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:
September 30, 1995 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 October 31, 1995, 2,853,710 shares of the Registrant's Common Stock, $.01 par value, were outstanding.

CAPITAL CITY BANK GROUP, INC.

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PART I. FINANCIAL INFORMATION
ITEM I. FINANCIAL STATEMENTS

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENTS OF CONDITION
AS OF SEPTEMBER 30, 1995 AND DECEMBER 31, 1994
(Dollars In Thousands, Except Per Share Amounts)

	September 30, 1995 (Unaudited)	December 31, 1994 (Audited)
ASSETS		
Cash & Due From Banks	$ 47,448	$ 63,327

Federal Funds Sold	19,550	25,740
Investment Securities, Market Value $141,832 and $145,003 as of September 30, 1995 and December 31, 1994, respectively (Note 2)	141,571	150,441
Investment Securities Available for Sale	83,992	48,847
Loans: (Note 3)	440,622	426,013
Unearned Interest	(4,178)	(5,209)
Allowance for Loan Losses	(7,034)	(7,551)
Loans, Net	429,410	413,253
Premises & Equipment	26,065	24,292
Accrued Interest Receivable	7,327	5,546
Intangible Assets	1,196	1,379
Other Assets	6,794	9,805
TOTAL ASSETS	$763,353	$742,630
LIABILITIES		
Deposits:		
Noninterest Bearing Deposits	$ 162,913	$167,711
Interest Bearing Deposits (Note 4)	494,962	480,463
Total Deposits	657,875	648,174
Federal Funds Purchased and Securities Sold Under Repurchase Agreements	14,914	13,964
Other Short-Term Borrowings	2,237	999
Other Liabilities	7,865	7,093
TOTAL LIABILITIES	$ 682,891	$670,230
SHAREHOLDERS' EQUITY		
Common Stock, $.01 Par Value; 4,000,000 shares authorized; 3,105,243 issued	31	31
Surplus	5,868	5,852
Retained Earnings	80,739	73,989
Treasury Stock: 251,536 shares at September 30, 1995 and 259,428 at December 31, 1994	(6,367)	(6,588)
Net Unrealized Gains (Losses)	191	(884)
TOTAL SHAREHOLDERS' EQUITY	80,462	72,400
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	$ 763,353	$742,630
Book Value Per Share	$ 28.20	$ 25.44

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

	THREE MONTHS ENDED SEPTEMBER		NINE MONTHS ENDED SEPTEMBER	
	1995	1994	1995	1994
<CAPTION>				
INTEREST INCOME				
<S>	<C>	<C>	<C>	<C>
Interest and Fees on Loans	$10,523	$ 9,118	$ 30,322	$26,039
Investment Securities:				
U. S. Treasury	1,045	1,376	3,164	3,931
U. S. Government Agencies/Corp.	1,046	419	2,346	1,406
States and Political Subdivisions	883	862	2,579	2,633
Other Securities	60	63	188	201
Federal Funds Sold	502	397	1,814	1,216
Total Interest Income	14,059	12,235	40,413	35,426
INTEREST EXPENSE				
Deposits	5,098	3,500	14,367	10,154
Fed. Funds Purchased & Securities Sold Under Repurchase Agreements	252	168	780	451
Long-Term Borrowings	-	12	-	47
Other Short-Term Debt	14	8	38	22
Total Interest Expense	5,364	3,688	15,185	10,674
Net Interest Income	8,695	8,547	25,228	24,752
Provision for Loan Losses	2	304	293	963
Net Interest Income After Provision for Loan Losses	8,693	8,243	24,935	23,789
NONINTEREST INCOME				
Income from Fiduciary Activities	183	150	685	487
Service Charges on Deposit Accounts	1,422	1,346	4,152	4,014
Data Processing	632	582	2,018	1,890
Securities Transactions	(1)	3	(1)	7
Other	888	677	2,569	2,844
Total Noninterest Income	3,124	2,758	9,423	9,242
NONINTEREST EXPENSE				
Salaries and Employee Benefits	4,461	4,273	13,333	12,803
Occupancy, Net	626	619	1,858	1,737
Furniture and Equipment	810	718	2,461	2,096
Other	2,045	2,315	6,800	6,747
Total Noninterest Expense	7,942	7,925	24,452	23,383

Income Before Income Tax	3,875	3,076	9,906	9,648
Income Tax Expense	1,160	870	2,842	2,705
NET INCOME	$ 2,715	$ 2,206	$ 7,064	$ 6,943
Net Income Per Share	$ .96	$ .78	$ 2.48	$ 2.44
Cash Dividends Per Share	$ -	$ -	$ .11	$ .11
Average Shares Outstanding	2,853,699	2,845,815	2,853,073	2,848,056

CAPITAL CITY BANK GROUP, INC.
STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30
(Dollars in Thousands)

CASH FLOW FROM OPERATING ACTIVITIES	1995 (Unaudited)	1994 (Unaudited)
Net Income	$ 7,064	$ 6,943
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Provision for Loan Losses	293	963
Depreciation	1,650	1,334
Amortization of Intangible Assets	183	275
Net (Increase) Decrease in Interest Receivable	(1,781)	24
Net (Increase) Decrease in Other Assets	3,027	575
Net Increase (Decrease) in Other Liabilities	3,049	931
Net Cash From Operating Activities	13,485	11,045
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Payments/Maturities of Investment Securities-Held to Maturity	36,571	57,223
Proceeds from Payments/Maturities of Investment Securities-Available for Sale	13,552	12,869
Purchase of Investment Securities-Held to Maturity	(27,701)	(57,061)
Purchase of Investment Securities Available for Sale	(47,621)	(2,078)
Net (Increase) Decrease in Loans	(16,451)	(12,892)
Purchase of Premises & Equipment	(3,517)	(4,143)
Sales of Premises & Equipment	94	85
Net Cash from Investing Activities	(45,073)	(5,997)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Increase (Decrease) in Deposits	9,701	(11,577)
Net Increase (Decrease) in Federal Funds Purchased	950	(8,104)
Net Increase (Decrease) in Other Borrowed Funds	1,238	(202)
Repayment of Long-Term Debt	-	(1,400)
Dividends Paid	(2,591)	(2,447)
Issuance (Purchase) of Treasury Stock	221	(87)
Net Cash From Financing Activities	9,519	(23,817)
Net Increase (Decrease) in Cash and Cash Equivalents	(22,069)	(18,769)
Cash and Cash Equivalents at Beginning of Period	89,067	113,892
Cash and Cash Equivalents at End of Period	$ 66,998	$ 95,123
Supplemental Disclosure:		
Interest Paid	$ 13,604	$ 10,714
Taxes Paid	$ 2,066	$ 2,659

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 September 30, 1995 and December 31, 1994, and the results of operations and cash flows for the three and nine month periods ended September 30, 1995 and 1994.

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 1994 Annual Report on Form 10K.

(2) INVESTMENT SECURITIES

The carrying value and related market value of investment securities in the held-to-maturity and available-for-sale portfolios at September 30, 1995 and December 31, 1994 were as follows (dollars in thousands):

	September 30, 1995			
Held-To-Maturity	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$ 54,912	$ 146	$ 158	$ 54,900
U. S. Government Agencies and Corporations	32,090	181	354	31,917
States and Political Subdivisions	49,358	649	179	49,828
Mortgage Backed Securities	3,449	1	24	3,426
Other Securities	1,762	4	5	1,761
Total	$141,571	$ 981	$ 720	$141,832

	September 30, 1995			
Available-For-Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U. S. Treasury	$ 21,809	$ 198	$ 17	$ 21,990
U. S. Government Agencies and Corporations	32,224	70	89	32,205
States and Political Subdivisions	23,293	269	94	23,468
Mortgage Backed Securities	3,514	19	67	3,466
Other Securities	2,863	11	11	2,863
Total	$ 83,703	$ 567	$ 278	$83,992

	December 31, 1994			
Held To Maturity	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U.S. Treasury	$ 72,979	$ -	$ 1,681	$ 71,298
U.S. Government Agencies and Corporations	23,018	3	1,415	21,606
States and Political Subdivisions	49,125	135	2,027	47,233
Mortgaged Backed Securities	3,005	1	182	2,824
Other Securities	2,314	-	272	2,042
Total	$150,441	$ 139	$ 5,577	$145,003

	December 31, 1994			
Available For Sale	Amortized Cost	Unrealized Gains	Unrealized Losses	Market Value
U.S. Treasury	$ 18,634	$ -	$ 180	$ 18,454
U.S. Government Agencies and Corporations	7,041	2	443	6,600
States and Political Subdivisions	19,641	77	805	18,913
Mortgaged Backed Securities	2,932	-	32	2,900
Other Securities	1,981	1	2	1,980
Total	$ 50,229	$ 80	$ 1,462	$ 48,847

(3) LOANS

The composition of the Company's loan portfolio at September 30, 1995 and December 31, 1994 was as follows (dollars in thousands):

	September 30, 1995	December 31, 1994
Commercial, Financial and Agricultural	$ 39,376	$ 39,288
Real Estate-Construction	27,749	24,315
Real Estate-Mortgage	258,041	255,754
Consumer	115,456	106,656
Gross Loans	$440,622	$426,013

(4) ALLOWANCE FOR LOAN LOSSES

An analysis of the changes in the allowance for loan losses for the nine month period ended September 30, 1995 and 1994, is as follows (dollars in thousands):

	September 30, 1995	September 30, 1994
Balance, Beginning of the Period	$7,551	$7,594
Provision for Loan Losses	293	963
Recoveries on Loans Previously Charged-Off	417	385
Loans Charged-Off	1,227	1,143
Balance, End of Period	$7,034	$7,799

Effective January 1, 1995, the Company adopted Statement of Financial Accounting Standards ("SFAS 114"), "Accounting by Creditors for Impairment of a Loan," as amended. In accordance with SFAS 114, the value of a loan which is deemed "impaired" is measured based on the present value of expected future cash flows discounted at the loan's initial effective interest rate or the fair value of the collateral, if the loan is collateral dependent. If the value of a loan is less than its recorded investment, a valuation allowance is established. This valuation allowance is included in the total allowance for loan losses, which is established to cover losses inherent in the portfolio as a whole. Certain loan categories including residential, consumer and credit card loans are excluded from the scope of this Statement. Adoption of SFAS 114 did not have a material impact on the level of the allowance for loan losses.

The definition of insubstance foreclosure loans was also changed by SFAS 114. As of January, 1995, loans which were previously deemed insubstance foreclosures and classified as other real estate have been reclassified as loans. Insubstance foreclosures are not material and have not been reclassified for prior periods.

Impaired loans are primarily defined as all nonaccruing loans for the loan categories which are included within the scope of SFAS 114. Selected information pertaining to impaired loans is depicted in the table below (dollars in thousands).

	September 30, 1995	
	Balance	Valuation Allowance
Impaired Loans:		
With Related Credit Allowance	$ 1,330	$ 334
Without Related Credit Allowance	$ 1,236	$ -
Average Recorded Investment for the Period	$ 3,450	$ *

* Not Applicable

The Company recognizes income on impaired loans primarily on the cash basis. Any change in the present value of expected cash flows is recognized through the allowance for loan losses. For the period ended September 30, 1995, the Company recognized $82,179 in interest income on impaired loans, of which $67,223 was collected in cash.

(5) DEPOSITS

The composition of the Company's interest bearing deposits at September 30, 1995 and December 31, 1994 was as follows (dollars in thousands):

	September 30, 1995	December 31, 1994
NOW Accounts	$ 85,943	$ 95,540
Money Market Accounts	69,667	71,763
Savings Deposit	80,692	101,009
Other Time Deposits	258,660	212,151
Total Interest Bearing Deposits	$494,962	$480,463

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.

On January 1, 1995, the Company completed its corporate reorganization in which seven independently chartered banks were combined to form Capital City Bank, which operates 20 offices and represents in excess of 80% of the Company's total assets. The impetus for the reorganization was to provide greater convenience by enabling customers to transact business in multiple locations which was limited under the Company's previous structure, and to enhance to Company's marketing efforts in the north Florida area by marketing its products and services under a single name. Over the long run, management anticipates achieving operational efficiencies through the centralization of various functional areas. In the short run, however, management anticipates incurring some additional costs associated with completing the reorganization and promoting the newly formed Capital City Bank. These costs will continue to be reflected in current year operations.

RESULTS OF OPERATIONS

Net Income

Net income was $2.7 million, or $.96 per share for the third quarter of 1995, a 23.1% increase on a per share basis over the comparable period for 1994. Net income was $7.1 million, or $2.48 per share for the nine months ended September 30, 1995, a 1.6% increase on a per share basis over the comparable period in 1994. Some of the factors which impacted earnings include: (1) higher net interest income attributable to loan growth, and (2) a reduction in the provision for loan losses reflecting improved asset quality, and (3) a rebate of FDIC insurance premiums.

Condensed statements of income for the respective periods are presented below:

	For The Three Months Ended Sept. 30,		For The Nine Months Ended Sept. 30,	
	1995	1994	1995	1994
Interest and Dividend Income	$14,059	$12,235	$40,413	$35,426
Taxable Equivalent Adjustment(1)	409	403	1,188	1,256
	14,468	12,638	41,601	36,682
Interest Expense	5,364	3,688	15,185	10,674
Net Interest Income (FTE)	9,104	8,950	26,416	26,008
Provision for Loan Losses	2	304	293	963
Taxable Equivalent Adjustment	409	403	1,188	1,256
Net Int. Inc. After Provision	8,693	8,243	24,935	23,789

Noninterest Income	3,124	2,758	9,423	9,242
Noninterest Expense	7,942	7,925	24,452	23,383
Income Before Income Taxes	3,875	3,076	9,906	9,648
Income Taxes	1,160	870	2,842	2,705
Net Income	$ 2,715	$ 2,206	$ 7,064	$ 6,943
Percent Change	23.07%	(7.47%)	1.74%	5.23%
Return on Average Assets (2)	1.40%	1.17%	1.25%	1.24%
Return on Average Equity (2)	13.73%	12.29%	12.43%	13.30%

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

Net Interest Income

Through September 30, 1995, taxable equivalent net interest income increased over the prior year $154,000, or 1.7%, and $408,000, or 1.5%, respectively, for the three and nine month periods. 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 $1.8 million, or 14.5%, and $4.9 million, or 13.4%, respectively, for the three and nine month periods ended September 30, 1995. The increase in each period is due to higher interest rates and loan growth. From January of 1994 through September of 1995, the prime rate increased 275 basis points and the three-year Treasury Bill index increased 141 basis points. Loans, which generally represent the Company's highest yielding asset, increased on average $27.1 million, or 6.74%. As a percent of average earning assets, the loan portfolio increased from 60.1% to 63.5%. Higher interest rates and loan growth led to an 86 to 89 basis points improvement in the yield on earning assets over the comparable three and nine month periods in 1994.

Interest expense increased $1.7 million, or 45.4%, and $4.5 million, or 42.3%, respectively, as compared to the three and nine month periods in 1994. This increase is attributable to a 123 and 118 basis points increase in the average rate paid, reflecting the increase in interest rates and a shift in the mix of deposits. A significant portion of the deposit shift occurred during the second quarter. Certificates of deposit, which generally represent a higher cost of funds than other deposit offering, increased to 39.3% of average deposits during the third quarter of 1995, compared to 34.4% for the comparable quarter in 1994. The shift in mix further accentuated the overall increase in cost of funds attributable to rising rates.

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) decreased from 4.57% in the first nine months of 1994 to 4.29% in 1995. The Company's net interest margin percentage (defined as taxable-equivalent net interest income divided by average earning assets) increased from 5.20% in the first nine months of 1994 to 5.23% for the comparable period in 1995.

Provision for Loan Losses

The provision for loan losses was $2,000 and $293,000, respectively, for the three and nine month periods ended September 30, 1995, compared to $304,000 and $963,000 for the comparable periods in 1994. The lower provision reflects improved credit quality, low charge-off levels and slower than budgeted loan growth during 1995. As of September 30, 1995, the reserve for loan losses totaled $7.0 million compared to $7.8 million at September 30, 1994. As a percent of loans, these reserves represented 1.61% and 1.89%, respectively. Charge-off activity for the respective periods is set forth below.

	Three Months Ended		Nine Months Ended	
	9/30/95	9/30/94	9/30/95	9/30/94
Net Charge-Offs	$312,000	$66,000	$810,000	$758,000
Net Charge-Offs (Annualized) as a percent of Average Loans Outstanding, Net of Unearned Interest	.29%	.06%	.25%	.25%

Noninterest Income

Noninterest income increased $366,000 or 13.3%, in the third quarter of 1995 versus the comparable quarter for 1994, and increased $181,000 or 2.0%, for the nine months ended September 30, 1995 versus the comparable period for 1994.

All major categories of noninterest income increased with the exception of "Other" noninterest income which declined $275,000, or 9.7% in 1995. The decrease in this category is primarily attributable to gains on the sale of real estate and bank owned premises which were recognized during the first nine months of 1994. Additionally, mortgage origination fees declined due to lower origination volume which fell by 32.4%, in the nine months ended September 30, 1995.

In January 1995, the Company changed its method of income recognition for Capital City Trust Company ("CCTC") from cash to accrual. This change in method resulted in a one-time adjustment which increased CCTC revenues by $166,000 during the first quarter of 1995.

Service charges on deposit accounts increased $76,000, or 5.64%, and $138,000, or 3.44%, over the comparable three and nine month periods for 1994. The increase primarily reflects a higher level of activity subject to service charge assessments.

Noninterest income as a percent of average earning assets was stable at 1.9% for the first nine months of 1995 and 1994.

Noninterest Expense

Noninterest expense increased $17,000, or .2%, and increased $1.1 million, or 4.6%, respectively, over the comparable three and nine month periods in 1994.

Through the first nine months, compensation expense increased $530,000, or 4.1%, reflecting annual raises and an increase in full-time equivalent employees of 13.

Occupancy expense, including premises, furniture, fixtures and equipment increased $99,000, or 7.4%, and $486,000, or 12.7%, respectively, over the comparable three and nine month periods in 1994. The increase is primarily attributable to depreciation expense which is up $393,000, or 22.6% year-to-date in 1995. The increase reflects major capital additions placed into service in 1994 including a new operations center, a new office, renovations and the purchase of furniture and equipment. Further capital add additions are planned for the remainder of 1995 which will add to the current level of depreciation expense.

Effective June 1, 1995, the Federal Deposit Insurance Corporation ("FDIC") reduced deposit insurance premiums from $.23 per $100 in deposits to $.04 per $100. In September the Company received $407,000 from the FDIC which represented a rebate of prepaid premiums for the period June 1 through September 30. This amount was recorded as a credit against premium expense during the third quarter. On a prospective basis, at the Company's current level of deposits, the premium reduction represents a pre-tax savings of approximately $100,000 per month.

Other noninterest expense increased $53,000, or .79%, during the first nine months of 1995. Excluding the FDIC rebate, the increase is $460,000, or 6.7%. A portion of this increase in associated with the recently completed corporate reorganization and the newly consolidated Capital City Bank. The expense categories which were primarily affected include advertising, printing/supplies, telephone and postage.

Annualized net noninterest expense (noninterest income minus noninterest expense) as a percent of average earning assets was 3.0% in 1995 versus 2.8% for 1994. The increase in this percentage is attributable to nonrecurring gains recognized in 1994 and the higher level of noninterest expense discussed above.

Income Taxes

The provision for income taxes increased $290,000, or 33.3%, during the third quarter and $137,000, or 5.1%, during the first nine months of 1995. The Company's effective tax rate for the first nine months of 1995 was 28.7% compared to 28.0% in 1994.

FINANCIAL CONDITION

The Company's average assets increased to $757.7 million in the first nine months of 1995 from $745.7 million in 1994. Average earning assets were $675.3 million for the nine months ended September 30, 1995 versus $668.7 million for the comparable period in 1994. Average loans are up $27.1 million, or 6.7%. The increase in loans was funded primarily through a reduction in the investment portfolio. U.S. Government securities decreased $15.0 million, or 10.2%, while municipal securities decreased $2.3 million, or 3.2%. Table I on page 14, presents average balances for the three and nine month periods of 1995 and 1994.

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 cost. Securities in the available-for-sale portfolio are recorded at fair value with unrealized gains and losses, net of deferred taxes, reported as a seperate component of equity capital. See Note 2 in Notes to Consolidated Financial Statements for further disclosure.

At September 30, 1995, the Company's nonperforming loans were $4.3 million versus $6.0 million at year-end and $6.9 million at September 30, 1994. As a percent of nonperforming loans, the allowance for loan losses represented 164.4% at September 30, 1995 versus 126.6% at year-end and 113.6% at September 30, 1994. 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 $750,000 at September 30, 1995, versus $1.6 million at December 31, 1994 and $1.8 million at September 30, 1994.

Effective January 1, 1995, the Company adopted Statement of Financial

Accounting Standards No. 114 ("SFAS 114"), "Accounting by Creditors for Impairment of a Loan," as amended. In accordance with SFAS 114, the valuation allowance for loans which are deemed "impaired" is measured based on the present value of expected future cash flows discounted at the loan's initial effective interest rate or the fair value of the collateral, if the loan is collateral dependent. See Note 4 in the Notes to Consolidated Financial Statements for further information.

Average deposits increased from $650.0 million for the first nine months of 1994, to $653.3 million in 1995. Although interest rates increased significantly during 1994, there was little competitive pressure to increase pricing and total deposits remained relatively stable. However, during the first quarter of 1995, as competition increased and depositors sought higher yields, the Company experienced a decline in average deposits. To combat the deposit outflow management became more aggressive on pricing and by the end of the first quarter had increased deposits to a level which exceeded that of the fourth quarter of 1994. Average deposits during the third quarter of 1995 were $660.9 million compared to $635.1 million during the first quarter.

Although the level of deposits remained relatively constant during 1994, there was a gradual shift from transaction and savings accounts to certificates of deposits as interest rates rose and depositors become more willing to invest in longer term, fixed rate maturities. During the first nine months of 1995, this shift was further accentuated. Certificates of deposit, on average, as a percent of total deposits increased to 39.3% in the third quarter versus 34.4% for the comparable quarter in 1994 which impacted the Company's net interest margin.

The ratio of average noninterest bearing deposits to total deposits was 24.3% for the first nine months of 1995 compared to 23.7% in 1994. For the same periods, the ratio of average interest bearing liabilities to average earning assets was 76.3% and 77.2%, 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 September 30, 1995, there was no debt outstanding under either line.

The Company's equity capital was $80.5 million as of September 30, 1995, compared to $72.4 million as of December 31, 1994. 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 10.4% at September 30, 1995 versus 9.6% at December 31, 1994. Further, the Company's risk-adjusted capital ratio of 19.6% significantly exceeds the 8.0% minimum requirement under the risk-based regulatory guide-lines.

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 September 30, 1995, 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 nine months of 1995, shareholders' equity increased $8.1 million, or 14.8%, on an annualized basis. A portion of the increase in equity is attributable to "unrealized gains and losses" on the available-for-sale investment portfolio which improved from an unrealized loss of $884,000 at year-end to an unrealized gain of $191,000 at September 30, 1995. The Company's common stock had a book value of $28.20 per share at September 30, 1995 compared to $25.44 at December 31, 1994. Pursuant to the Company's stock repurchase program adopted in 1989, the Company has repurchased 251,536 shares of its common stock, net of shares subsequently reissued. In the first nine months of 1995, there were no shares repurchased and 7,892 treasury shares were reissued, a majority of which were performance awards issued in accordance with the Company's Stock Incentive Plan.

In March of 1995, the Financial Accounting Standards Board issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of". The statement must be adopted by the company on or before January 1, 1996. The company has not yet adopted the standard. The company is currently evaluating the impact of adoption.

In May 1995, the Financial Accounting Standards Board issued SFAS No. 122, "Accounting for Mortgage Servicing Rights". The statement eliminates the distinction between rights to service mortgage loans for others that are acquired through origination and those acquired through purchase transactions. The company must adopt the statement prospectively by January 1, 1996, but may adopt earlier. The company has not yet adopted the standard. Adoption of the standard will result in recognition of additional servicing right assets and related income. The company is currently evaluating the impact of adoption.

TABLE I
AVERAGES BALANCES & INTEREST RATES

(Taxable Equivalent Basis - Dollars in Thousands)

</TABLE>
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	FOR THREE MONTHS ENDED SEPTEMBER 30						FOR NINE MONTHS ENDED SEPTEMBER 30					
	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate	Balance	Interest	Rate
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ASSETS												
Loans, Net of Unearned Interest	$432,791	$10,536	9.66	$410,819	$ 9,124	8.81%	$429,061	$30,354	9.46%	$401,965	$ 26,055	8.67%
Taxable Investment Securities	146,754	2,151	5.82	152,105	1,858	4.95%	135,681	5,698	5.62%	151,691	5,538	4.93%
Tax-Exempt Investment Securities	72,249	1,279	7.08	71,908	1,259	7.00%	69,993	3,735	7.11%	72,327	3,873	7.14%
Funds Sold	34,335	502	5.80	35,555	397	4.42%	40,576	1,814	5.98%	42,757	1,216	3.80%
Total Earning Assets	686,129	14,468	8.37	670,387	12,638	7.51%	675,311	$41,601	8.23%	668,740	36,682	7.34%
Cash & Due From Banks	48,440			43,013			48,496			46,223		
Allowance for Loan Losses	(7,254)			(7,665)			(7,528)			(7,744)		
Other Assets	41,295			39,233			41,423			38,475		
TOTAL ASSETS	$768,610			$744,968			$757,702			$745,694		
LIABILITIES												
NOW Accounts	$ 91,435	422	1.83	$ 90,081	$483	2.13%	$ 91,245	1,412	2.07%	$ 94,012	$ 1,341	1.93%
Money Market Accounts	70,747	527	2.96	75,374	431	2.27%	69,841	1,586	3.04%	76,972	1,220	2.14%
Savings Accounts	81,443	436	2.12	107,151	652	2.42%	87,172	1,520	2.33%	109,527	1,971	2.41%
Other Time Deposits	259,581	3,713	5.68	222,838	1,934	3.44%	246,200	9,849	5.35%	215,500	5,622	3.49%
Total Int. Bearing Deposits	503,206	5,098	4.02	495,444	3,500	2.80%	494,458	14,367	3.88%	496,011	10,154	2.74%
Funds Purchased	18,953	252	5.27	17,175	168	3.88%	19,521	780	5.34%	17,925	451	3.36%
Other Borrowed Funds	1,407	14	3.85	872	8	3.88%	1,184	38	4.25%	947	22	3.17%
Long-Term Debt	-	-	-	889	12	5.30%	-	-	-	1,378	47	4.53%
Total Interest Bearing Liabilities	523,566	5,364	4.07	514,380	3,688	2.84%	515,163	15,185	3.94%	516,261	10,674	2.77%
Noninterest Bearing Deposits	157,677			153,301			158,817			154,024		
Other Liabilities	8,960			6,083			7,723			5,601		
TOTAL LIABILITIES	690,203			673,764			681,703			675,886		
SHAREHOLDERS' EQUITY												
Common Stock	31			31			31			31		
Surplus	5,868			5,852			5,866			5,853		
Retained Earnings	72,508			65,321			70,102			63,924		
TOTAL S'HOLDERS' EQUITY	78,407			71,204			75,999			69,808		
TOTAL LIAB. & EQUITY	$768,610			$744,968			$757,702			$745,694		
Interest Rate Spread			4.31%			4.67%			4.29%			4.57%
Net interest Income		$9,104			$8,950			$26,416			$26,008	
Net Interest Margin			5.27%			5.33%			5.23%			5.20%

(1) Average balances include nonaccrual loans. Interest income includes fees on loans of approximately $422,000 and $1,119,000, for the three and nine months ended September 30, 1995, versus $477,000 and $1,266,000, for the comparable periods ended September 30, 1994.
(2) Interest income includes the effects of taxable equivalent adjustments using a 34% tax rate.
</TABLE>

PART II. OTHER INFORMATION

Items 1-5.

Not applicable

Item 6. Exhibits and Reports on Form 8-K

(A) Exhibits

EX-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 September 30, 1995.

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
Senior Vice President and
Chief Financial Officer

Date: November 10, 1995

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.


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