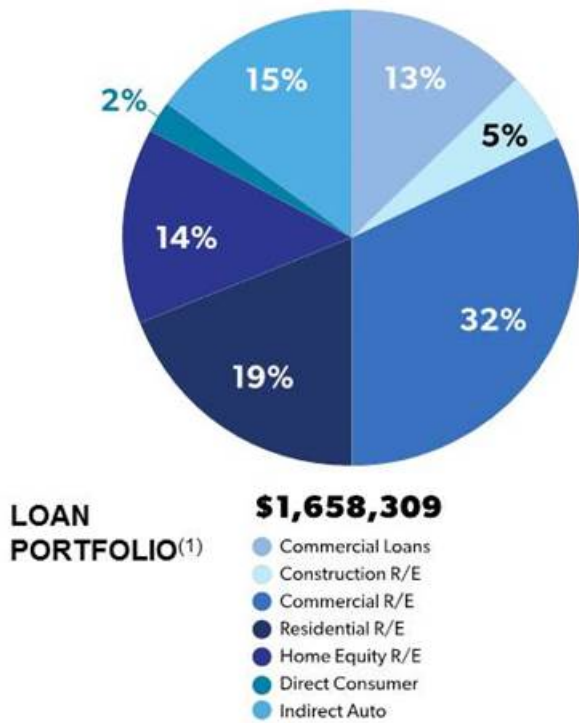


COST OF FUNDS<sup>(1)</sup>  
(16 bps)



(1) 2017

# Loan Portfolio Diversification

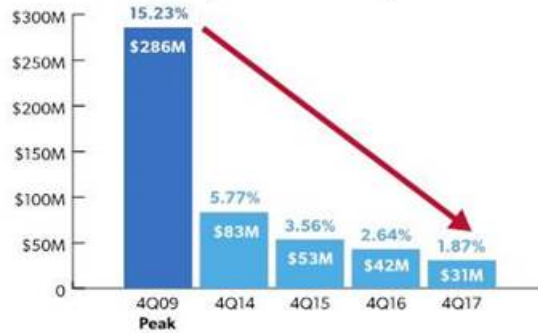


(1) 4Q2017-EOM

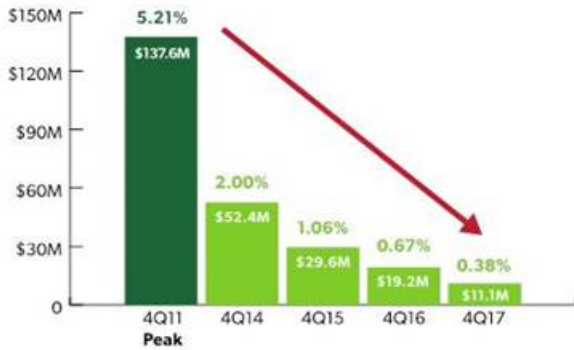
# Credit Quality

- NPA Reduction: 12% Decrease QoQ and 42% Decrease in 2017
- Classified Loans: 15% Decrease QoQ and 25% Decrease in 2017
- Continued Strong OREO Sales with Retail Disposition Strategy: 34% Decrease QoQ and 63% Decrease in 2017

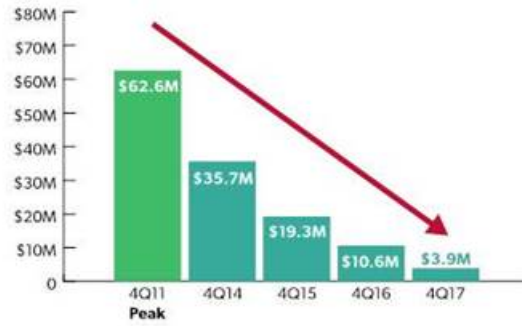
**CLASSIFIED LOANS**  
(% of Total Loans)



**NON-PERFORMING ASSETS**  
(% of Assets)

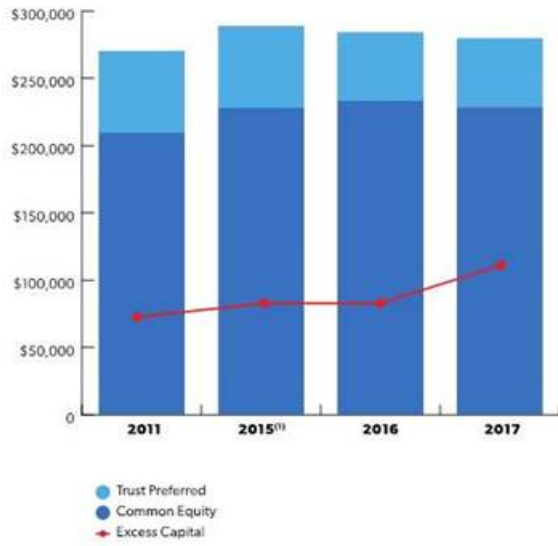


**TOTAL OREO BALANCES**

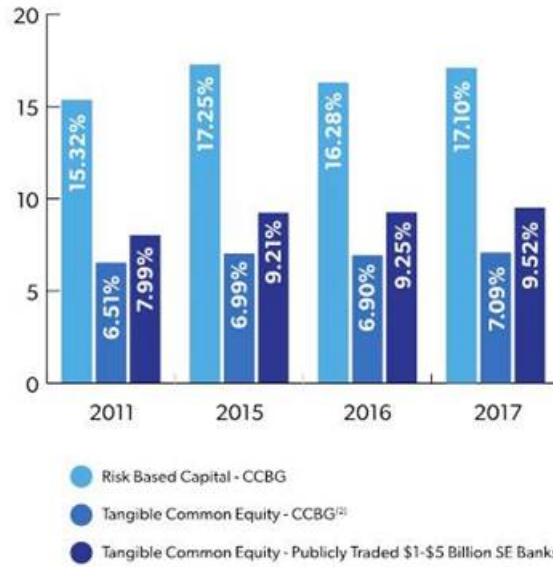


# Strong Capital Position

CAPITAL TO EXECUTE



STAYING POWER



(1) Basel III Became Effective in 2015.

(2) Adjusted Non-GAAP, See Appendix for Reconciliation.

## Strategic Initiatives: Three Pillars of Execution

### Drive Revenues

Generate Loan Growth > Positioned to Win on Rates > Grow & Diversify Fee Income

### Disciplined Expense Management

Committed to Expense Reduction > Efficiency Initiatives in Motion

### Effectively Deploy Capital

Organic Growth > Return Capital > Leverage Capital

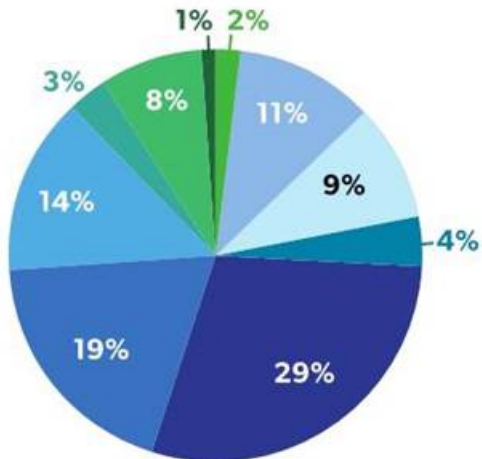
> **Executed Under a Strong Risk Management & Credit Culture** <



# DRIVE REVENUES

## Diversified Revenues

INTEREST INCOME<sup>(1)</sup>



**\$86.9 Million**

- Funds Sold
- Residential R/E
- Investment Securities
- Home Equity R/E
- Commercial Loans
- Direct Consumer
- Construction R/E
- Indirect Auto
- Commercial R/E
- Fees on Loans

FEE INCOME<sup>(1)</sup>



**\$51.7 Million**

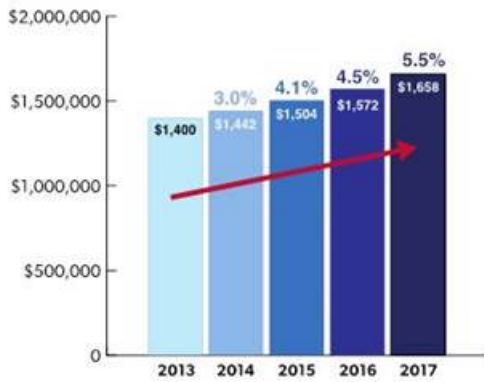
- Deposit Fees
- Bank Card Fees
- Wealth Management Fee
- Mortgage Banking Fees
- Other

<sup>(1)</sup> 2017

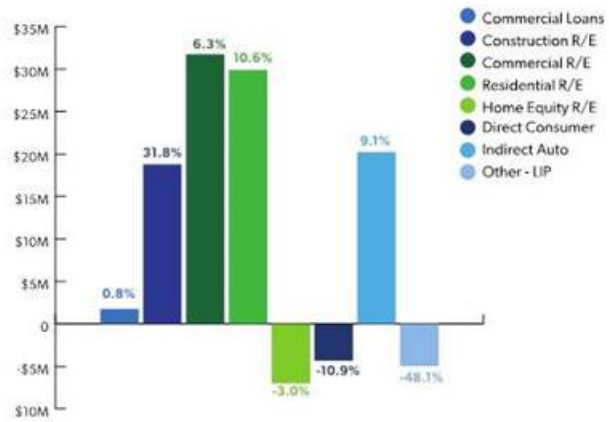
# DRIVE REVENUES

Generate Loan Growth

**PERIOD END LOANS**  
(\$ in Millions / % Growth)



**GROWTH BY SEGMENT<sup>(1)</sup>**

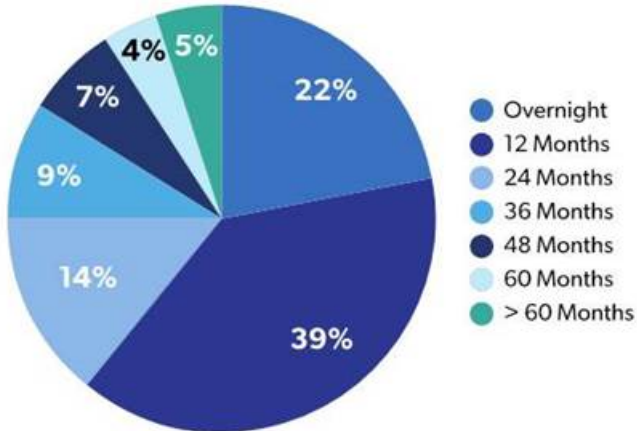


(1) 2017 vs. 2016

# DRIVE REVENUES

*Positioned to Win on Rates*

LOAN REPRICING



RATE MIX



- 63% of Loan Portfolio is Variable or Adjustable
- ~1/2 of Loan Portfolio Re-Prices within One Year

# DRIVE REVENUES

*Grow and Diversify Fee Income*

FEE INCOME MIX  
(in Thousands)



GROWTH INITIATIVES

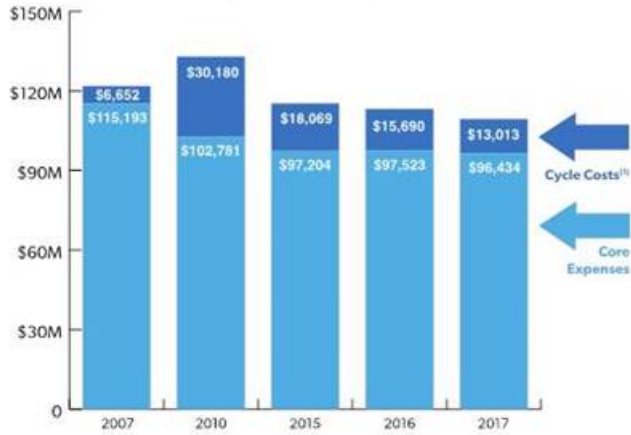


(1) Includes \$2.5M gain in 2Q16 on partial retirement of TRUPs – reflected in Other Fees

# EXPENSE MANAGEMENT

Committed to  
Expense Reduction

NONINTEREST EXPENSE TREND  
(in Thousands)



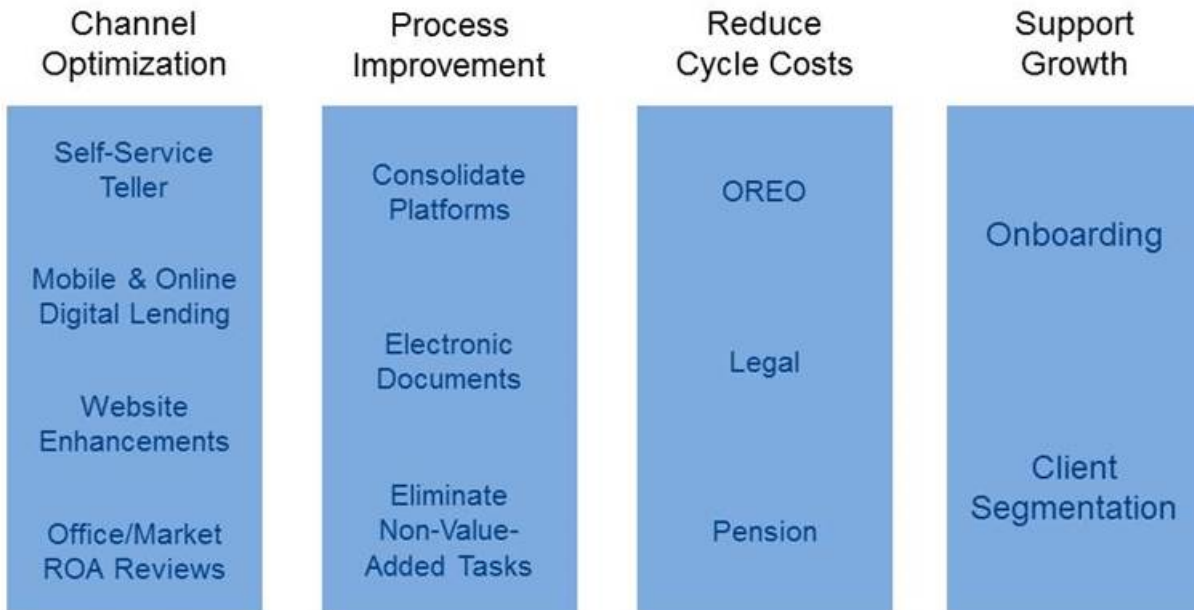
NONINTEREST EXPENSE MIX



(1) OREO, Legal (Loan Collections), FDIC Insurance & Pension Costs

# EXPENSE MANAGEMENT

*Initiatives in Motion*



# EFFECTIVELY DEPLOY CAPITAL



## Organic Growth

- Technology Investments
- Leverage Infrastructure

## Return Capital

- Dividend
- Share Repurchase Program

## Leverage Capital

- M&A Opportunities
- Non-Bank Businesses

# Acquisition Opportunity

## Profile

- Banks with \$100-500M Assets ~250 Total Banks
- TBV Pricing Attractive

## Targets

- Strong Core Deposit Base
- Lack of Scale to Absorb Regulatory Cost
- Succession Plan Unclear





## 2018 Focus

### Broader Based Loan Growth

- Small Business Lending, WCF/ABL, and Participations

### Implement Fee Income Initiatives

- Our New Checking Account Platform and Strategies to Drive Interchange Revenues

### Evaluate Acquisition Opportunities

- Evaluate Both Bank and Non-bank Opportunities

## Why CCBG?

- Florida is Growing
- Growth Measures Nearing Prior Peaks
- Stable Markets
- Strong Deposit Franchise
- Strong Capital – Ability to Deploy
- Insider Ownership
- Seasoned and Experienced Bankers
- Low Execution Risk
- CCBG is One of the Few Remaining “Pure Plays” in Florida







# Appendix



# Quarterly Results



\*Includes BOLI Proceeds of \$0.10 per Share  
 \*\* Includes TRUPs Repurchase Gain of \$0.09 per Share  
 \*\*\*Includes Deferred Tax Re-Measurement Expense of \$0.24 per share  
 (1) Adjusted Non-GAAP; See Appendix for Reconciliation

## Financial Highlights

Dollars in Thousands, except Earnings per Share	2012	2013	2014	2015	2016	2017
Interest Income	\$89,680	\$82,152	\$78,221	\$79,658	\$81,154	\$86,930
Interest Expense	5,368	4,416	3,580	3,307	3,189	3,948
Net Interest Income	84,312	77,736	74,641	76,351	77,965	82,982
Provision	16,166	3,472	1,905	1,594	819	2,215
Noninterest Income	55,185	56,416	52,536	54,091	53,681	51,746
Noninterest Expense	124,559	122,710	114,358	115,273	113,214	109,447
Income Taxes	(1,336)	1,925	1,654	4,459	5,867	12,203
Net Income	108	6,045	9,260	9,116	11,746	10,863
Diluted Earnings Per Share	.01	.35	.53	.53	.69	.64
<b>RATIOS</b>						
Return on Average Assets	.00%	24%	.36%	.34%	.43%	.39%
Return on Average Equity	.04	2.40	3.27	3.31	4.22	3.83
Net Interest Margin	3.81	3.54	3.36	3.31	3.25	3.37
Net Charge-offs to Average Loans	1.16	.66	.53	.35	.09	0.14
Efficiency Ratio (FTE)	88.72	91.09	89.68	87.94	85.34	80.50
Dividend Payout Ratio	N/M	N/M	16.98	24.53	24.64	37.50

## Financial Highlights

As of Period-End <i>Dollars in Thousands</i>	2012	2013	2014	2015	2016	2017
Investments	\$296,985	\$399,631	\$505,129	\$638,920	\$700,099	\$697,590
Loans	1,521,302	1,399,668	1,442,062	1,503,907	1,572,175	1,658,309
Total Assets	2,633,984	2,611,903	2,627,169	2,797,860	2,845,197	2,898,794
Noninterest Bearing Deposits	609,235	641,463	659,115	758,283	791,182	874,583
Interest Bearing Deposits	1,535,761	1,494,784	1,487,679	1,544,566	1,621,104	1,595,294
Total Deposits	2,144,996	2,136,248	2,146,794	2,302,849	2,412,286	2,469,877
Capital	246,889	276,400	272,540	274,352	275,168	284,210
<b>RATIOS</b>						
Risk Based Capital	15.72%	17.94%	17.76%	17.25%	16.28%	17.10%
Tangible Equity	6.35	7.58	7.38	6.99	6.90	7.09
Nonperforming Assets to Total Assets	4.47	3.26	2.00	1.06	0.67	0.38
Reserve to Loans	1.93	1.65	1.22	0.93	0.86	0.80
Reserve to Nonperforming Loans	45.42	62.48	104.60	135.40	157.40	185.87

## Market Demographic

Anchor and Small-Town America Markets More Stable and Predictable.

	Population Growth Rate		Household	
	2010-2017	2018-2023	Median Income 2017	Projected Change 2018-2023
Tallahassee MSA	5.5%	4.40%	\$48,208	5.56%
CCBG Florida Markets	7.06%	4.12%	\$46,306	7.27%
Florida	12.26%	6.73%	\$53,657	10.45%
US	5.76%	3.50%	\$61,045	8.86%

Sources: S&P Global Market Intelligence.; ESRI; US Census Bureau



## Deposit Market Share

- Market Share Gives Pricing Leverage
- Keeps Cost of Funds Low
- Organic Growth Going Forward

State	Number of Offices	CCBG Deposits in Market (\$000)*	Percent of Total CCBG Franchise	Ranking: Counties with 2017 Market Share in Top 4	Deposit Market Share**
Florida	48	\$2,065,171	86.23%	13 of 18	9.82%
Georgia	9	\$301,489	12.59%	2 of 4	5.57%
Alabama	2	\$28,281	1.18%	-	9.12%
Totals	59	\$2,394,941	100.00%	-	

\* Sources: SNL Balances as of 6/30/2017

\*\* CCBG Aggregate Market Share for Counties Where CCBG Has a Market Share of >.50%.

## Non-GAAP Financial Measures

We present a tangible common equity ratio that removes the effect of goodwill resulting from merger and acquisition activity. We believe this measure is useful to investors because it allows investors to more easily compare our capital adequacy to other companies in the industry. The GAAP to non-GAAP reconciliation is provided below.

(Dollars in Thousands)		2011	2015	2016	2017
<b>TANGIBLE COMMON EQUITY RATIO</b>					
Shareowners' Equity (GAAP)		\$259,019	\$274,352	\$275,168	\$284,210
Less: Goodwill (GAAP)		\$86,158	\$84,811	\$84,811	\$84,811
Tangible Shareowners' Equity (non-GAAP)	A	\$172,861	\$189,541	\$190,357	\$199,399
Total Assets (GAAP)		\$2,622,053	\$2,797,860	\$2,845,197	\$2,898,794
Less: Goodwill (GAAP)		\$86,158	\$84,811	\$84,811	\$84,811
Tangible Assets (non-GAAP)	B	\$2,535,895	\$2,713,049	\$2,760,386	\$2,813,983
Tangible Common Equity Ratio	A/B	6.82%	6.99%	6.90%	7.09%

Pre-tax pre-credit costs per diluted share is a measure used by management to evaluate core operating results exclusive of credit costs, including loan loss provision and other real estate expenses. We believe this measure is useful to investors because it allows investors to more easily compare our core operating results to other companies in the industry. The GAAP to non-GAAP reconciliation is provided below.

(Dollars in Thousands)		2015	2016	2017
<b>PRE-TAX PRE-CREDIT COSTS PER DILUTED SHARE</b>				
Income Before Income Taxes (GAAP)		\$13,575	\$17,613	\$23,066
Plus: Provision for Loan Losses (GAAP)		\$1,594	\$819	\$2,215
Plus: Other Real Estate Owned Expense (GAAP)		\$4,971	\$3,649	\$1,135
Pre-Tax Pre-Credit Costs (non-GAAP)	A	\$20,140	\$22,081	\$26,416
Average Diluted Common Shares (GAAP)	B	17,318	17,061	17,013
Pre-Tax Pre-Credit Costs Per Diluted Share	A/B	\$1.16	\$1.29	\$1.55