SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the Quarter:
June 30, 1994 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) 224-1171

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, 1994, 2,845,815 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, 1994 AND DECEMBER 31, 1993
(Dollars In Thousands, Except Per Share Amounts)

	June 30, 1994	December 31, 1993

	(Unaudited)	(Audited)
ASSETS		
Cash & Due From Banks	$ 54,976	$56,665
Interest Bearing Deposits at Banks	100	1,257
Investment Securities, Market Value $223,339 and $221,274 as of June 30, 1994 and December 31, 1993, Respectively (Note 2)	226,119	218,623
Federal Funds Sold	38,925	55,970
Loans: (Note 3)	416,802	406,567
Unearned Interest	(6,091)	(7,143)
Allowance for Loan Losses	(7,561)	(7,594)
Loans, Net	403,150	391,830
Premises & Equipment	22,489	20,820
Accrued Interest Receivable	5,603	5,467
Intangible Assets	1,536	1,719
Other Assets	9,281	9,984
TOTAL ASSETS	$762,179	$762,335
LIABILITIES		
Deposits:		
Noninterest Bearing Deposits	156,634	$171,985
Interest Bearing Deposits (Note 4)	510,096	490,760
Total Deposits	666,730	662,745
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	18,460	23,264
Other Short-Term Borrowings	1,000	1,202
Long-Term Debt	900	1,900
Other Liabilities	4,129	6,084
TOTAL LIABILITIES	691,219	695,195
SHAREHOLDERS' EQUITY		
Common Stock, $.01 Par Value; 4,000,000 shares authorized; 3,105,243 issued	31	31
Surplus	5,852	5,857
Unrealized Gains and Losses	(512)	-
Retained Earnings	72,177	67,753
	77,548	73,641
Treasury Stock: 259,428 shares at June 30, 1994 and 255,927 at December 31, 1993	(6,588)	(6,501)
TOTAL SHAREHOLDERS' EQUITY	70,960	67,140
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	762,179	$762,335
Book Value Per Share	$24.93	$23.56

<TABLE>
CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIODS ENDED JUNE 30
(Dollars in Thousands, Except Per Share Amounts)
<CAPTION>

	THREE MONTHS ENDED JUNE		SIX MONTHS ENDED JUNE	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
INTEREST INCOME				
Interest and Fees on Loans	$ 8,650	$8,430	$16,921	$16,391
Investment Securities:				
U. S. Treasury	1,265	1,432	2,555	2,880
U. S. Government Agencies/Corp.	492	412	987	809
States and Political Subdivisions	889	892	1,771	1,738
Other Securities	58	52	138	106
Interest on Deposits in Other Banks	7	25	16	53
Federal Funds Sold	428	467	803	984
Total Interest Income	11,789	11,710	23,191	22,961
INTEREST EXPENSE				
Deposits	3,351	3,619	6,654	7,279
Fed. Funds Purchased & Securities Sold Under Repurchase Agreements	140	126	283	259
Long-Term Borrowings	15	17	35	37
Other Short-Term Debt	8	5	14	12
Total Interest Expense	3,514	3,767	6,986	7,587
Net Interest Income	8,275	7,943	16,205	15,374
Provision for Loan Losses	329	114	659	485
Net Interest Income After Provision for Loan Losses	7,946	7,829	15,546	14,889
NONINTEREST INCOME				
Income from Fiduciary Activities	146	115	337	292
Service Charges on Deposit Accounts	1,365	1,434	2,668	2,811
Data Processing	715	730	1,308	1,272
Securities Transactions	5	(2)	4	6
Other	1,074	660	2,535	1,391
Total Noninterest Income	3,305	2,937	6,852	5,772

NONINTEREST EXPENSE

Salaries and Employee Benefits	4,278	4,072	8,530	7,965
Occupancy, Net	564	527	1,118	1,015
Furniture and Equipment	698	714	1,378	1,411
Other	2,387	2,385	4,800	4,490
Total Noninterest Expense	7,927	7,698	15,826	14,881
Income Before Income Tax and Accounting Change	3,324	3,068	6,572	5,780
Income Tax Expense	937	830	1,835	1,566
Income Before Accounting Change	2,387	2,238	4,737	4,214
Cumulative Effect of a Change in Accounting Principle	-	-	-	(484)
NET INCOME	$2,387	$2,238	$4,737	$3,730
Net Income Per Share Before Accounting Change	$ .84	$ .76	$1.66	$1.44
Net Income Per Share	$ .84	$ .76	$1.66	$1.27
Cash Dividends Per Share	$ .11	$ .10	.11	$ .10

CAPITAL CITY BANK GROUP, INC.
</TABLE>
STATEMENT OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30
(Dollars in Thousands)

	1994 (Unaudited)	1993 (Unaudited)
NET INCOME	$ 4,737	$ 3,730
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Provision for Loan Losses	659	485
Depreciation	836	870
Amortization of Intangible Assets	183	119
Cumulative Effect of Accounting Change	-	484
Net (Increase) Decrease in Interest Receivable	(135)	(232)
Net (Increase) Decrease in Other Assets	697	(900)
Net Increase (Decrease) in Other Liabilities	(136)	304
Net Cash From Operating Activities	6,841	4,860
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Payments/Maturities of Investment Securities	40,032	36,432
Purchase of Investment Securities	(48,040)	(63,034)
Net (Increase) Decrease in Loans	(11,979)	(5,313)
Purchase of Premises & Equipment	(2,560)	(971)
Sales of Premises & Equipment	55	5
Cash Acquired in Bank Acquisitions	-	28,811
Net Cash from Investing Activities	(22,492)	(4,070)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Increase (Decrease) in Deposits	3,986	(19,011)
Net Increase (Decrease) in Federal Funds Purchased	(4,804)	1,706
Net Increase (Decrease) in Other Borrowed Funds	(202)	(10)
Proceeds from Long-Term Debt	-	200
Repayment of Long-Term Debt	(1,000)	(1,000)
Dividends Paid	(2,134)	(1,990)
Sale (Purchase) of Treasury Stock	(86)	(57)
Net Cash From Financing Activities	(4,240)	(20,162)
Net Increase (Decrease) in Cash and Cash Equivalents	(19,891)	(19,372)
Cash and Cash Equivalents at Beginning of Period	113,892	107,271
Cash and Cash Equivalents at End of Period	$94,001	$ 87,899
Supplemental Disclosure:		
Interest Paid	$ 6,913	$ 7,405
Taxes Paid	$ 1,699	$ 1,428

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, 1994 and December 31, 1993, and the results of operations and cash flows for the three and six month periods ended June 30, 1994 and 1993.

The Company and its subsidiaries follow generally accepted accounting principles and reporting practices applicable to the banking industry. The principles which materially affect the financial position, results of operations and cash flows are set forth in Notes to Financial Statements which are included in the Company's 1993 Annual Report and Form 10K.

(2) INVESTMENT SECURITIES

On January 1, 1994, the Company adopted Statement of Financial Accounting Standards No. 115 ("Accounting for Certain Investments in Debt and Equity Securities") and management transferred approximately 30% of the Company's portfolio to the "Available-for-Sale" category. Securities transferred to the Available-for-Sale category on the date the statement was adopted were as follows:

	Amortized Cost
U. S. Treasury	$31,364,293
U. S. Government Agencies and Corporations	6,246,822
States & Political Subdivisions	20,853,825
Mortgage Backed Securities	3,842,192
Other Securities	500,000
Total Available for Sale	$62,807,132

Securities in this category are recorded at fair value with unrealized gains and losses, net of deferred taxes, reported as a separate component of equity capital. At the time the new accounting standard was adopted the Company recorded an unrealized gain, net of deferred taxes, of $847,000. As a result of rising interest rates, the Company had a net unrealized loss of $512,000 at June 30, 1994

Prior to 1994, all securities were held for investment and carried at amortized cost. It is not management's intention nor practice to participate in the trading of securities and sales of securities have been minimal. With the recent change in accounting standards, management believes it is prudent to transfer a portion of its investment portfolio to the available-for-sale category in order to properly manage its liquidity position and interest rate risk. Securities in the available-for-sale portfolio will be recorded at fair value while securities in the held-to-maturity portfolio will continue to be carried at amortized cost.

The carrying value and related market value of investment securities in the held-to-maturity and available-for-sale portfolios at June 30, 1994 and the held-for-investment portfolio at December 31, 1993 were as follows (dollars in thousands):

	June 30, 1994			
Held-To-Maturity	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$ 85,904	$ 32	$ 999	$ 84,937
U.S. Government Agencies and Corporations	24,546	16	821	23,741
States and Political Subdivisions	50,587	419	1,297	49,709
Mortgage Backed Securities	3,282	2	110	3,174
Other Securities	3,046	1	23	3,024
Total	$167,365	$ 470	$ 3,250	$164,585

	June 30, 1994			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$ 25,162	$ 51	$ 204	$25,009
U. S. Government Agencies and Corporations	7,054	14	302	6,766
States and Political Subdivisions	22,282	221	585	21,918
Mortgage Backed Securities	3,151	17	3	3,165
Other Securities	1,896	-	-	1,896
Total	$ 59,545	$ 303	$ 1,094	$ 58,754

	December 31, 1993			
Held-For-Investment	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$111,233	$ 578	$ 88	$111,723
U.S. Government Agencies and Corporations	26,811	185	76	26,920
States and Political Subdivisions	67,070	1,991	112	68,949
Mortgage Backed Securities	8,504	135	6	8,633
Other Securities	5,005	48	4	5,049
Total	$218,623	$ 2,937	$ 286	$221,274

(3) LOANS

The composition of the Company's loan portfolio at June 30, 1994 and December 31, 1993 was as follows (dollars in thousands):

	June 30, 1994	December 31, 1993
Commercial, Financial and Agricultural	$ 43,032	$ 46,963
Real Estate-Construction	24,982	22,968
Real Estate-Mortgage	253,083	242,741
Consumer	95,705	93,895
Gross Loans	$416,802	$406,567

(4) DEPOSITS

The composition of the Company's interest bearing deposits at June 30, 1994 and December 31, 1993 was as follows (dollars in thousands):

	June 30, 1994	December 31, 1993
NOW Accounts	$108,139	$100,184
Money Market Accounts	74,999	77,302
Savings Deposit	109,557	110,128
Other Time Deposits	217,401	203,146
Total Interest Bearing Deposits	$510,096	$490,760

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 $2.4 million, or $.84 per share, for the second quarter of 1994, a 10.5% increase on a per share basis over the comparable period for 1993. Net income was $4.7 million, or $1.66 per share, for the six months ended June 30, 1994, a 30.7% increase on a per share basis over the comparable period in 1993. Earnings for the first half of 1993 included a one-time, non-cash charge of $484,000, or $.17 per share, attributable to the adoption of Financial Accounting Standards Statement No. 109. Other factors which impacted earnings include a higher net interest margin, gains on the sale of real estate and higher noninterest expense. Condensed statements of income for the respective periods are presented below:

	For The Three Months Ended June 30,		For The Six Months Ended June 30,	
	1994	1993	1994	1993
Interest and Dividend Income	$11,789	$11,710	$23,191	$22,961
Taxable Equivalent Adjustment(1)	433	404	853	827
	12,222	12,114	24,044	23,788
Interest Expense	3,514	3,767	6,986	7,587
Net Interest Income (FTE)	8,708	8,347	17,058	16,201
Provision for Loan Losses	329	114	659	485
Taxable Equivalent Adjustment	433	404	853	827
Net Int. Inc. After Provision	7,946	7,829	15,546	14,889
Noninterest Income	3,305	2,937	6,852	5,772
Noninterest Expense	7,927	7,698	15,826	14,881
Income Before Income Taxes and Cumulative Effect of a Change in Accounting Principle	3,324	3,068	6,572	5,780
Income Taxes	937	830	1,835	1,566
Inc. Before Cumulative Effect of Change in Accounting Principle	2,387	2,238	4,737	4,214
Cumulative Effect of a Change in Accounting Principle	-	-	-	(484)
Net Income	$2,387	$2,238	$4,737	$3,730
Percent Change				
Before Cumulative Adjustment	6.66%	6.67%	12.41%	1.13%
After Cumulative Adjustment	6.66%	6.67%	27.00%	(10.49%)
Return on Average Assets (2)				
Before Cumulative Adjustment	1.28%	1.24%	1.28%	1.19%
After Cumulative Adjustment	1.28%	1.24%	1.28%	1.06%
Return on Average Equity (2)				
Before Cumulative Adjustment	13.81%	13.66%	13.87%	13.04%
After Cumulative Adjustment	13.81%	13.66%	13.87%	11.64%

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

Net Interest Income

Second quarter taxable equivalent net interest income increased $361,000, or 4.3% over the same period for 1993. Through June 30, 1994, taxable equivalent net interest income increased $857,000, or 5.3%, over the first half of 1993. The increase in each respective period is attributable to the growth in earning assets and improvement in the net interest margin. Table I on page 14 provides a comparative analysis of the Company's average balances and interest rates.

As compared to the prior year, taxable-equivalent interest income increased $108,000, or .9%, and $256,000, or 1.1%, respectively, for the three and six month periods ended June 30, 1994. The increase in each period is due to the growth in earning assets, a significant portion of which is attributable to loan growth. Average earning assets for the first half of 1994 increased $29.0 million over the first half of 1993 due primarily to acquisitions which were consummated in March of 1993. Interest income generated through asset growth was partially offset by lower yields on earning assets. The average yield declined 17 and 25 basis points, respectively, for the three and six month periods ended June 30, 1994. Although rates began to rise in the first half of 1994, the lower yield reflects the general decline in interest rates in recent years.

Interest expense declined $253,000, or 6.7%, and $601,000, or 7.9%, respectively, as compared to the three and six periods in 1993. This decrease is attributable to a 25 and 36 basis points decline in the average rate paid, reflecting the decline in interest rates during the latter half of 1993 and early 1994, and a shift in the mix of deposits. Noninterest bearing deposits and N.O.W. accounts gained as a percent of total deposits while the other, higher cost, categories declined. Relative to the first half of 1993, certificates of deposit as a percent of total deposits declined from 33.6% to 32.6%. In a rising interest rate environment, management anticipates this shift in mix may begin to reverse as depositors become more willing to invest in longer term, fixed rate instruments.

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 4.42% in the first half of 1993 to 4.53% in 1994. The Company's net interest margin percentage (defined as taxable-equivalent net interest income divided by average earning assets) increased from 5.10% in the first half of 1993 to 5.15% in 1994.

Provisions for Loan Losses

The provision for loan losses was $329,000 and $659,000, respectively, for the three and six month periods ended June 30, 1994, compared to $114,000 and $485,000 for the comparable periods in 1993. As of June 30, 1994 and 1993, the reserve for loan losses totalled $7.6 million. Loan growth and higher net charge-offs combined to reduce the reserve level, as a percent of total loans, from 1.97% at June 30, 1993 to 1.84% at June 30, 1994. The significant increase in net charge-offs during the second quarter is primarily attributable to one credit. Charge-off activity for the respective periods is set forth below.

	Three Months Ended		Six Months Ended	
	6/30/94	6/30/93	6/30/94	6/30/93
Net Charge-Offs	$538,000	$209,000	$692,000	$441,000
Net Charge-Offs (Annualized) as a percent of Average Loans Outstanding, Net of Unearned Interest	.54%	.22%	.35%	.24%

Noninterest Income

Noninterest income increased $368,000, or 12.5%, and $1.1 million, or 18.7%, respectively, over the comparable three and six month periods for 1993. A majority of the increase is attributable to gains on the sale of real estate, credit card merchant fees and mortgage origination fees. During the first half of 1994, the Company recognized gains, including gains from the sale of OREO and bank premises, totalling $548,000 which represented a $538,000 increase over the first half of 1993. While mortgage origination fees increased $72,000, or 19.8%, through the first six months, the Company experienced a net decrease of $35,000 during the second quarter due to lower origination volume. Origination volume during the second quarter declined $2.9 million, or 26.3%. Credit card merchant fees were up $302,000, or 64.7%, reflecting an increase in the number of accounts and higher volume. However, the increase was partially offset by a $176,000, or 68.9%, increase in credit card processing expense which is recorded in "Other" noninterest expense.

Service charges on deposit accounts declined $69,000, or 4.8%, and $143,000, or 5.1%, over the comparable three and six month periods for 1993. The decline in service charge income reflects a decrease in number of accounts, primarily transaction accounts, and a lower level of activity subject to service charge assessments.

Noninterest income as a percent of average earning assets was 2.1% for the first half of 1994 versus 1.8% for the comparable quarter in 1993.

Noninterest Expense

Noninterest expense increased $229,000, or 3.0%, and $945,000, or 6.3%, respectively, over the comparable three and six month periods in 1993. Through the first six months, compensation expense increased $565,000, or 7.1%, reflecting additional personnel expense associated with the new branches acquired in March of 1993, an increase in commission-based pay tied to mortgage origination volume and higher pension expense. The pension plan's rate assumptions were revised to reflect the lower level of interest rates. The revisions in assumptions contributed to the overall increase in pension expense which is up $120,000, or 36.7%, through the first six months.

Occupancy expense, including premises, furniture, fixtures and equipment is up just slightly over 1993. The increases attributable to the new branch facilities which were added in March 1993 were partially offset by a reduction in depreciation expense as certain pieces of data processing equipment have become fully depreciated. With the recent renovation of First National's main facility and purchase of an operations center which is expected to go on line in the third quarter, management is projecting an increase in occupancy expense during the latter part of 1994.

Other noninterest expense increased $310,000, or 6.9%, during the first six months of 1994, a majority of which was realized in the first quarter. A significant portion of the increase is attributable to items such as printing and supplies, telephone, postage and the amortization of intangibles which are associated with the operation of the branches acquired in March of 1993. Additionally, commission and service fees were up $176,000 due to higher costs associated with credit card processing.

Annualized net noninterest expense (noninterest income minus noninterest expense) as a percent of average earning assets was 2.71% in the first half of 1994 versus 2.87% for the first half of 1993. The decrease in this percentage is primarily attributable to nonrecurring gains recognized during the first half of 1994.

Income Taxes

The provision for income taxes increased $107,000, or 12.9%, during the second quarter and $269,000, or 17.2%, during the first six months of 1994. The increase in the provision is attributable to higher taxable income. The Company's effective tax rate for the first half of 1994 was 27.9% compared to 27.1% for the same period in 1993.

During the first quarter of 1993, he Company adopted Statement of Financial Accounting Standards NO. 109, "Accounting for Income Taxes", which changed the accounting for income taxes to the "liability" method from the "deferral" method previously required by Accounting Principals Board Opinion No. 11. A tax expense of $484,000 resulting from the cumulative effect of adopting this new standard is included in net income for the first half of 1993.

FINANCIAL CONDITION

The Company's average assets increased to $746.4 million in the first half of 1994 from $709.5 million in the first half of 1993. Average earning assets were $668.4 million for the six months ended June 30, 1994 versus $639.4 million for the comparable period in 1993. Relative to 1993, average loans and investments have increased while balances in federal funds sold have declined. Average loans are up $26.2 million, or 7.1%, of which a portion is attributable to loans purchased in conjunction with branch acquisitions. U.S. Government securities increased $14.6 million, or 10.7%, while municipal securities increased $10.7 million, or 17.3%. The increase in municipal securities reflects a more favorable tax-exempt market and an opportunity to extend maturities. Growth in earning assets has been funded through branch acquisitions which were consummated during the first quarter of 1993. Table I on page 14, presents average balances for the three and six month periods of 1994 and 1993.

During the first quarter of 1994, the Company adopted Statement of Financial Accounting Standards No. 115 ("Accounting for Certain Investments in Debt and Equity Securities"). To afford greater flexibility in managing the portfolio, management transferred approximately 30% of the portfolio to the "Available-for-Sale" category. The available-for-sale securities portfolio will enable the Company to better manage its liquidity position and interest rate risk without adversely affecting the classification of securities in the "Held-to-Maturity" portfolio, which are recorded at amortized costs. Securities in the available-for-sale portfolio are recorded at fair value with unrealized gains and losses, net of deferred taxes, reported as a separate component of equity capital. See Note 2 in Notes to Consolidated Financial Statements for further discussion.

At June 30, 1994, the Company's nonperforming loans were $8.7 million versus $9.4 million at year-end and $11.1 million at June 30, 1993. As a percent of nonperforming loans, the allowance for loan losses represented 87.4% at June 30, 1994 versus 80.6% at December 31, 1993 and 68.7% at June 30, 1993. 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 $2.2 million at June 30, 1994, versus $3.5 million at December 31, 1993, and $4.0 million at June 30, 1993.

Average deposits increased from $617.8 million for the first half of 1993, to $650.8 million for the first half of 1994. Relative to the first half of 1993, the most significant deposit growth has been in the categories of noninterest bearing and NOW accounts. Average noninterest bearing deposits have increased $12.7 million, or 9.0%, and NOW accounts have increased $20.6 million, or 27.4%. The lower interest rate environment in recent years has reduced the incentive for depositors to invest in longer term, fixed rate deposits, thereby leaving higher balances in transaction accounts. As interest rates rose during the second quarter, the Company experienced growth in its certificates of deposit reflecting the more attractive rates.

The ratio of average noninterest bearing deposits to total deposits was 23.7% for the first half of 1994 compared to 22.9% for the first half of 1993. For the same periods, the ratio of average interest bearing liabilities to average earning assets was 77.4% and 78.0%, 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 two $6.0 million revolving lines of credit. As of June 30, 1994, there was $900,000 drawn under the two facilities, leaving available credit of $11.1 million.

The Company's equity capital was $71.0 million as of June 30, 1994 compared to $67.1 million as of December 31, 1993. 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 9.1% at June 30, 1994 versus 8.6% at December 31, 1993. Further, the Company's risk-adjusted capital ratio of 16.7% significantly exceeds the 8.0% minimum requirement under the risk-based regulatory guidelines.

State and federal regulations as well as the Company's long-term debt agreements place certain restrictions on the payment of dividends by both the Company and its Group banks. At June 30, 1994, 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 1994, shareholders' equity increased $3.8 million, or 11.4%, on an annualized basis. At June 30, 1994, the Company's common stock had a book value of $24.93 per share compared to $23.56 at December 31, 1993. Pursuant to the Company's stock repurchase program adopted in 1989, the Company has repurchased 259,428 shares of its common stock, net of shares subsequently reissued. In the first half of 1994, 5,819 shares were repurchased and 2,318 treasury shares were reissued as performance awards in accordance with the Company's Stock Incentive Plan.
<TABLE>
AVERAGES BALANCES & INTEREST RATES
(Taxable Equivalent Basis - Dollars in Thousands)
<CAPTION>

	FOR THREE MONTHS ENDED JUNE 30						FOR SIX MONTHS ENDED JUNE 30					
	1994			1993			1994			1993		
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate
ASSETS												
Loans, Net of Unearned Interest	$400,665	$ 8,655	8.66%	$379,394	$8,437	8.92%	$397,076	$16,931	8.60%	$370,913	$16,405	8.92%
Taxable Investment Securities	150,495	1,815	4.89%	140,836	1,897	5.46%	151,790	3,680	4.91%	137,168	3,794	5.61%
Tax-Exempt Investment Securities	72,772	1,317	7.24%	64,782	1,289	7.96%	72,740	2,614	7.19%	62,017	2,552	8.23%
Funds Sold	47,839	435	3.65%	65,923	491	3.09%	46,805	819	3.53%	69,320	1,037	3.06%
Total Earning Assets	671,771	12,222	7.31%	650,935	12,114	7.48%	668,411	24,044	7.25%	639,418	23,788	7.50%
Cash & Due From Banks	46,484			46,296			47,679			46,051		
Allowance for Loan Losses	(7,858)			(7,895)			(7,779)			(7,861)		
Other Assets	37,042			32,884			38,134			31,930		
TOTAL ASSETS	$747,439			$722,220			$746,445			$709,538		
LIABILITIES												
NOW Accounts	$ 95,337	429	1.80%	$76,443	$ 391	2.05%	$ 95,964	857	1.80%	$ 75,317	$ 805	2.19%
Money Market Accounts	76,506	402	2.11%	82,522	477	2.32%	77,821	789	2.04%	78,031	912	2.40%
Savings Accounts	110,814	662	2.40%	115,865	728	2.52%	110,792	1,319	2.40%	115,399	1,577	2.76%
Other Time Deposits	214,474	1,858	3.47%	212,169	2,022	3.82%	211,942	3,689	3.51%	207,437	3,985	3.87%
Total Int. Bearing Deposits	497,131	3,351	2.70%	486,999	3,618	2.98%	496,519	6,654	2.70%	476,184	7,279	3.09%
Funds Purchased	16,137	140	3.47%	18,347	126	2.76%	18,511	283	3.08%	19,872	259	2.63%
Other Borrowed Funds	900	8	3.38%	1,036	6	2.19%	985	14	2.85%	1,191	12	2.12%
Long-Term Debt	1,372	15	4.44%	1,500	17	4.50%	1,629	35	4.31%	1,796	37	4.13%
Total Interest Bearing Liabilities	515,540	3,514	2.73%	507,882	3,767	2.98%	517,644	6,986	2.72%	499,043	7,587	3.08%
Noninterest Bearing Deposits	157,902			144,593			154,290			141,571		
Other Liabilities	4,666			4,042			5,662			4,298		
TOTAL LIABILITIES	$678,108			$656,517			677,596			$644,912		

SHAREHOLDERS' EQUITY

Common Stock	31	31	31	31
Surplus	5,852	5,857	5,853	5,858
Retained Earnings	63,448	59,815	62,965	58,737
TOTAL S'HOLDERS' EQUITY	69,331	65,703	68,849	64,626
TOTAL LIAB. & EQUITY	$747,439	$722,220	$746,445	$709,538
Interest Rate Spread	4.58%	4.50%	4.53%	4.42%
Net interest Income	$8,708	$8,347	$17,058	$16,201
Net Interest Margin	5.21%	5.15%	5.15%	5.10%

(1) Average balances include nonaccrual loans. Interest income includes fees on loans of approximately $398,000 and $789,000, for
the six months ended June 30, 1994 $369,000 and $704,000, for the three and six months periods ended June 30, 1993.
</TABLE>

PART II. OTHER INFORMATION

Items 1-3.

Not applicable

Item 4.

The Annual Meeting of Shareholders of Capital City Bank Group, Inc. was held on April 27, 1994. 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. The following directors were elected for terms expiring in 1995. These individuals served as the Board of Directors prior to the Annual Meeting. The number of votes cast were as follows:

	Number of Votes Cast		
	For	Against/ Withheld	Abstentions/ Broker Non-Votes
Dubose Ausley	2,511,477	803	0
Thomas A. Barron	2,511,477	803	0
Payne H. Midyette, Jr.	2,511,677	603	0
Godfrey Smith	2,511,677	603	0
William G. Smith, Jr.	2,511,677	603	0

2. The shareholders ratified the selection of Arthur Andersen & Co. as the independent auditors for the Company for 1994. The number of votes cast were as follows:

Number of Votes Cast		
For	Against/ Withheld	Abstentions/ Broker Non-Votes
2,497,905	13,572	803

Item 5. Other Information

Not Applicable

Item 6. Exhibits and Reports on Form 8-K

(A) Exhibits

Not applicable

(B) Reports on Form 8-K

The Company did not file any reports on Form 8-K during the period ended June 30, 1994.

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)

By:__________________________
J. Kimbrough Davis
Senior Vice President and
Chief Financial Officer

Date: August 8, 1994