

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 July through September 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 November and December 2018.
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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: November 19, 2018

By: /s/ J.Kimbrough Davis

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

EXHIBIT INDEX

Exhibit

| Number | Description |
|--------|---|
| 99.1 | Investor Presentation for November and December 2018. |

Investor Presentation

Third Quarter 2018



Forward-Looking Statement

This presentation includes forward-looking statements, including statements about future results. These statements 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: Our ability to successfully manage interest rate risk, liquidity risk, and other risks inherent to our industry; legislative or regulatory changes, including the Dodd-Frank Act, Basel III, and the ability to repay and qualified mortgage standards; the effects of security breaches and computer viruses that may affect our computer systems or fraud related to debit card products; the accuracy of our financial statement estimates and assumptions, including the estimates used for our loan loss provision, deferred tax asset valuation and pension plan; the frequency and magnitude of foreclosure of our loans; the effects of our lack of a diversified loan portfolio, including the risks of geographic and industry concentrations; the strength of the United States economy in general and the strength of the local economies in which we conduct operations; our ability to declare and pay dividends, the payment of which is now subject to our compliance with real estate markets; changes in monetary and fiscal policies of the U.S. Government; inflation, interest rate, market and monetary fluctuations; the effects of harsh weather conditions, including hurricanes, and man-made disasters; our ability to comply with the extensive laws and regulations to which we are subject, including the laws for each jurisdiction where we operate; the willingness of clients to accept third-party products and services rather than our products and services and vice versa; increased competition and its effect on pricing; technological changes; negative publicity and the impact on our reputation; changes in consumer spending and saving habits; growth and profitability of our noninterest income; changes in accounting principles, policies, practices or guidelines; the limited trading activity of our common stock; the concentration of ownership of our common stock; anti-takeover provisions under federal and state law as well as our Articles of Incorporation and our Bylaws; other risks described from time to time in our filings with the Securities and Exchange Commission; and our ability to manage the risks involved in the foregoing.

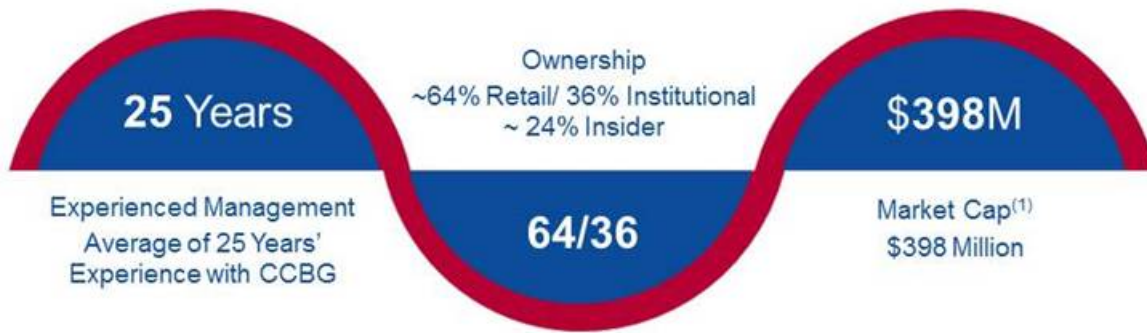
Additional factors can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017, and the Company's other filings with the SEC, which are available at the SEC's internet site (<http://www.sec.gov>). Forward-looking statements in this presentation speak only as of the date of this presentation. 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
- \$2.8B Assets
- Loans: \$1.8B/Deposits: \$2.4B
- 85% Florida/15% Georgia
- 50/50 Mix of Consumer and Commercial Clients
- \$1.5B Assets Under Management



Corporate Profile



(1) As of 9/30/18

Florida at a Glance

- Highest Migration Rate in U.S. - Twice U.S. Average ~1,000 People Per Day
- 3rd 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



Government
Higher Education
Healthcare
Agriculture
Manufacturing
Retail Distribution
Professional Associations
Retirees
Tourism
Defense
Technology
Transportation

Growth Markets

TALLAHASSEE MSA

| | |
|--|-------------------------------------|
| Total Deposits (in Thousands) | \$1,109,301 |
| Market Share ⁽¹⁾ | 14.3% |
| Market Share Rank ⁽¹⁾ | #3 |
| Top 3 Industries | Government, Education, Professional |
| Projected Population Growth ⁽²⁾ | 4.4% |
| Projected HH Income Growth ⁽²⁾ | 5.6% |

GAINESVILLE MSA

| | |
|--|--|
| Total Deposits (in Thousands) | \$266,182 |
| Market Share ⁽¹⁾ | 6.2% |
| Market Share Rank ⁽¹⁾ | #6 |
| Top 3 Industries | Education, Healthcare, Retail Distribution |
| Projected Population Growth ⁽²⁾ | 5.5% |
| Projected HH Income Growth ⁽²⁾ | 12.9% |

MACON MSA

| | |
|--|--------------------------------|
| Total Deposits (in Thousands) | \$94,865 |
| Market Share ⁽¹⁾ | 2.7% |
| Market Share Rank ⁽¹⁾ | #8 |
| Top 3 Industries | Education, Healthcare, Defense |
| Projected Population Growth ⁽²⁾ | .81% |
| Projected HH Income Growth ⁽²⁾ | 7.5% |

RURAL COMBINED - 15 Markets⁽³⁾

| | |
|--|---|
| Total Deposits (in Thousands) | \$924,593 |
| Market Share ⁽¹⁾⁽³⁾ | 10.3% |
| Market Champions | Agriculture, Manufacturing, County Seat |
| - Top 3 Market Share in 8 of 15 Markets | |
| - Top 4 Market Share in 10 of 15 Markets | |

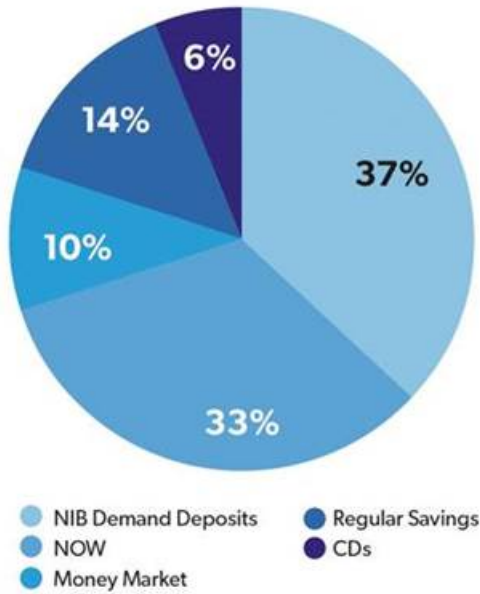
(1) Source: S&P Global Market Intelligence as of 6/30/2018

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

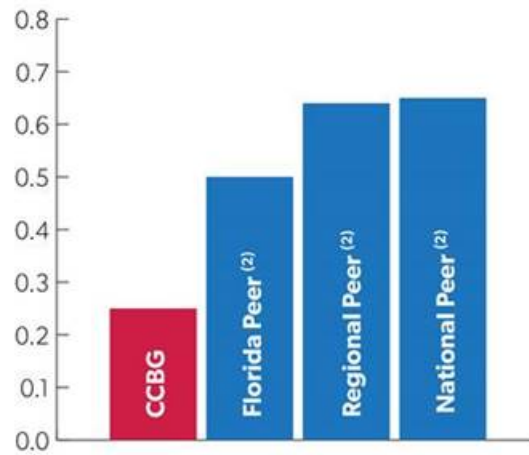
(3) Excludes Markets with < 2% Share

Core Deposit Advantage

AVERAGE DEPOSITS BY TYPE⁽¹⁾



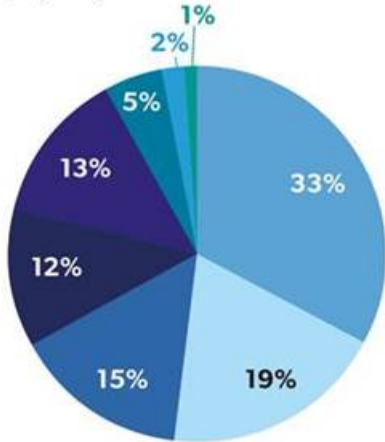
COST OF FUNDS⁽¹⁾
(25bps)



(1) YTD 09/30/18
 (2) Publicly Traded \$1-\$5 Billion Southeast Commercial Banks (Source: SNL)

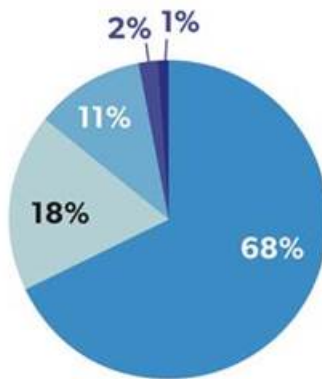
Loan Portfolio Diversification

LOAN PORTFOLIO⁽¹⁾ \$1,782,051



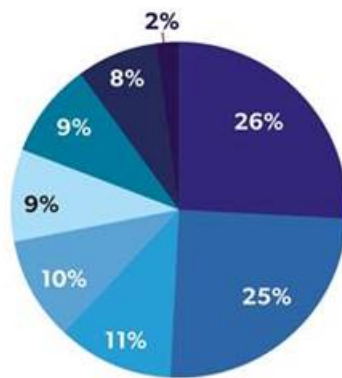
- Commercial R/E
- Residential R/E
- Indirect Auto
- Home Equity R/E
- Commercial Loans
- Construction R/E
- Direct Consumer
- Other Loans

CRE COMPOSITION 169% of Tier 1 Capital \$479,339



- Improved Property
- Construction
- Vacant Land
- Condos
- Land Development

IMPROVED PROPERTY COMPOSITION \$325,591

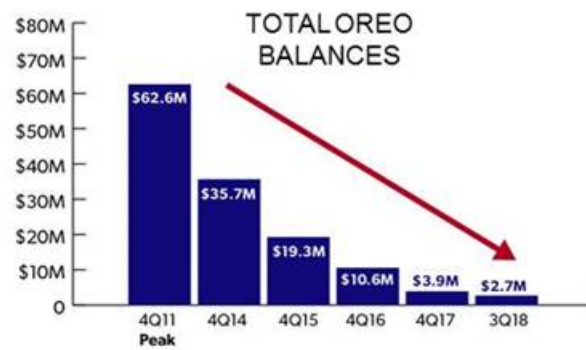
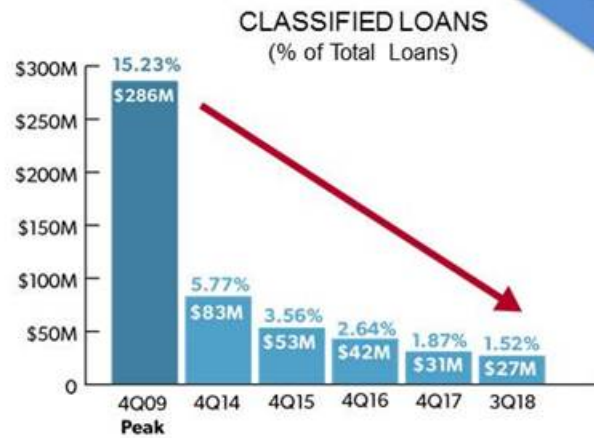
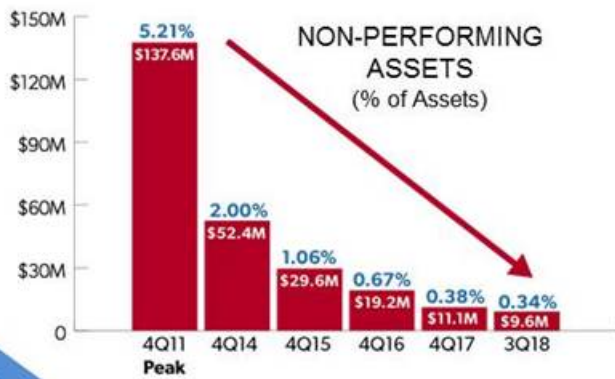


- 1-4 Residential
- Retail
- Hotel/Motel
- Multi-Family
- Office
- Industrial/Warehouse
- Other
- Gas Station/C-Store

(1) 3Q2018-EOM

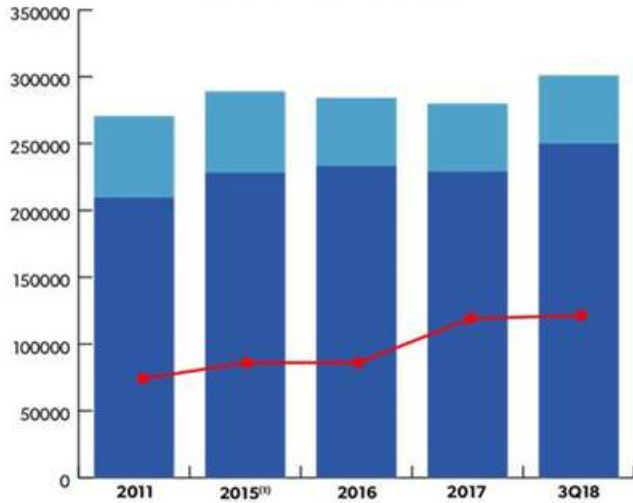
Credit Quality

- NPA Reduction: 5% Increase QoQ and 24% Decrease YoY
- Classified Loans: 9% Decrease QoQ and 26% Decrease YoY
- Continued Strong OREO Sales with Retail Disposition Strategy: 19% Decrease QoQ and 55% Decrease YoY



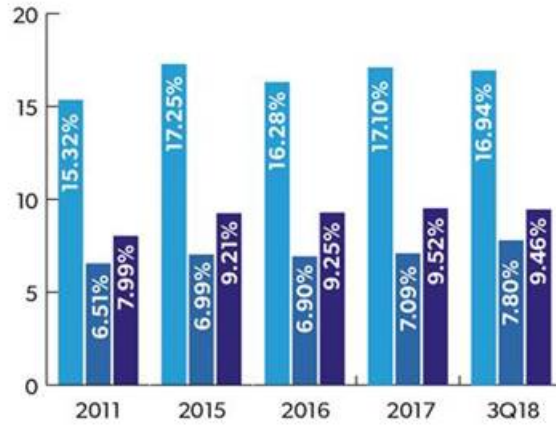
Strong Capital Position

CAPITAL TO EXECUTE



- Trust Preferred
- Common Equity
- Excess Capital

STAYING POWER



- Risk Based Capital - CCBG
- Tangible Common Equity - CCBG⁽²⁾
- Tangible Common Equity - Publicly Traded \$1-\$5 Billion SE Banks

(1) Risk Based Capital.
 (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

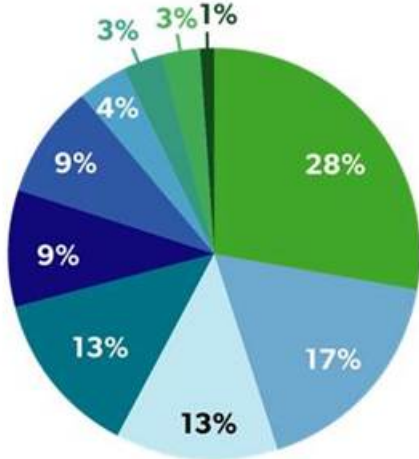
Organic Growth > Return Capital > Leverage Capital

> Executed Under a Strong Risk Management & Credit Culture <

DRIVE REVENUES

Diversified Revenues

INTEREST INCOME⁽¹⁾



\$73 Million

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

FEE INCOME⁽¹⁾



\$38 Million

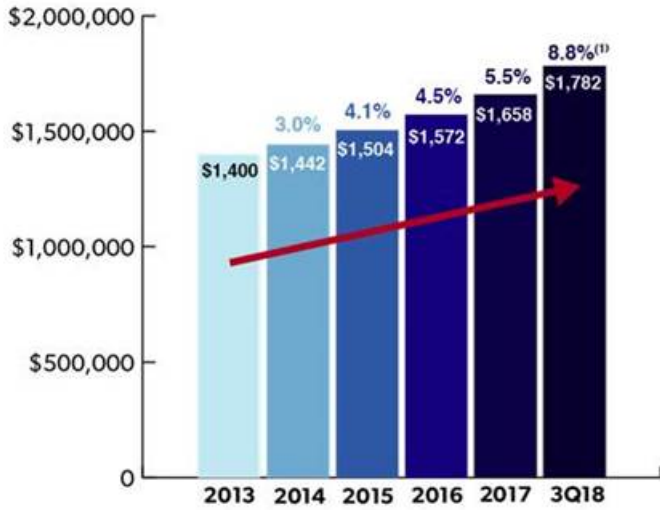
- Deposit Fees
- Bank Card Fees
- Wealth Management Fee
- Other
- Mortgage Banking Fees

(1) YTD 9/30/2018

DRIVE REVENUES

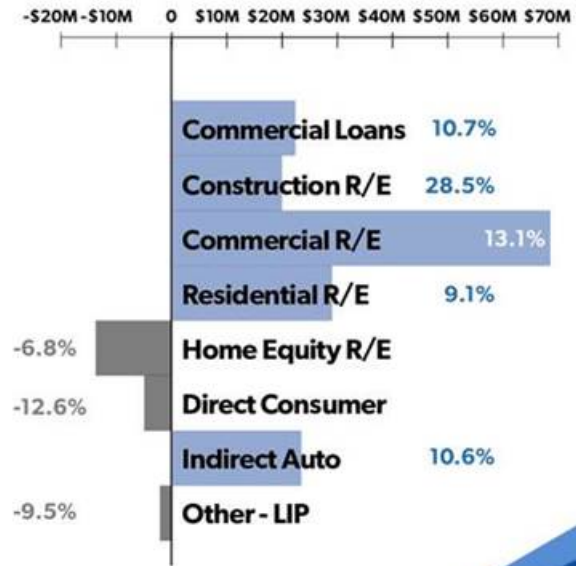
Generate Loan Growth

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



(1) 3Q18 vs. 3Q17

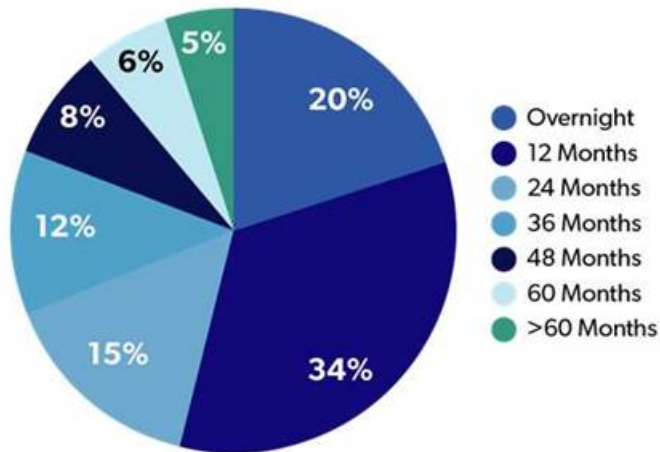
GROWTH BY SEGMENT⁽¹⁾



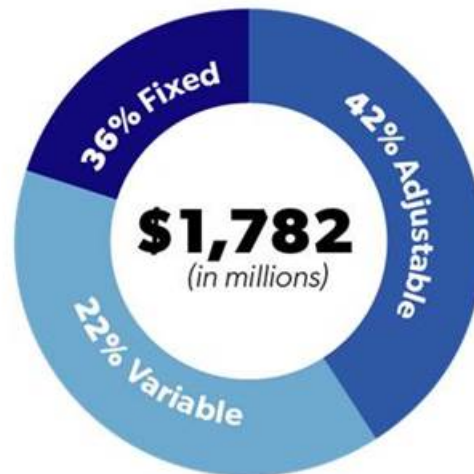
DRIVE REVENUES

Positioned to Win on Rates

LOAN REPRICING



RATE MIX

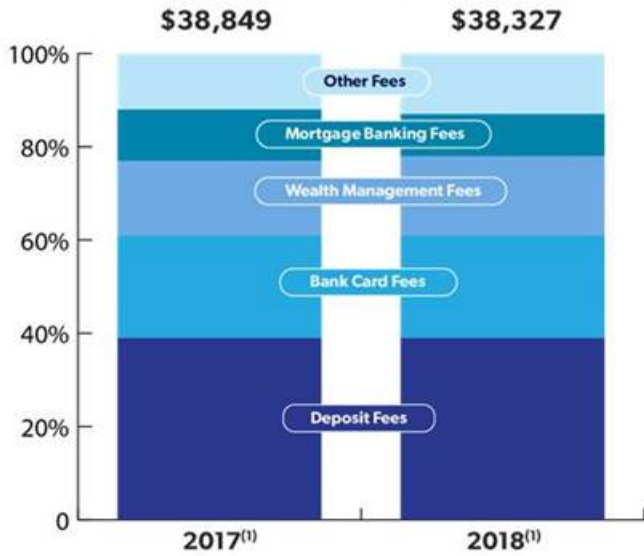


- 64% of Loan Portfolio is Variable or Adjustable
- 64% of Loan Portfolio Reprices within One Year

DRIVE REVENUES

*Grow and Diversify
Fee Income*

FEE INCOME MIX
(in Millions)



(1) YTD

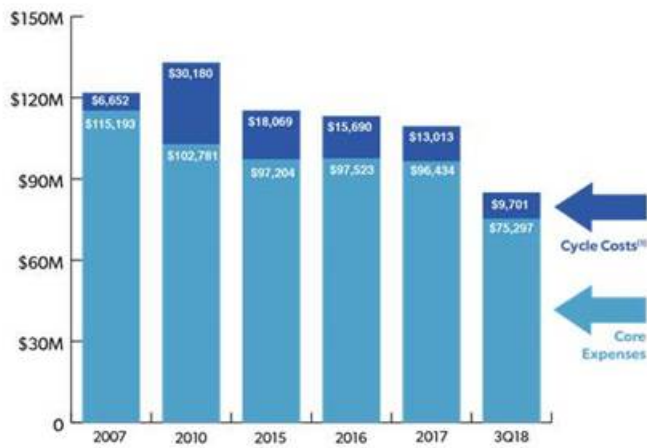
GROWTH INITIATIVES



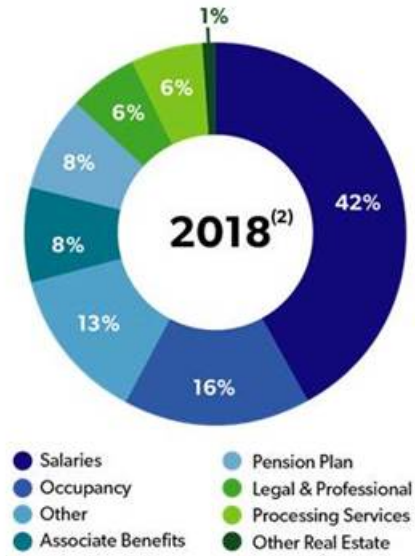
EXPENSE MANAGEMENT

Committed to
Expense Reduction

NONINTEREST EXPENSE TREND



NONINTEREST EXPENSE MIX



(1) OREO, Legal (Loan Collections), FDIC Insurance & Pension Costs
(2) YTD 9/30/2018

EXPENSE MANAGEMENT

Initiatives in Motion

Channel Optimization

Self-Service Teller
Mobile & Online
Digital Lending
Website Enhancements
Office/Market ROA Reviews

Process Improvement

Consolidate Platforms
Electronic Documents
Eliminate Non-Value-Added Tasks

Reduce Cycle Costs

OREO
Legal
Pension

Support Growth

Onboarding
Client Segmentation

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, Commercial Real Estate, Residential Real Estate, WCF/ABL, and Participations/Pools

Implement Fee Income Initiatives

- Including 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
- Asset Sensitive Balance Sheet
- 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



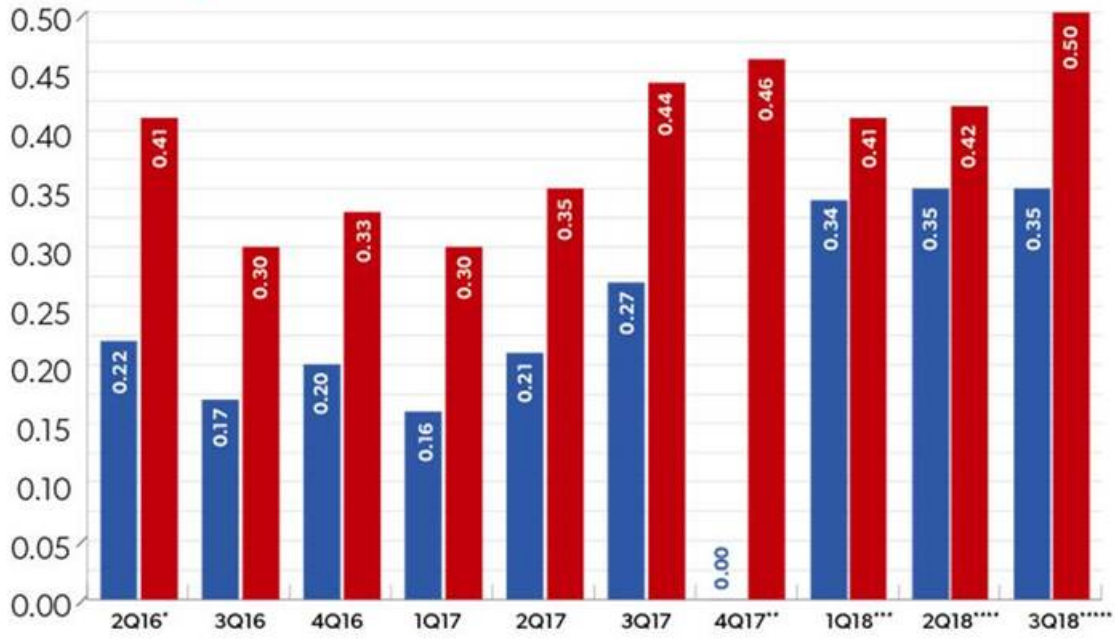
Capital City
Bank Group



Appendix



Quarterly Results



■ Diluted Earnings Per Share ■ Pre-Tax Pre-Credit Costs ("PTPCC") per diluted share ⁽¹⁾

* Includes TRUPs Repurchase Gain of \$0.09 per Share
 **Includes Deferred Tax Re-Measurement Expense of \$0.24 per Share
 ***Includes Tax Benefit of \$0.09 per Share related to a 2017 Plan Year Pension contribution
 ****Includes Tax Benefit of \$0.08 per share related to a 2017 Plan Year Pension contribution
 *****Includes Tax Benefit of \$0.02 per share related to a 2017 Plan Year Pension contribution
 (1) Adjusted Non-GAAP; See Appendix for Reconciliation

Financial Highlights

| Dollars in Thousands, except Earnings per Share | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | YTD 2018 |
|--|----------|----------|----------|----------|----------|----------|----------|
| Interest Income | \$89,680 | \$82,152 | \$78,221 | \$79,658 | \$81,154 | \$86,930 | \$73,025 |
| Interest Expense | 5,368 | 4,416 | 3,580 | 3,307 | 3,189 | 3,948 | 4,869 |
| Net Interest Income | 84,312 | 77,736 | 74,641 | 76,351 | 77,965 | 82,982 | 68,156 |
| Provision | 16,166 | 3,472 | 1,905 | 1,594 | 819 | 2,215 | 2,464 |
| Noninterest Income | 55,185 | 56,416 | 52,536 | 54,091 | 53,681 | 51,746 | 38,327 |
| Noninterest Expense | 124,559 | 122,710 | 114,358 | 115,273 | 113,214 | 109,447 | 84,998 |
| Income Taxes | (1,336) | 1,925 | 1,654 | 4,459 | 5,867 | 12,203 | 1,255 |
| Net Income | 108 | 6,045 | 9,260 | 9,116 | 11,746 | 10,863 | 17,766 |
| Diluted Earnings Per Share | .01 | .35 | .53 | .53 | .69 | .64 | 1.04 |
| RATIOS | | | | | | | |
| Return on Average Assets | .00% | .24% | .36% | .34% | .43% | .39% | .83% |
| Return on Average Equity | .04 | 2.40 | 3.27 | 3.31 | 4.22 | 3.83 | 8.12 |
| Net Interest Margin | 3.81 | 3.54 | 3.36 | 3.31 | 3.25 | 3.37 | 3.58 |
| Net Charge-offs to Average Loans | 1.16 | .66 | .53 | .35 | .09 | .14 | .12 |
| Efficiency Ratio (FTE) | 88.72 | 91.09 | 89.68 | 87.94 | 85.34 | 80.50 | 79.46 |
| Dividend Payout Ratio | N/M | N/M | 16.98 | 24.53 | 24.64 | 37.50 | 22.05 |

Financial Highlights

| As of Period-End <i>Dollars in Thousands</i> | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 3Q18 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Investments | \$296,985 | \$399,631 | \$505,129 | \$638,920 | \$700,099 | \$695,108 | \$712,166 |
| Loans | 1,521,302 | 1,399,668 | 1,442,062 | 1,503,907 | 1,572,175 | 1,638,138 | 1,782,051 |
| Total Assets | 2,633,984 | 2,611,903 | 2,627,169 | 2,797,860 | 2,845,197 | 2,790,842 | 2,819,190 |
| Noninterest Bearing Deposits | 609,235 | 641,463 | 659,115 | 758,283 | 791,182 | 870,644 | 934,146 |
| Interest Bearing Deposits | 1,535,761 | 1,494,784 | 1,487,679 | 1,544,566 | 1,621,104 | 1,476,973 | 1,447,070 |
| Total Deposits | 2,144,996 | 2,136,248 | 2,146,794 | 2,302,849 | 2,412,286 | 2,347,617 | 2,381,216 |
| Capital | 246,889 | 276,400 | 272,540 | 274,352 | 275,168 | 285,201 | 298,016 |
| RATIOS | | | | | | | |
| Risk Based Capital | 15.72% | 17.94% | 17.76% | 17.25% | 16.28% | 16.96% | 16.94% |
| Tangible Equity | 6.35 | 7.58 | 7.38 | 6.99 | 6.90 | 7.41 | 7.80 |
| Nonperforming Assets to Total Assets | 4.47 | 3.26 | 2.00 | 1.06 | 0.67 | 0.45 | 0.34 |
| Reserve to Loans | 1.93 | 1.65 | 1.22 | 0.93 | 0.86 | 0.82 | 0.80 |
| Reserve to Nonperforming Loans | 45.42 | 62.48 | 104.60 | 135.40 | 157.40 | 203.39 | 207.06 |

Market Demographic

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

| | Population Growth Rate | | Household | |
|----------------------|------------------------|-----------|--------------------|----------------------------|
| | 2010-2018 | 2018-2023 | Median Income 2018 | Projected Change 2018-2023 |
| Tallahassee MSA | 5.55% | 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

| 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% | - | |

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

* Sources: SNL Balances as of 6/30/2018

** 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 | 3Q18 |
|---|-----|-------------|-------------|-------------|-------------|-------------|
| TANGIBLE COMMON EQUITY RATIO | | | | | | |
| Shareowners' Equity (GAAP) | | \$259,019 | \$274,352 | \$275,168 | \$285,201 | \$298,016 |
| Less: Goodwill (GAAP) | | \$86,158 | \$84,811 | \$84,811 | \$84,811 | \$84,811 |
| Tangible Shareowners' Equity (non-GAAP) | A | \$172,861 | \$189,541 | \$190,357 | \$200,390 | \$213,205 |
| Total Assets (GAAP) | | \$2,622,053 | \$2,797,860 | \$2,845,197 | \$2,790,842 | \$2,819,190 |
| Less: Goodwill (GAAP) | | \$86,158 | \$84,811 | \$84,811 | \$84,811 | \$84,811 |
| Tangible Assets (non-GAAP) | B | \$2,535,895 | \$2,713,049 | \$2,760,386 | \$2,706,031 | \$2,734,379 |
| Tangible Common Equity Ratio | A/B | 6.82% | 6.99% | 6.90% | 7.41% | 7.80% |

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) | | 2016 | 2017 | 3Q18 |
|---|-----|----------|----------|----------|
| PRE-TAX PRE-CREDIT COSTS PER DILUTED SHARE | | | | |
| Income Before Income Taxes (GAAP) | | \$17,613 | \$23,066 | \$19,021 |
| Plus: Provision for Loan Losses (GAAP) | | \$819 | \$2,215 | \$2,464 |
| Plus: Other Real Estate Owned Expense (GAAP) | | \$3,649 | \$1,135 | \$1,221 |
| Pre-Tax Pre-Credit Costs (non-GAAP) | A | \$22,081 | \$26,416 | \$22,707 |
| Average Diluted Common Shares (GAAP) | B | 17,061 | 17,013 | 17,102 |
| Pre-Tax Pre-Credit Costs Per Diluted Share | A/B | \$1.29 | \$1.55 | \$1.33 |