FORM 10-Q

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

For the Quarter:
June 30, 1996
Commission File Number 0-13358

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

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

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

Registrant's telephone number, including area code:
(904) 671-0610

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days.

Yes __X___ No _____

At July 31, 1996, 2,871,553 shares of the Registrant's Common Stock, $.01 par value, were outstanding.
CAPITAL CITY BANK GROUP, INC.

I N D E X

PART I. FINANCIAL INFORMATION
ITEM I. FINANCIAL STATEMENTS

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF CONDITION
AS OF JUNE 30, 1996 AND DECEMBER 31, 1995

(Dollars In Thousands, Except Per Share Amounts)

	June 30, 1996 (Unaudited)	December 31, 1995 (Audited)
ASSETS		
Cash and Due From Banks	$59,639	$ 61,613
Federal Funds Sold	53,100	41,150
Interest Bearing Deposits in Other Banks	1,982	300
Investment Securities Available-for-Sale	197,351	230,747
Loans	469,626	447,779
Unearned Interest	(3,076)	(3,806)
Allowance for Loan Losses	(6,409)	(6,474)
Loans, Net	460,141	437,499
Premises and Equipment	26,832	26,240
Accrued Interest Receivable	6,890	7,339
Intangibles	1,011	1,129
Other Assets	8,972	7,642
Total Assets	$815,918	$813,659
LIABILITIES		
Deposits:		
Noninterest Bearing Deposits	$175,776	$168,566
Interest Bearing Deposits	524,264	531,013
Total Deposits	700,040	699,579
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	20,781	17,367
Other Short-Term Borrowings	1,931	2,400
Long-Term Debt	1,927	1,982
Other Liabilities	7,829	11,173
Total Liabilities	732,508	732,501
SHAREHOLDERS' EQUITY		
Common Stock, $.01 par value; 30,000,000 shares authorized; 2,862,296 shares outstanding at June 30, 1996 and 2,853,716 outstanding at December 31, 1995	29	29
Additional Paid In Capital	4,162	3,913
Retained Earnings	80,052	76,248
Net Unrealized Gain (Loss) on Available-for-Sale Securities	(833)	968
Total Shareholders' Equity	83,410	81,158
Total Liabilities and Shareholders' Equity	$815,918	$813,659
Book Value Per Share	$ 29.14	$ 28.44

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

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIODS ENDED JUNE 30

(Dollars in Thousands, Except Per Share Amounts)

	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	1996	1995	1996	1995
INTEREST INCOME				
Interest and Fees on Loans	$10,784	$10,062	$21,459	$19,799
Investment Securities:				
U. S. Treasury	985	1,032	2,029	2,119
U. S. Government Agencies/Corp.	993	744	2,004	1,300
States and Political Subdivisions	878	857	1,782	1,696
Other Securities	71	61	140	128
Federal Funds Sold	430	834	888	1,312
Total Interest Income	14,141	13,590	28,302	26,354
INTEREST EXPENSE				
Deposits	4,593	5,064	9,363	9,269
Fed. Funds Purchased & Securities Sold Under Repurchase Agreements	257	303	540	528

Long-Term Borrowings	29	-	59	-
Other Short-Term Debt	9	12	21	24
Total Interest Expense	4,888	5,379	9,983	9,821
Net Interest Income	9,253	8,211	18,319	16,533
Provision for Loan Losses	262	17	523	291
Net Interest Income After Provision for Loan Losses	8,991	8,194	17,796	16,242
NONINTEREST INCOME				
Income from Fiduciary Activities	252	165	540	502
Service Charges on Deposit Accounts	1,630	1,407	3,149	2,730
Data Processing	845	780	1,512	1,386
Securities Transactions	4	-	16	-
Other	1,095	896	2,167	1,985
Total Noninterest Income	3,826	3,248	7,384	6,603
NONINTEREST EXPENSE				
Salaries and Employee Benefits	4,746	4,464	9,531	8,906
Occupancy, Net	609	628	1,226	1,219
Furniture and Equipment	972	790	1,863	1,631
Other	2,525	2,571	5,010	5,058
Total Noninterest Expense	8,852	8,453	17,630	16,814
Income Before Income Tax	3,965	2,989	7,550	6,031
Income Tax Expense	1,183	828	2,201	1,682
NET INCOME	$ 2,782	$ 2,161	$ 5,349	$ 4,349
Net Income Per Share	$ .97	$ .75	$ 1.87	$ 1.52
Cash Dividends Per Share	$ .27	$ .11	$ .54	$ .11
Average Shares Outstanding	2,862,292	2,853,680	2,861,136	2,852,756

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

CAPITAL CITY BANK GROUP, INC.
STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIODS ENDED JUNE 30
(Dollars In Thousands)

	1996 (Unaudited)	1995 (Unaudited)
NET INCOME	$ 5,349	$ 4,349
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Provision for Loan Losses	523	291
Depreciation	1,245	1,188
Net Amortization (Accretion)	555	674
Amortization of Intangible Assets	118	133
Non-Cash Compensation	90	72
Net (Increase) Decrease in Interest Receivable	449	(1,045)
Net (Increase) Decrease in Other Assets	(1,330)	1,466
Net Increase (Decrease) in Other Liabilities	(2,224)	1,332
Net Cash From Operating Activities	4,775	8,460
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Payments/Maturities of Investment Securities-Held to Maturity	-	20,368
Proceeds from Payments/Maturities of Investment Securities-Available for Sale	55,884	7,435
Purchase of Investment Securities-Held to Maturity	-	(25,382)
Purchase of Investment Securities-Available for Sale	(23,450)	(12,450)
Net (Increase) Decrease in Loans	(23,166)	(6,315)
Purchase of Premises & Equipment	(1,841)	(2,585)
Sales of Premises & Equipment	4	22
Net Cash from Investing Activities	7,431	(18,907)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Increase (Decrease) in Deposits	461	18,339
Net Increase (Decrease) in Federal Funds Purchased	3,414	6,288
Net Increase (Decrease) in Other Borrowed Funds	(469)	631
Repayment of Long-Term Debt	(55)	-
Dividends Paid	(4,085)	(2,277)
Issuance of Common Stock	186	220

Net Cash From Financing Activities	(548)	23,201
Net Increase (Decrease) in Cash and Cash Equivalents	11,658	12,754
Cash and Cash Equivalents at Beginning of Period	103,063	89,067
Cash and Cash Equivalents at End of Period	$ 114,721	$ 101,821
Supplemental Disclosure:		
Interest Paid	$11,366	$8,837
Taxes Paid	$ 1,988	$1,542

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

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

(1) MANAGEMENT'S OPINION AND ACCOUNTING POLICIES

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

In the opinion of management, the consolidated financial statements contain all adjustments, which are those of a recurring nature, and disclosures necessary to present fairly the financial position of the Company as of June 30, 1996 and December 31, 1995, and the results of operations for the three and six month periods ended June 30, 1996 and 1995, and cash flows for the six month period ended June 30, 1996 and 1995.

The Company and its subsidiaries follow generally accepted accounting principles and reporting practices applicable to the banking industry. The principles which materially affect its financial position, results of operations and cash flows are set forth in Notes to Financial Statements which are included in the Company's 1995 Annual Report and Form 10K.

(2) INVESTMENT SECURITIES

The carrying value and related market value of investment securities at June 30, 1996 and December 31, 1995 were as follows (dollars in thousands):

	June 30, 1996			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$ 50,694	$ 129	$ 123	$ 50,700
U. S. Government Agencies and Corporations	66,081	13	1,025	65,069
States and Political Subdivisions	73,770	435	603	73,602
Mortgage Backed Securities	4,110	10	93	4,027
Other Securities	3,959	5	11	3,953
Total	$198,614	$ 592	$ 1,855	$197,351

	December 31, 1995			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U.S. Treasury	$ 72,289	$ 470	$ 54	$ 72,705
U.S. Government Agencies and Corporations	70,883	264	96	71,051
States and Political Subdivisions	75,986	1,037	143	76,880
Mortgage Backed Securities	5,965	47	26	5,986
Other Securities	4,107	19	1	4,125
Total	$ 229,230	$ 1,837	$ 320	$230,747

(3) LOANS

The composition of the Company's loan portfolio at June 30, 1996 and December 31, 1995 was as follows (dollars in thousands):

	June 30, 1996	December 31, 1995
Commercial, Financial and Agricultural	$ 50,935	$ 46,149
Real Estate-Construction	27,673	28,391
Real Estate-Mortgage	270,190	259,503
Consumer	120,828	113,736
Gross Loans	$469,626	$447,779

(4) ALLOWANCE FOR LOAN LOSSES

An analysis of the changes in the allowance for loan losses for the six month period ended June 30, 1996 and 1995, is as follows (dollars in thousands):

	June 30, 1996	June 30, 1995
Balance, Beginning of the Period	$ 6,474	$ 7,551
Provision for Loan Losses	523	291
Recoveries on Loans Previously Charged-Off	306	297
Loans Charged-Off	894	795
Balance, End of Period	$ 6,409	$ 7,344

Impaired loans are primarily defined as all nonaccruing loans for the loan categories which are included within the scope of SFAS 114. Nonaccruing loans at June 30, 1996 were $1.2 million compared to $4.7 million at December 31, 1995.

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

(5) DEPOSITS

The composition of the Company's interest bearing deposits at June 30, 1996 and December 31, 1995 was as follows (dollars in thousands):

	June 30, 1996	December 31, 1995
NOW Accounts	$110,260	$122,517
Money Market Accounts	86,605	67,942
Savings Deposits	77,002	78,522
Other Time Deposits	250,397	262,032
Total Interest Bearing Deposits	$524,264	$531,013

(6) SUBSEQUENT EVENT

On July 1, 1996, Capital City Bank Group, Inc. (the "Company"), consummated its acquisition of First Financial Bancorp, Inc. a Florida corporation ("First Financial"), parent company to First Federal Bank, Tallahassee, Florida. At June 30, 1996, First Financial had assets of approximately $243.7 million, deposits of approximately $205.1 million and stockholders' equity of approximately $15.3 million.

(7) RECLASSIFICATION

Pursuant to current state laws, treasury shares are treated as authorized, but unissued. Accordingly, the Company canceled all existing treasury shares and recorded the cancellation as charges to paid-in capital and retained earnings and a credit to treasury stock. At the time the shares previously recorded as treasury shares were originally issued, (January 1, 1984), the book value per share was $8.57. Upon cancellation of the treasury shares, the book value of $8.57 was used to reduce the capital stock accounts ($.01 per share for common stock and $8.56 per share for additional paid-in-capital), and the difference between $8.57 and the cost per share at which the treasury shares were repurchased was charged to retained earnings. All prior period statements presented herein have been reclassified to reflect the cancellation of treasury shares and to conform with current period presentation.

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

The following discussion sets forth the major factors that have affected the Company's financial condition and results of operations and should be read in conjunction with the accompanying financial statements. The year-to-date averages used in this report are based on daily balances for each respective period.

RESULTS OF OPERATIONS

Net Income

Net income was $2.8 million, or $.97 per share for the second quarter of 1996, a per share increase of 29.3% over the $2.2 million, or $.75 per share for the comparable period in 1995. Net income was $5.3 million, or $1.87 per share for the six months ended June 30, 1996, a per share increase of 23.0% over the $4.3 million, or $1.52 per share for comparable period in 1995. Operating revenue, which includes net interest income and noninterest income, increased $2.6 million, or 11.1%, over the first half of 1995, and was the most significant factor contributing to the increase in earnings.

	For The Three Months Ended June 30,	For The Six Months Ended June 30,

	1996	1995	1996	1995
Interest and Dividend Income	$14,141	$13,590	$28,302	$26,354
Taxable Equivalent Adjustment(1)	429	389	870	779
	14,570	13,979	29,172	27,133
Interest Expense	4,888	5,379	9,983	9,821
Net Interest Income (FTE)	9,682	8,600	19,189	17,312
Provision for Loan Losses	262	17	523	291
Taxable Equivalent Adjustment	429	389	870	779
Net Int. Inc. After Provision	8,991	8,194	17,796	16,242
Noninterest Income	3,826	3,248	7,384	6,603
Noninterest Expense	8,852	8,453	17,630	16,814
Income Before Income Taxes	3,965	2,989	7,550	6,031
Income Taxes	1,183	828	2,201	1,682
Net Income	$ 2,782	$ 2,161	$ 5,349	$ 4,349
Percent Change Over Comparable Prior Year Period	28.74%	(9.47%)	22.99%	(8.19%)
Return on Average Assets (2)	1.42%	1.13%	1.36%	1.17%
Return on Average Equity (2)	13.33%	11.40%	13.05%	11.73%

(1) Computed using a statutory tax rate of 34%
(2) Annualized

Net Interest Income

Second quarter taxable equivalent net interest income increased $1.1 million or 12.6%, over the comparable quarter in 1995. Taxable equivalent net interest income for the first half of 1996 increased $1.9 million, or 10.8%, over the first half of 1995. The increase in both periods is attributable to an improvement in the Company's net interest margin which has been bolstered by loan growth and a reduction in the cost of funds. Table I on page 13 provides a comparative analysis of the Company's average balances and interest rates.

For the three and six month periods ended June 30, 1996, taxable-equivalent interest income increased $591,000, or 4.2%, and $2.0 million, or 7.5%, respectively, over the comparable prior year periods. Interest income has increased due to growth in earning assets and, in particular, loan growth. Loans during the first half of 1996 averaged $458.6 million, representing an increase of $31.6 million, or 7.4%, over the comparable period in 1995, and loans as a percent of average earning assets increased to 65.1% from 63.8%. This shift in the mix lead to a 16 basis point increase in the yield on earning assets during the first six months of 1996 as compared to the comparable prior year period.

Interest expense through the first six months of 1996 has increased $162,000, or 1.6%, over the first half of 1995. However, second quarter interest expense decreased $491,000 or 9.1%, over the comparable quarter in 1995. The decrease in the second quarter of 1996 is due to lower rates paid on the Company's deposits, including both transaction and time accounts, and repricing of approximately $31.0 million in promotional certificates of deposit which were issued late in the first quarter of 1995. During the second quarter of 1996, the average rate paid on interest bearing liabilities fell to 3.68% from 3.83% in the first quarter of 1996 and 4.12% in the second quarter of 1995.

The Company's interest rate spread (defined as the average taxable equivalent yield on earning assets less the average rate paid on interest bearing liabilities) increased from 4.29% in the first half of 1995 to 4.57% in the comparable 1996 period. The Company's net interest margin percentage (defined as taxable-equivalent net interest income divided by average earning assets) increased from 5.21% in the first half of 1995 to 5.47% in the first half of 1996.

Provision for Loan Losses

The provision for loan losses was $262,000 and $523,000, respectively, for the three and six month periods ended June 30, 1996, compared to $17,000 and $291,000 for the comparable periods in 1995. As a result of improving credit quality and continued low net charge-off levels, management discontinued recording a loan loss provision during the second quarter of 1995 and did not resume the provision until the first quarter of 1996. The provision recorded during the first six months of 1996 approximates net charge-offs. For a discussion of the Company's nonperforming loans, see the section entitled "Financial Condition".

As of June 30, 1996, the allowance for loan losses totaled $6.4 million compared to $7.3 million at June 30, 1995. The allowance as a percent of loans, represented 1.37% and 1.72% at the end of each respective period. Although the allowance for the loan losses has declined over the prior year, it is management's opinion, based on the low level of nonperforming loans and net charge-offs, and current economic conditions, that the allowance of $6.4

million, or 1.37% of period-end loans, is sufficient to provide for losses inherent in the loan portfolio at June 30, 1996.

Charge-off activity for the respective periods is set forth below.

	Three Months Ended 6/30/96	Three Months Ended 6/30/95	Six Months Ended 6/30/96	Six Months Ended 6/30/95
Net Charge-Offs	$283,000	$393,000	$588,000	$498,000
Net Charge-Offs (Annualized) as a percent of Average Loans Outstanding, Net of Unearned Interest	.24%	.36%	.26%	.23%

Noninterest Income

Noninterest income increased $578,000, or 17.8%, in the second quarter of 1996 versus the comparable quarter for 1995, and $781,000, or 11.8%, for the six months ended June 30, 1996 versus the comparable period for 1995. The increase in noninterest income is attributable to a greater focus on revenue growth and several initiatives undertaken by management, including the implementation of recommendations resulting from a profit enhancement program conducted in 1995. On a prospective basis, fees for deposit services were increased effective July 1, 1996, which will further bolster growth in noninterest revenues.

Service charges on deposit accounts increased $223,000, or 15.8%, and $419,000, or 15.3%, over the comparable three and six month periods for 1995. The increase primarily reflects a higher level of activity subject to service charge assessments and tighter controls over waived fees.

Data processing revenues increased $65,000, or 8.3%, and $126,000, or 9.1%, respectively, over the comparable three and six month periods in 1995. The increase primarily reflects higher revenues associated with processing for third party banks.

In the second quarter of 1996, income from fiduciary services increased $87,000, or 52.7%, as compared to the second quarter of 1995. A price increase, growth in assets under management and the collection of estate fees all contributed to the higher revenues during the second quarter. In January 1995, the Company changed its method of income recognition for Capital City Trust Company ("CCTC") from cash to accrual. This change resulted in a one-time adjustment which inflated CCTC revenues during the first quarter of 1995. Despite the significant increase in revenues during the second quarter, year-to-date revenues are only up $38,000, or 7.6%, as a result of the one-time adjustment recognized during 1995.

Other income increased $199,000, or 22.2%, and $182,000, or 9.2%, respectively, for the three and six month periods ended June 30, 1996 over the comparable prior year periods. Mortgage origination fees increased $68,000 or 43.6% due to higher volume and check printing income increased $46,000, or 34.8%, due to a renegotiation of the contract which went into effect in March 1996. Additionally, other fees and commissions were up $61,000, or 18.9%.

Noninterest income as a percent of average earning assets was 2.1% for the first half of 1996 versus 2.0% for the comparable quarter in 1995.

Noninterest Expense

Noninterest expense increased $399,000, or 4.7%, and $816,000, or 4.9%, respectively, over the comparable three and six month periods in 1995. Through the first six months, compensation expense increased $625,000, or 7.0%, reflecting annual raises and an increase in full-time equivalent employees of 15.

Occupancy expense, including premises, furniture, fixtures and equipment increased $163,000, or 11.5%, and $239,000, or 8.4%, respectively, over the comparable three and six month periods in 1995. The increase is attributable to depreciation, repairs/maintenance and other related expenses which were up over the prior year by $57,000, $102,000 and $79,000, respectively.

Other noninterest expense decreased $48,000, or .9%, during the first six months of 1996. The overall decrease reflects a $720,000 reduction in FDIC insurance premiums. Higher costs associated with legal and professional fees, ORE expenses/losses, fraud losses and courier service offset a significant portion of the favorable reduction in insurance premiums.
Annualized net noninterest expense (noninterest income minus noninterest expense) as a percent of average assets was 2.61% in the first half of 1996 versus 2.74% for the first half of 1995. The decrease in this percentage is attributable to the growth in noninterest income.

Income Taxes

The provision for income taxes increased $355,000, or 42.8%, during the second quarter and $519,000, or 30.9%, during the first six months of 1996. The increase in the provision over the prior year is attributable to higher taxable income. The Company's effective tax rate for the first half of 1996 was 29.2% versus 27.9% for the comparable period in 1995. The increase in the effective tax rate is attributable to a decrease in tax exempt income as a percent of taxable income in the first half of 1996 as compared to the first half of 1995.

FINANCIAL CONDITION

The Company's average assets increased to $790.9 million in the first half of 1996 from $751.0 million in the first half of 1995. Average earning assets were $704.7 million for the six months ended June 30, 1996 versus $669.8 million for the comparable period in 1995. Average loans were up $31.6 million, or 7.4%, over the comparable six month period in 1995. The increase in loans was funded primarily through an increase in average deposits which grew by $25.8 million or 4.0%. Average U.S. Government securities increased $7.3 million, or 5.8%, while average municipal securities increased $6.3 million, or 9.2%. Table I on page 13, presents average balances for the three and six month periods of 1996 and 1995.

The investment portfolio is a significant component of the Company's operations and, as such, it functions as a key element of liquidity and asset/liability management. Securities in the Available-for-Sale portfolio are recorded at fair value and unrealized gains and losses associated with these securities are recorded, net of tax, as a separate component of shareholders' equity. At June 30, 1996, shareholders' equity included a net unrealized loss of $833,000 compared to a gain of $968,000 at December 31, 1995. The reduction in value reflects the rise in interest rates which began late in the first quarter of 1996.

Average loans increased $31.6 million reflecting growth primarily in the catagories of real estate mortgage and consumer loans. Based on the averages for the first half of 1996, loans as a percent of earning assets increased to 65.1% from 63.8% in 1995, which had a favorable impact on the Company's net interest margin. For the second quarter of 1996, this percentage increased further to 66.0%.

At June 30, 1996, the Company's nonperforming loans were $1.2 million versus $4.7 million at year-end 1995. As a percent of nonperforming loans, the allowance for loan losses represented 542.2% at June 30, 1996 versus 126.6% at year-end 1995. Nonperforming loans include nonaccruing and restructured loans. Other real estate, which includes property acquired either through foreclosure or by receiving a deed in lieu of foreclosure, was $1.1 million at June 30, 1996, versus $1.0 million at December 31, 1995. The ratio of nonperforming assets to loans plus other real estate was .48% at June 30, 1996 compared to 1.28% at December 31, 1995.

Average deposits increased to $673.5 million for the first half of 1996, from $647.7 million for the first half of 1995. The growth in deposits was primarily driven by deposit promotions which were initiated by the Company during the second and fourth quarters of 1995. As a result of these promotions, certificates of deposit represented $14.8 million, or 57.4%, of the $25.8 million growth in average total deposits. Certificates of deposit, as a percent of average total deposits, increased to 37.8% for the first half of 1996 from 36.9% for the comparable period in 1995.

The ratio of average noninterest bearing deposits to total deposits was 24.4% for the first half of 1996 and 1995. For the same periods, the ratio of average interest bearing liabilities to average earning assets was 75.9% and 76.3%, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity, for a financial institution, is the availability of funds to meet increased loan demand and/or excessive deposit withdrawals. Management has implemented a financial structure that provides ready access to sufficient liquid funds to meet normal transaction requirements, take advantage of investment opportunities and cover unforeseen liquidity demands. In addition to core deposit growth, sources of funds available to meet liquidity demands for the subsidiary banks include federal funds sold, near-term loan and investment maturities, including the "Available-for-Sale" investment portfolio, and the ability to purchase federal funds through established lines of credit with correspondent banks. Additionally, the parent company maintains a $25 million revolving line of credit. As of June 30, 1996, there was no debt outstanding under this credit facility. However, on July 1, the Company borrowed $15.0 million to fund the acquisition of First Financial Bancorp, Inc. (See Item V)

The Company's equity capital was $83.4 million as of June 30, 1996, compared to $81.2 million as of December 31, 1995. The Company's management continues to monitor its capital position in relation to its level of assets with the objective of maintaining a strong capital position. The leverage ratio was 10.1% at June 30, 1996 versus 9.8% at December 31, 1995. Further, the Company's risk-adjusted capital ratio of

18.9% significantly exceeds the 8.0% minimum requirement under the risk-based regulatory guidelines.

In 1996, the Board of Directors converted its dividend payment schedule from semi-annual to quarterly. As of June 30, 1996, the Company had declared and paid two quarterly dividends of $.27 each. State and federal regulations as well as the Company's long-term debt agreement place certain restrictions on the payment of dividends by both the Company and its Group banks. At June 30, 1996, these regulations and covenants did not impair the Company's (or its Group banks') ability to declare and pay dividends or to meet other existing obligations.

During the first six months of 1996, shareholders' equity increased $2.3 million, or 5.5%, on an annualized basis. The net increase in shareholders' equity reflects net income of $5.3 million, dividends of $1.6 million and a shift in the Company's unrealized gain(loss) on available-for-sale securities from a gain of $968,000 at December 31, 1995 to a loss of $833,000 at June 30, 1996. The Company's common stock had a book value of $29.14 per share at June 30, 1996 compared to $28.44 at December 31, 1995. Pursuant to the Company's stock repurchase program adopted in 1989, the Company has repurchased 251,563 shares of its common stock, net of shares subsequently reissued. In the first half of 1996, there were no shares repurchased and 8,580 shares were issued, a majority of which were shares issued in accordance with the Company's Associate Stock Purchase Plan.

<TABLE>

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

<CAPTION>

	FOR THREE MONTHS ENDED JUNE 30 1996			1995			FOR SIX MONTHS ENDED JUNE 30 1996			1995		
	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate
ASSETS												
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Loans, Net of Unearned Interest	$464,713	$10,812	9.36%	$431,237	$ 10,069	9.37%	$458,645	$21,521	9.44%	$427,072	$19,818	9.36%
Taxable Investment Securities	132,218	2,049	6.23%	131,823	1,837	5.59%	137,283	4,173	6.11%	130,121	3,547	5.49%
Tax-Exempt Investment Securities	74,361	1,279	6.88%	69,691	1,238	7.11%	75,185	2,589	6.89%	68,845	2,456	7.13%
Funds Sold	32,524	430	5.32%	55,269	834	6.05	33,592	889	5.32%	43,749	1,312	6.05%
Total Earning Assets	703,816	14,570	8.32%	688,020	13,978	8.15%	704,705	29,172	8.32%	669,787	27,133	8.16%
Cash & Due From Banks	50,713			45,953			49,985			48,533		
Allowance for Loan Losses	(6,484)			(7,688)			(6,495)			(7,667)		
Other Assets	42,622			39,142			42,744			40,358		
TOTAL ASSETS	$790,667			$765,427			$790,939			$751,011		
LIABILITIES												
NOW Accounts	$ 95,918	$ 353	1.47%	$ 88,886	$ 461	2.08%	$97,666	$ 783	1.61%	$ 91,148	$ 990	2.19%
Money Market Accounts	84,319	664	3.17%	68,025	518	3.05%	78,268	1,188	3.05%	69,380	1,059	3.08%
Savings Accounts	78,305	399	2.05%	85,047	506	2.39%	78,762	808	2.06%	90,085	1,084	2.43%
Other Time Deposits	250,995	3,177	5.09%	258,336	3,578	5.55%	254,240	6,584	5.21%	239,400	6,135	5.17%
Total Int. Bearing Deposits	509,537	4,593	3.62%	500,294	5,063	4.06%	508,936	9,363	3.70%	490,013	9,268	3.81%
Funds Purchased	21,536	257	4.80%	21,777	303	5.58%	22,772	540	4.77%	19,810	529	5.38%
Other Borrowed Funds	1,279	9	3.15%	1,262	12	3.89%	1,294	21	3.41%	1,256	24	3.85%
Long-Term Debt	1,941	29	6.04%	-	-	-	1,955	59	6.07%	-	-	-
Total Interest Bearing Liabilities	534,293	4,888	3.68%	523,333	5,378	4.12%	534,957	9,983	3.75%	511,079	9,821	3.87%
Noninterest Bearing Deposits	164,218			160,168			164,556			157,733		
Other Liabilities	8,217			5,880			8,962			7,435		
TOTAL LIABILITIES	706,728			689,381			708,475			676,247		
SHAREHOLDERS' EQUITY												
Common Stock	29			29			29			29		
Surplus	4,163			3,912			4,080			3,833		
Retained Earnings	79,747			72,105			78,355			70,902		
TOTAL SHAREHOLDERS' EQUITY	83,939			76,046			82,464			74,764		
TOTAL LIABILITIES & EQUITY	$790,667			$765,427			$790,939			$751,011		
Interest Rate Spread			4.64%			4.03%			4.57%			4.29%
Net interest Income		$9,682			$8,600			$19,189			$17,312	
Net Interest Margin			5.53%			5.02%			5.47%			5.21%

(1) Average balances include nonaccrual loans. Interest income includes fees on loans of approximately $ 480,000 and

$ 956,000,
for the three and six months ended June 30, 1996, versus $ 238,000 and $697,000, for the comparable periods ended June 30, 1995.
(2) Interest income includes the effects of taxable equivalent adjustments using a 34% tax rate.
</TABLE>

PART II. OTHER INFORMATION

Items 1-3.

Not applicable

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Shareholders of Capital City Bank Group, Inc. was held on April 30, 1996. Proxies for the meeting were solicited pursuant to Regulation 14A under the Securities Exchange Act of 1934, and there was no solicitation in opposition to management's solicitations. The following summarizes all matters voted upon at this meeting.

(1) To fix the number of directors to be elected at seven (7) and the election of the seven (7) persons listed as a group:

(1) DuBose Ausley
(2) Thomas A. Barron
(3) Cader B. Cox, III
(4) John K. Humphress
(5) Payne H. Midyette, Jr.
(6) Godfrey Smith
(7) William G. Smith, Jr.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,426,363	1,113	0

(2) To approve the Company's 1996 Associate Incentive Plan.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,405,558	21,918	0

(3) To approve and adopt an amendment to the Articles of Incorporation of the Company to increase the number of authorized shares of the Company's common stock to 30,000,000 and to authorize 3,000,000 shares of preferred stock, which preferred stock would have rights and preferences to be determined by the Board of Directors.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,416,824	4,215	6,437

(4) To approve and adopt amendments to the Articles of Incorporation of the Company governing certain rights of shareholders; specifically, to (a) establish a classified Board of Directors beginning with the 1997 Annual Meeting of Shareholders; (b) provide that the shareholders of the Company may act only at a duly and validly called meeting and not by written consent; (c) provide that only (i) a majority of the total number of authorized directors on the Board of Directors (calculated without regard to any vacant positions) or (ii) the holders of not less than fifty percent (50%) of all the votes entitled to be cast on any issue at a special meeting of shareholders, may call such a special meeting; and (d) amend the procedures that shareholders must follow in order to nominate directors.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,423,094	2,650	1,732

(5) To approve and adopt an amendment to the Articles of Incorporation of the Company to specify factors to be considered by the Board of Directors in evaluating acquisition offers.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,423,550	2,372	1,554

(6) To approve and adopt an amendment to the Articles of Incorporation of the Company to require obligatory indemnification of the Company of its officers and directors in certain instances.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,417,421	2,695	7,360

(7) To approve and adopt amendments to the Articles of Incorporation of the Company to increase certain shareholder voting requirements; specifically, to (a) provide that the affirmative vote of at least two-thirds (66 2/3%) of the outstanding shares of the Company's Common Stock, or a majority of such shares if a majority of disinterested directors also approve, is required to amend or to repeal several of the articles or to adopt any provision inconsistent therewith; and (b) provide that members of the Board of Directors may be removed, other than in connection with the annual election of directors, only for cause and then only by affirmative vote of at least two-thirds (66 2/3%) of the outstanding shares of common stock.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,419,880	1,368	6,228

(8) To ratify the appointment of Arthur Andersen as auditors for the Company for the fiscal year ending December 31, 1996.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,425,693	269	1,514

(9) In the discretion of the proxies named above, to approve such other business as may be brought before the meeting or any adjournment thereof.

NUMBER OF VOTES CAST

FOR	AGAINST/ WITHHELD	ABSTENTIONS/ BROKER NON-VOTES
2,419,491	2,197	5,788

Item 5. Other Information

On July 1, 1996, Capital City Bank Group, Inc. (the Company), consummated its acquisition of First Financial Bancorp, Inc. a Florida corporation (First Financial), parent company to First Federal Bank, Tallahassee, Florida. Pursuant to the terms of the Agreement and Plan of Merger dated December 10, 1995, each share of common stock of First Financial issued and outstanding on July 1, 1996 was converted into the right to receive from the Company $22.00 in cash. Total consideration paid to First Financial common stockholders and holders of options to acquire First Financial common stock was $20.3 million. During the fourth quarter, First Federal bank will be combined with and into Capital City Bank, a wholly owned subsidiary of the Company. Prior to consummation of the merger, First Financial, through First Federal Bank conducted business from its headquarters and main office in Tallahassee, Florida and four other full service offices in northern and west-central Florida. At June 30, 1996, First Financial had assets of approximately $243.7 million, deposits of approximately $205.1 million and stockholders' equity of approximately $15.3 million.

Item 6. Exhibits and Reports on Form 8-K

(A) Exhibits

3G) Amended and Restated Articles of Incorporation of Capital City Bank Group, Inc., dated as of May 1, 1996.

27) Financial Data Schedule

(B) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the period ended June 30, 1996.

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

CAPITAL CITY BANK GROUP, INC.
(Registrant)

/S/ J. KIMBROUGH DAVIS
J. Kimbrough Davis
Senior Vice President and
Chief Financial Officer

Date: August 14, 1996

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AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
CAPITAL CITY BANK GROUP, INC.

Pursuant to Sections 607.1003 and 607.1007 of the Florida Business Corporation Act, the Articles of Incorporation of Capital City Bank Group, Inc., a Florida corporation (the "Corporation"), are hereby amended and restated in their entirety as follows:

ARTICLE I

Name, Principal Place of Business and Registered Agent

The name of the Corporation is Capital City Bank Group, Inc. The principal place of business of this Corporation shall be 217 North Monroe Street, Tallahassee, Florida 32301. The name of the registered agent is J. Kimbrough Davis at 217 North Monroe Street, Tallahassee, Florida 32301.

ARTICLE II

Purpose

The purpose for which the Corporation is organized is to engage in or transact any and all lawful activities or business for which a corporation may be incorporated under the laws of the State of Florida.

ARTICLE III

Capital Stock

The aggregate number of shares of all classes of capital stock which this Corporation shall have authority to issue is Thirty-Three Million (33,000,000), consisting of (i) Thirty Million (30,000,000) shares of common stock, par value $.01 per share (the "Common Stock"), and (ii) Three Million (3,000,000) shares of preferred stock, par value $.01 per share (the "Preferred Stock").

The designation and the preferences, limitations and relative rights of the Common Stock and the Preferred Stock of the Corporation are as follows:

A. Provisions Relating to the Common Stock.

1. Except as otherwise required by law or as may be provided by the resolutions of the Board authorizing the issuance of any class or series of Preferred Stock, as hereinbelow provided, all rights to vote and all voting power shall be vested exclusively in the holders of the Common Stock.

2. Subject to the rights of the holders of the Preferred Stock, the holders of the Common Stock shall be entitled to receive when, as and if declared by the Board, out of funds legally available therefor, dividends payable in cash, stock or otherwise.

3. Upon any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, and after the holders of the Preferred Stock shall have been paid in full the amounts to which they shall be entitled (if any) or a sum sufficient for such payment in full shall have been set aside, the remaining net assets of the Corporation shall be distributed pro rata to the holders of the Common Stock in accordance with their respective rights and interests.

B. Provisions Relating to the Preferred Stock.

1. The Preferred Stock may be issued from time to time in one ormore classes or series, the shares of each class or series to have such designations and powers, preferences and rights, and qualifications, limitations and restrictions thereof as are stated and expressed herein and in the resolution or resolutions providing for the issue of such class or series adopted by the Board of Directors as hereinafter prescribed.

2. Authority is hereby expressly granted to and vested in the Board to authorize the issuance of the Preferred Stock from time to time in one or more classes or series, to determine and take necessary proceedings fully to effect the issuance and redemption of any such Preferred Stock and, with respect to each class or series of the Preferred Stock, to fix and state by the resolution or resolutions from time to time adopted providing for the issuance thereof the following:

a. Whether or not the class or series is to have voting rights, full or limited, or is to be without voting rights;

b. The number of shares to constitute the class or series and the designations thereof;

c. The preferences and relative, participating, optional or other special rights, if any, and the qualifications, limitations or restrictions thereof, if any, with respect to any class or series;

d. Whether or not the shares of any class or series shall be redeemable and if redeemable the redemption price or prices, and the time or times at which and the terms and conditions upon which such shares shall be redeemable and the manner of redemption;

e. Whether or not the shares of a class or series shall be subject to the operation of retirement or sinking funds to be applied to the purchase or redemption of such shares for retirement, and if such retirement or sinking fund or funds be established, the annual amount thereof and the terms and provisions relative to the operation thereof;

f. The dividend rate, whether dividends are payable in cash, stoc of the Corporation, or other property, the conditions upon which and the times when such dividends are payable, the preference to or the relation to the payment of the dividends payable on any other class or classes or series of stock, whether or not such dividend shall be cumulative or noncumulative, and if cumulative, the date or dates from which such dividends shall accumulate;

g. The preferences, if any, and the amounts thereof which the holders of any class or series thereof shall be entitled to receive upon the voluntary or involuntary dissolution of, or upon any distribution of the assets of the Corporation;

h. Whether or not the shares of any class or series shall be convertible into, or exchangeable for, the shares of any other class or classes or of any other series of the same or any other class or classes of stock of the Corporation and the conversion price or prices or ratio or ratios or the rate or rates at which such conversion or exchange may be made, with such adjustments, if any, as shall be stated and expressed or provided for in such resolution or resolutions; and

i. Such other special rights and protective provisions with respect to any class or series as the Board may deem advisable.

The shares of each class or series of the Preferred Stock may vary from the shares of any other series thereof in any or all of the foregoing respects. The Board may increase the number of shares of the Preferred Stock designated for any existing class or series by a resolution adding to such class or series authorized and unissued shares of the Preferred Stock not designated for any other class or series. The Board may decrease the number of shares of the Preferred Stock designated for any existing class or series by a resolution, subtracting from such series unissued shares of the Preferred Stock, designated for such class or series, and the shares so subtracted shall become authorized, unissued and undesignated shares of the Preferred Stock.

ARTICLE IV

Existence

The Corporation shall exist perpetually unless sooner dissolved according to law.

ARTICLE V

Management of the Corporation

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and shareholders:

A. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by Statute or by these Amended and Restated Articles of Incorporation or the Bylaws of the Corporation, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

B. Any action required or permitted to be taken by the shareholders of the Corporation must be effected at a duly called Annual or Special Meeting of Shareholders of the Corporation and may not be effected by any consent in writing by such shareholders.

C. Special Meetings of Shareholders of the Corporation may be called by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption) (the "Full Board"), or by the holders of not less than fifty percent (50%) of all the votes entitled to be cast on any issue at the proposed special meeting if such holders of stock sign, date and deliver to the Corporation's Secretary one or more written demands for the meeting describing the purpose or purposes for which the special meeting is to be held.

ARTICLE VI

Number of Directors; Vacancies and Removal

A. The initial number of directors of the Corporation shall be seven (7). The number of directors may be either increased or diminished from time to time in the manner provided in the Bylaws, but shall never be less than one (1) nor more than twenty-five (25). Commencing with the 1997 annual meeting of shareholders, the directors shall be divided into three classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third (33 1/3%) of the Full Board. The term of the Class I directors shall terminate on the date of the 1998 annual meeting of shareholders, the term of the Class II directors shall terminate on the date of the 1999 annual meeting of shareholders and the term of the Class III directors shall terminate on the date of the 2000 annual meeting of shareholders. At each annual meeting of shareholders beginning in 1998, successors to the class of directors whose term expires at that annual meeting shall be elected for a three (3) year term. If the number of directors has changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional directors of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

B. A director shall hold office until the annual meeting for the year in which his term expires and until his successors shall be elected and shall qualify, subject, however, to the director's prior death, resignation, retirement, disqualification or removal from office. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any vacancy on the Board of Directors, howsoever resulting (including vacancies created as a result of a resolution of the Board of Directors increasing the authorized number of directors), may be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy shall hold office for a term that shall coincide with the term of the class to which such director shall have been elected.

C. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any directors, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds (66 2/3%) of the voting power of all of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors. "Cause" shall be defined as a breach of fiduciary duty involving personal dishonesty, an intentional failure to perform stated duties as a director which results in substantial loss to the Corporation or a willful violation of any law, rule, regulation or final cease and desist order which results in substantial loss to the Corporation.

D. Advance notice of shareholder nominations for the election of directors and of business to be brought by shareholders before any meeting of the shareholders of the Corporation shall be given in the manner provided in Article VII herein and the Bylaws of the Corporation.

ARTICLE VII
Shareholder Nomination of Director Candidates

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board at an annual or special meeting of shareholders may be made (i) by or at the direction of the Board by any nominating committee of or person appointed by the Board or (ii) by any shareholder of the Corporation entitled to vote for the election of directors at the meeting who complies with the procedures set forth in this Article VII; provided, however, that nominations of persons for election to the Board at a special meeting may be made only if the election of directors is one of the purposes described in the special meeting notice required by Section 607.0705 of the Florida Business Corporation Act. Nominations of persons for election at annual meetings, other than nominations made by or at the direction of the Board, including by any nominating committee, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not less than one hundred twenty (120) days nor more than one hundred eighty (180) days in advance of the date of the Corporation's notice of annual meeting provided with respect to the previous year's annual meeting; provided, however, that if no annual meeting was held in the previous year or the date of the annual meeting has been changed to be more than thirty (30) calendar days earlier than the date contemplated by the previous year's proxy statement, such notice by the shareholder to be timely must be received no later than the close of business on the tenth (10th) day following the date on which notice of the date of the annual meeting is given to shareholders or made public, whichever first occurs. Such shareholder's notice to the Secretary shall set forth (a) as to each person whom the shareholder proposes to nominate for election or re-election as a director at the annual meeting; (i) the name, age, business address and residence address of the proposed nominee, (ii) the principal occupation or employment of the proposed nominee, (iii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the proposed nominee, and (iv) any other information relating to the proposed nominee that is required to be disclosed in solicitations for proxies for election of directors pursuant to Rule 14a under the Securities Exchange Act of 1934, as amended; and (b) as to the shareholder giving the notice of nominees for election at the annual meeting, (i) the name and record address of the shareholder, and (ii) the class and number of shares of capital stock of the Corporation which are beneficially owned by the shareholder. The Corporation may require any proposed nominee for election at an annual or special meeting of shareholders to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein. The Chairman of the meeting shall, if the facts warrant, determine and declare in the meeting that a nomination was not made in accordance with the requirements of this Article VII, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

ARTICLE VIII

Acquisition Offers

The Board of Directors of the Corporation shall consider all factors it deems relevant in evaluating any proposed tender offer or exchange offer for the Corporation or any Subsidiary's stock, any proposed merger or consolidation of the Corporation or a Subsidiary with or into another entity and any proposal to purchase or otherwise acquire all or substantially all the assets of the Corporation or any Subsidiary. The Board of Directors shall evaluate whether the proposal is in the best interests of the Corporation and its subsidiaries by considering the best interests of the shareholders and other factors the directors determine to be relevant, including the social, legal and economic effects on employees, customers, depositors, and communities served by the Corporation and any Subsidiary. The Board of Directors shall evaluate the consideration being offered to the shareholders in relation to the then current market value of the Corporation or any Subsidiary in a freely negotiated transaction, and the Board of Directors' estimate of the future value of stock of the Corporation or any Subsidiary as an independent entity.

ARTICLE IX

Indemnification

Provided the person proposed to be indemnified satisfies the requisite standard of conduct for permissive indemnification by a corporation as specifically set forth in the applicable provisions of the Florida Business Corporation Act (currently, Sections 607.0850(1) and (2) of the Florida Statutes), as the same may be amended from time to time, the Corporation shall indemnify its officers and directors, and may indemnify its employees and agents, to the fullest extent permitted by the provisions of the Florida Business Corporation Act and the Bylaws of the Corporation, as the same may be amended and supplemented, from and against any and all of the expenses or liabilities incurred in defending a civil or criminal proceeding, or other matters referred to in or covered by said provisions, including advancement of expenses prior to the final disposition of such proceedings and amounts paid in settlement of such proceedings, both as to action in his or her official capacity and as to action in another capacity while an officer, director, employee or other agent. The indemnification provided for herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of shareholders or Disinterested Directors or otherwise. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs and personal representatives of such a person. Except as otherwise required by law, an adjudication of liability shall not affect the right to indemnification for those indemnified.

ARTICLE X

Amendment

The Corporation reserves the right to amend or repeal any provision contained in these Amended and Restated Articles of Incorporation in the manner prescribed by the laws of the State of Florida and all rights conferred upon shareholders are granted subject to this reservation; provided, however, that, notwithstanding any other provision of these Amended and Restated Articles of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any votes of the holders of any class or series of the stock of this Corporation required by law or by these Amended and Restated Articles of Incorporation, the affirmative vote of (a) the holders of at least two-thirds (66 2/3%) of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class; or (b) a majority of "Disinterested Directors", as defined in Florida Statutes Section 607.0901(1)(h) as in effect on the date hereof, and the holders of at least a majority of the voting power of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal any of Articles V, VI, VII, VIII, IX and X.

IN WITNESS WHEREOF, the undersigned, for the purpose of amending and restating the Corporation's Articles of Incorporation pursuant to the laws of the State of Florida, has executed these Amended and Restated Articles of Incorporation as of May 1, 1996.

CAPITAL CITY BANK GROUP, INC.

/s/ William G. Smith, Jr.
William G. Smith, Jr.
President

CERTIFICATE
RE
AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
CAPITAL CITY BANK GROUP, INC.

Capital City Bank Group, Inc., a Florida corporation (the "Corporation"), hereby certifies, pursuant to and in accordance with Section 607.1007 of the Florida Business Corporation Act for the purpose of filing its Amended and Restated Articles of Incorporation (the "Amended and Restated Articles") with the Department of State of the State of Florida, that:

1. The name of the Corporation is Capital City Bank Group, Inc.

2. The Amended and Restated Articles contain certain amendments to the Corporation's Articles of Incorporation which require shareholder approval, and the Amended and Restated Articles were unanimously adopted and approved by the Corporation's Board of Directors and, pursuant to Sections 607.0725(6) and 607.1003(5)(b) of the Florida Statutes, by the holders of two-thirds (66_%) of the issued and outstanding shares of the Corporation's Common Stock of the Corporation, which was sufficient for approval and which was the only class of capital stock authorized to vote on such issue, as of April 30, 1996.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of May 1, 1996.

CAPITAL CITY BANK GROUP, INC.

/s/ Willaim G. Smith, Jr.
William G. Smith, Jr.
President