October 26, 2010

Capital City Bank Group, Inc. Reports Third Quarter 2010 Results

TALLAHASSEE, Fla., Oct. 26, 2010 (GLOBE NEWSWIRE) -- Capital City Bank Group, Inc. (Nasdaq:CCBG) today reported net income for the third quarter of 2010 totaling $0.4 million, or $0.02 per diluted share, compared to net income of $0.7 million, or $0.04 per diluted share, for the second quarter of 2010 and a net loss of $1.5 million, or $0.08 per diluted share, for the third quarter of 2009. For the first nine months of 2010, the Company reported a net loss of $2.3 million, or $0.14 per diluted share compared to a net loss of $0.1 million, or $0.00 per diluted share for the same period in 2009.

Net income for the third quarter reflects a loan loss provision of $5.7 million compared to $3.6 million for the second quarter of 2010. The increase in the loan loss provision and lower noninterest income of $1.2 million, partially offset by higher net interest income of $0.4 million and lower noninterest expense of $2.3 million, were the primary factors driving the reduction in earnings from the linked second quarter. Compared to the third quarter of 2009, a $6.7 million reduction in the loan loss provision, partially offset by a decline in net interest income of $1.8 million, lower noninterest income of $0.9 million and higher noninterest expense of $0.7 million, drove the improvement in earnings.

For the first nine months of 2010, lower net interest income of $7.5 million, a decline in noninterest income of $0.9 million, and higher noninterest expense of $3.6 million were the primary reasons for the decline in earnings over 2009. A lower loss provision of $9.1 million helped offset the aforementioned unfavorable variances.

"Given the current state of our economy, we were pleased to report a profit for the second consecutive quarter. Credit related costs continue to be elevated, but our diligence and focus on resolving problem assets is paying benefits as our nonperforming assets fell $4.2 million to $145.6 million as of quarter-end. Our capital levels remain strong and we believe we are well positioned to capitalize on opportunities evolving in our markets. While resolving problem assets is a high priority, it is not to the detriment of serving our existing clients and growing our business," said William G. Smith, Jr., Chairman, President and Chief Executive Officer.

The Return on Average Assets was 0.06% and the Return on Average Equity was 0.60% for the third quarter of 2010. These metrics were 0.11% and 1.11% for the second quarter of 2010, and -0.24% and -2.15% for the third quarter of 2009, respectively.

For the first nine months of 2010, the Return on Average Assets was -0.12% and the Return on Average Equity was -1.17% compared to 0.00% and -0.03%, respectively, for the same period in 2009.

Discussion of Financial Condition

Average earning assets were $2.273 billion for the third quarter of 2010, a decrease of $56.2 million, or 2.4%, from the second quarter of 2010, and an increase of $35.6 million, or 1.6%, from the fourth quarter of 2009. The decrease from the second quarter is primarily attributable to a lower level of overnight funds of $15.1 million (reflecting the reduction in deposits), and problem loan resolutions, which have the effect of lowering the loan portfolio as loans are either charged off or transferred to the other real estate owned category. Growth over the fourth quarter is attributable to increases in overnight funds and investment securities of $139.6 million and $33.4 million, respectively, which were primarily funded by higher deposit balances. These increases were partially offset by problem loan resolutions. Average loans have declined throughout the portfolio, driven by reductions in the commercial real estate and construction loan categories. The portfolio continues to be impacted by weak loan demand attributable to the sluggish economy, but not at the levels we have experienced in recent quarters. In addition to lower production and normal amortization and payoffs, the reduction in the portfolio is also attributable to gross charge-offs and the transfer of loans to the other real estate owned category, which collectively accounted for $60.9 million, or 53%, of the net reduction of $114.7 million1 in the portfolio during the first nine months of 2010.

At the end of the third quarter, nonperforming assets (including nonaccrual loans, restructured loans and other real estate owned) totaled $145.6 million, a decrease of $4.2 million from the second quarter of 2010, driven primarily by a decrease in restructured loans of $6.9 million - two large loans were restored to performing status due to paying as agreed under restructured terms. Nonaccrual loans realized a net decrease of $0.4 million in the current quarter as the volume of loans migrating to nonaccrual status was essentially offset by resolutions and transfers to the other real estate owned category. The $3.1 million increase in the other real estate owned balance reflects the aforementioned migration of nonaccrual loans through the foreclosure process as well as a slight slowdown in property dispositions. Nonperforming assets represented 7.86% of loans and other real estate at the end of the third quarter compared to 8.01% at the prior quarter-end and 7.38% at year-end 2009.

Average total deposits were $2.172 billion for the third quarter, a decrease of $62.0 million, or 2.8%, from the second quarter of 2010 and an increase of $82.2 million, or 3.9%, from the fourth quarter of 2009. Deposit levels are strong, but down slightly from the second quarter level, primarily attributable to lower money market account and certificates of deposit balances, and a decline in public funds. The money market account promotion launched during the third quarter of 2009 and concluded in the fourth quarter, experienced runoff as rates were eased during the current quarter to standard levels. Despite the lowering of rates, the bank has retained in excess of $24.4 million in new deposit balances. This initiative served to support our core deposit growth strategy while succeeding in further strengthening the Bank's overall liquidity position. Certificates of deposit declined primarily due to the maturity of one large public fund CD and a reduction in the number of single relationship, higher yielding certificates of deposit with the Bank.   Public funds balances have declined as anticipated from the linked quarter reflecting seasonality within this deposit category. Our Absolutely Free Checking ("AFC") products continue to be successful as both balances and the number of accounts increased quarter over quarter.

We continue to pursue prudent pricing discipline to manage the mix of our deposits. Therefore, we are not attempting to compete with higher rate paying competitors for deposits. The increase from the fourth quarter of 2009 reflects higher public funds of $37.3 million and core deposits of $44.9 million, fueled primarily by the success of the AFC products.

We maintained an average net overnight funds (deposits with banks plus fed funds sold less fed funds purchased) sold position of $246.9 million during the third quarter of 2010 compared to an average net overnight funds sold position of $262.2 million in the prior quarter and an average overnight funds sold position of $112.8 million in the fourth quarter of 2009. The lower balance when compared to the linked quarter primarily reflects the decline in deposits mentioned above, partially offset by the lower investment and loan portfolios. The favorable variance as compared to year-end is primarily attributable to the growth in deposits and net reductions in the loan portfolio, partially offset by a higher balance in the investment portfolio. Late in the third quarter, a portion of the funds sold position was deployed into the investment portfolio. We will continue to evaluate deploying the excess funds sold position into the investment portfolio during the fourth quarter of 2010.

Equity capital was $260.7 million as of September 30, 2010, compared to $261.7 million as of June 30, 2010 and $267.9 million as of December 31, 2009. Our leverage ratio was 9.75%, 9.58%, and 10.39%, respectively, for the comparable periods. Further, our risk-adjusted capital ratio of 14.29% at September 30, 2010 exceeds the 10.0% threshold to be designated as "well-capitalized" under the risk-based regulatory guidelines. At September 30, 2010, our tangible common equity ratio was 6.98%, compared to 6.80% at June 30, 2010 and 6.84% at December 31, 2009.

Discussion of Operating Results

Tax equivalent net interest income for the third quarter of 2010 was $25.1 million compared to $24.7 million for the second quarter of 2010 and $27.1 million for the third quarter of 2009. For the first nine months of 2010, tax equivalent net interest income totaled $74.3 million compared to $82.4 million in 2009.

The increase of $0.4 million in tax equivalent net interest income on a linked quarter basis was due to lower interest expense, one additional calendar day, and a continued decrease in foregone interest on nonaccrual loans, partially offset by a reduction in loan income attributable to declining loan balances, and continued unfavorable asset repricing. Lower interest expense reflects a reduction in deposit rates primarily in the categories of NOWs, money market accounts and certificates of deposit.

The decrease of $8.1 million in tax equivalent net interest income for the first nine months of 2010, as compared to the same period in 2009, resulted from a reduction in loans outstanding, lower earning assets yields reflecting unfavorable asset repricing, higher foregone interest and lower loan fees, partially offset by a reduction in interest expense.

The net interest margin in the third quarter of 2010 was 4.38%, an increase of 12 basis points over the linked quarter and a decline of 61 basis points from the third quarter of 2009. The increase in the margin when compared to the linked quarter was a result of a 12 basis point reduction in the cost of funds, as the yield on earning assets remained constant. The lower cost of funds resulted from a reduction in the rates on NOW accounts primarily to comply with the Transaction Account Guarantee Program changes. Rates were lowered on the money market promotional accounts while certificates of deposit rates were significantly reduced in all markets. The decline in the margin for the first nine months of 2010 is attributable to the shift in our earning asset mix and unfavorable asset repricing, partially offset by a favorable variance in our average cost of funds. Strong deposit growth experienced in the fourth quarter of 2009 and the first half of 2010 improved our liquidity position, but has also adversely impacted our margin in the short term as a significant portion of this growth is currently invested in overnight funds.

The provision for loan losses for the third quarter of 2010 was $5.7 million compared to $3.6 million in the second quarter of 2010 and $12.3 million for the third quarter of 2009. For the first nine months of 2010, the loan loss provision totaled $20.0 million compared to $29.2 million for the same period in 2009. The higher provision over the second quarter primarily reflects an increase in the volume of loans migrating to impaired status and collateral devaluation on existing impaired loans. The lower provision for the first nine months of the year primarily reflects a reduction in the level of loans migrating into our problem loan pool as well as other stabilizing trends within the loan portfolio. Net charge-offs in the third quarter totaled $6.4 million, or 1.40% of average loans, compared to $6.4 million, or 1.39%, in the second quarter of 2010. At quarter-end, the allowance for loan losses was 2.10% of outstanding loans (net of overdrafts) and provided coverage of 40% of nonperforming loans compared to 2.11% and 38%, respectively, at the end of the prior quarter.

Noninterest income for the third quarter decreased $1.2 million, or 8.3%, from the linked quarter attributable to lower deposit fees ($0.6 million), retail brokerage fees ($0.2 million), and other income ($0.5 million). The decline in deposit fees was attributable to a lower level of overdraft fees due to reduced activity and to a lesser extent a higher level of overdraft charge-offs. The reduction in overdraft activity reflects current economic conditions and a higher level of consumer awareness that have both impacted consumer and business spending habits, as well as the recent implementation of new rules under Regulation E, which regulate our ability to post one-time debit card/ATM transactions for clients who have not opted in to our overdraft protection service. The lower level of retail brokerage fees is primarily reflective of lower trading activity. The decline in other income is due to a reduced level of merchant fees - a substantial portion of our merchant portfolio was sold in July 2008 and over the course of 2009 our merchants migrated to a new processor. For 2010, we continued to service our largest remaining merchant who migrated to a new processor during the third quarter of 2010. The reduction in this revenue source has been substantially offset by a reduction in processing costs which is reflected in noninterest expense (interchange fees). For the first nine months of 2010, noninterest income declined $0.9 million, or 2.1%, from the same period in 2009 attributable to lower deposit fees ($0.9 million) and other income ($1.2 million), partially offset by an increase in debit card and interchange fees ($0.9 million). The declines in deposit and merchant fees are attributable the same aforementioned factors for the current quarter. The higher level of debit card fees reflect a new rewards program implemented in early 2010 as well as a higher level of card activation and utilization.

Total noninterest expense decreased $2.3 million, or 6.5%, from the linked quarter driven by a reduction in expense for other real estate properties ($0.8 million), FDIC insurance ($0.4 million), advertising costs ($0.5 million), pension plan expense ($0.4 million), and interchange fees ($0.3 million). The decline in other real estate expense reflects a lower level of property valuation write-downs. The favorable variance in FDIC insurance reflects a higher required expense in the prior quarter due to an adjustment in our premium rate. The lower level of pension expense reflects a year-to-date adjustment after receipt of accounting reports from our actuary which included better than estimated asset return performance. The decline in interchange fees reflects the migration of our last merchant services client to a new processor – this decline is substantially offset by a corresponding decline in merchant fee revenue. For the first nine months of 2010, as compared to the same period in 2009, noninterest expense increased $3.6 million, or 3.7%, due primarily to higher expense for other real estate properties ($6.2 million), partially offset by lower pension expense ($1.4 million), advertising expense ($0.4 million), and intangible asset amortization ($0.9 million). A higher level of other real estate owned properties drove the increase in other real estate expenses. The decline in pension expense reflects improved return on pension plan assets. Closer management of costs related to our free checking products as well as lower public relations expense contributed to the decline in advertising expense. The lower level of intangible asset amortization reflects the full amortization of a core deposit intangible.

About Capital City Bank Group, Inc.

Capital City Bank Group, Inc. (Nasdaq:CCBG) is one of the largest publicly traded financial services companies headquartered in Florida and has approximately $2.6 billion in assets. The Company provides a full range of banking services, including traditional deposit and credit services, asset management, trust, mortgage banking, merchant services, bankcards, data processing and securities brokerage services. The Company's bank subsidiary, Capital City Bank, was founded in 1895 and now has 70 banking offices and 79 ATMs in Florida, Georgia and Alabama. For more information about Capital City Bank Group, Inc., visit www.ccbg.com.

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this press release are based on current plans and expectations that are subject to uncertainties and risks, which could cause the Company's future results to differ materially. The following factors, among others, could cause the Company's actual results to differ: the frequency and magnitude of foreclosure of the Company's loans; the effects of the Company's lack of a diversified loan portfolio, including the risks of geographic and industry concentrations; the accuracy of the Company's financial statement estimates and assumptions, including the estimate for the Company's loan loss provision and the valuation allowance on deferred tax assets; restrictions on our operations, including the inability to pay dividends without our regulators' consent; continued depression of the market value of the Company that could result in an impairment of goodwill; the Company's ability to integrate acquisitions; the strength of the U.S. economy and the local economies where the Company conducts operations; harsh weather conditions and manmade disasters; fluctuations in inflation, interest rates, or monetary policies; changes in the stock market and other capital and real estate markets; legislative or regulatory changes; customer acceptance of third-party products and services; increased competition and its effect on pricing; technological changes; the effects of security breaches and computer viruses that may affect the Company's computer systems; changes in consumer spending and savings habits; the Company's growth and profitability; changes in accounting; and the Company's ability to manage the risks involved in the foregoing. Additional factors can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009, and the Company's other filings with the SEC, which are available at the SEC's internet site (http://www.sec.gov). Forward-looking statements in this press release speak only as of the date of the press release, and the Company assumes no obligation to update forward-looking statements or the reasons why actual results could differ.

1 The $114.7 million reduction in the loan portfolio and the $60.9 million in loan resolutions are based on "as of" balances not averages.

(Dollars in thousands, except per share data)	Sep 30, 2010	Jun 30, 2010
		Thr
EARNINGS		
Net Income(Loss)	$ 401	$ 731
Net Income(Loss) Per Common Share	$ 0.02	$ 0.04
PERFORMANCE		
Return on Average Equity	0.60%	1.11%
Return on Average Assets	0.06%	0.11%
Net Interest Margin	4.38%	4.26%
Noninterest Income as % of Operating Revenue	35.17%	37.58%
Efficiency Ratio	82.08%	86.06%
CAPITAL ADEQUACY		
Tier 1 Capital Ratio	12.93%	12.78%
Total Capital Ratio	14.29%	14.14%
Tangible Capital Ratio	6.98%	6.80%
Leverage Ratio	9.75%	9.58%
Equity to Assets	10.10%	9.87%
ASSET QUALITY		
Allowance as % of Non-Performing Loans	39.94%	37.80%
Allowance as a % of Loans	2.10%	2.11%
Net Charge-Offs as % of Average Loans	1.40%	1.39%
Nonperforming Assets as % of Loans and ORE	7.86%	8.01%
STOCK PERFORMANCE		
High	$ 14.24	$ 18.25
Low	$ 10.76	$ 12.36
Close	$ 12.14	$ 12.38
Average Daily Trading Volume	29,747	46,507

September 30
(Dollars in thousands, except per share data) 2010
Third Quarter 2010
Second Quarter 2010
First Quarter 2009
Fourth Quarter 2009
Third Quarter 2010 2009

INTEREST INCOME	
Interest and Fees on Loans	$ 26,418
Investment Securities	1,014
Funds Sold	144
Total Interest Income	27,576
INTEREST EXPENSE	
Deposits	1,820
Short-Term Borrowings	31
Subordinated Notes Payable	376

Other Long-Term Borrowings	565
Total Interest Expense	2,792
Net Interest Income	24,784
Provision for Loan Losses	5,668
Net Interest Income after Provision for Loan Losses	19,116
NONINTEREST INCOME	
Service Charges on Deposit Accounts	6,399
Data Processing Fees	911
Asset Management Fees	1,040
Retail Brokerage Fees	671
Gain on Sale of Investment Securities	3
Mortgage Banking Revenues	772
Interchange Fees	1,291
ATM/Debit Card Fees	1,036
Other	1,326
Total Noninterest Income	13,449
NONINTEREST EXPENSE	
Salaries and Associate Benefits	15,003
Occupancy, Net	2,611
Furniture and Equipment	2,288
Intangible Amortization	709
Other	11,752
Total Noninterest Expense	32,363
OPERATING PROFIT(LOSS)	202
Provision for Income Taxes	(199)
NET INCOME(LOSS)	$ 401
PER SHARE DATA	
Basic Earnings	$ 0.02
Diluted Earnings	$ 0.02
Cash Dividends	0.100
AVERAGE SHARES	
Basic	17,087
Diluted	17,088

(Dollars in thousands, except per share data) 2010
Third Quarter 2010
Second Quarter 2010
First Quarter 2009
Fourth Quarter 2009
Third Quarter

ASSETS	
Cash and Due From Banks	$ 48,701
Funds Sold and Interest Bearing Deposits	193,415
Total Cash and Cash Equivalents	242,116
Investment Securities, Available-for-Sale	231,303
Loans, Net of Unearned Interest	
Commercial, Financial, & Agricultural	156,049
Real Estate - Construction	45,346
Real Estate - Commercial	680,639

Real Estate - Residential	448,704
Real Estate - Home Equity	250,795
Consumer	207,207
Other Loans	9,828
Overdrafts	2,669
Total Loans, Net of Unearned Interest	1,801,237
Allowance for Loan Losses	(37,720)
Loans, Net	1,763,517
Premises and Equipment, Net	115,689
Intangible Assets	86,712
Other Real Estate Owned	51,208
Other Assets	89,451
Total Other Assets	343,060
Total Assets	$ 2,579,996
LIABILITIES	
Deposits:	
Noninterest Bearing Deposits	$ 479,887
NOW Accounts	830,297
Money Market Accounts	282,848
Regular Savings Accounts	135,143
Certificates of Deposit	393,268
Total Deposits	2,121,443
Short-Term Borrowings	38,138
Subordinated Notes Payable	62,887
Other Long-Term Borrowings	46,456
Other Liabilities	50,383
Total Liabilities	2,319,307
SHAREOWNERS' EQUITY	
Common Stock	171
Additional Paid-In Capital	36,864
Retained Earnings	237,471
Accumulated Other Comprehensive Loss, Net of Tax	(13,817)
Total Shareowners' Equity	260,689
Total Liabilities and Shareowners' Equity	$ 2,579,996
OTHER BALANCE SHEET DATA	
Earning Assets	$ 2,225,955
Intangible Assets	
Goodwill	84,811
Core Deposits	1,248
Other	653
Interest Bearing Liabilities	1,789,037
Book Value Per Diluted Share	$ 15.25
Tangible Book Value Per Diluted Share	10.18
Actual Basic Shares Outstanding	17,095
Actual Diluted Shares Outstanding	17,096

CAPITAL CITY BANK GROUP, INC.
ALLOWANCE FOR LOAN LOSSES
AND NONPERFORMING ASSETS

Unaudited

(Dollars in thousands)	2010 Third Quarter
ALLOWANCE FOR LOAN LOSSES	
Balance at Beginning of Period	$ 38,442
Provision for Loan Losses	5,668
Transfer of Unfunded Reserve to Other Liability	--
Net Charge-Offs	6,390
Balance at End of Period	$ 37,720
As a % of Loans	2.10%
As a % of Nonperforming Loans	39.94%
As a % of Nonperforming Assets	25.90%
CHARGE-OFFS	
Commercial, Financial and Agricultural	$ 242
Real Estate - Construction	701
Real Estate - Commercial	1,741
Real Estate - Residential	3,175
Consumer	1,057
Total Charge-Offs	$ 6,916
RECOVERIES	
Commercial, Financial and Agricultural	$ 65
Real Estate - Construction	--
Real Estate - Commercial	6
Real Estate - Residential	181
Consumer	274
Total Recoveries	$ 526
NET CHARGE-OFFS	$ 6,390
Net Charge-Offs as a % of Average Loans(1)	1.40%
RISK ELEMENT ASSETS	
Nonaccruing Loans	$ 74,168
Restructured Loans	20,267
Total Nonperforming Loans	94,435
Other Real Estate	51,208
Total Nonperforming Assets	$ 145,643
Past Due Loans 30-89 Days	$ 24,904
Past Due Loans 90 Days or More	$ --
Nonperforming Loans as a % of Loans	5.24%
Nonperforming Assets as a % of Loans and Other Real Estate	7.86%
Nonperforming Assets as a % of Capital(2)	48.81%

(1) Annualized

(2) Capital includes allowance for loan losses.

Unaudited

(Dollars in thousands)	Average

Balance Interest Average
Rate Average
Balance Interest Average
Rate Average
Balance Interest Average
Rate

ASSETS:		
Loans, Net of Unearned Interest	$ 1,807,483	26,568
Investment Securities		
Taxable Investment Securities	124,625	674
Tax-Exempt Investment Securities	88,656	521
Total Investment Securities	213,281	1,195
Funds Sold	252,434	144
Total Earning Assets	2,273,198	$ 27,907
Cash and Due From Banks	50,942	
Allowance for Loan Losses	(39,584)	
Other Assets	342,202	
Total Assets	$ 2,626,758	
LIABILITIES:		
Interest Bearing Deposits		
NOW Accounts	$ 871,158	$ 326
Money Market Accounts	293,424	145
Savings Accounts	133,690	17
Time Deposits	402,880	1,332
Total Interest Bearing Deposits	1,701,152	1,820
Short-Term Borrowings	23,388	31
Subordinated Notes Payable	62,887	376
Other Long-Term Borrowings	54,258	565
Total Interest Bearing Liabilities	1,841,685	$ 2,792
Noninterest Bearing Deposits	471,013	
Other Liabilities	50,318	
Total Liabilities	2,363,016	
SHAREOWNERS' EQUITY:	$ 263,742	
Total Liabilities and Shareowners' Equity	$ 2,626,758	
Interest Rate Spread		$ 25,115
Interest Income and Rate Earned(1)		$ 27,907
Interest Expense and Rate Paid(2)		2,792
Net Interest Margin		$ 25,115

Unaudited

(Dollars in thousands) Average
Balance Interest Average
Rate Average
Balance Interest Average
Rate

ASSETS:		
Loans, Net of Unearned Interest	$ 1,944,873	28,813
Investment Securities		
Taxable Investment Securities	72,537	498
Tax-Exempt Investment Securities	107,361	921
Total Investment Securities	179,898	1,419
Funds Sold	112,790	77
Total Earning Assets	2,237,561	$ 30,309
Cash and Due From Banks	69,687	
Allowance for Loan Losses	(46,468)	
Other Assets	314,470	
Total Assets	$ 2,575,250	
LIABILITIES:		
Interest Bearing Deposits		
NOW Accounts	$ 740,550	$ 308
Money Market Accounts	361,104	625
Savings Accounts	122,158	16
Time Deposits	439,654	2,015
Total Interest Bearing Deposits	1,663,466	2,964
Short-Term Borrowings	47,114	22
Subordinated Notes Payable	62,887	936
Other Long-Term Borrowings	50,026	542
Total Interest Bearing Liabilities	1,823,493	$ 4,464
Noninterest Bearing Deposits	426,542	
Other Liabilities	56,659	
Total Liabilities	2,306,694	
SHAREOWNERS' EQUITY:	$ 268,556	
Total Liabilities and Shareowners' Equity	$ 2,575,250	
Interest Rate Spread		$ 25,845
Interest Income and Rate Earned(1)		$ 30,309
Interest Expense and Rate Paid(2)		4,464
Net Interest Margin		$ 25,845

(1) Interest and averag

Unaudited

(Dollars in thousands) Average
Balance Interest Average
Rate Average
Balance Interest Average
Rate

ASSETS:		
Loans, Net of Unearned Interest	$ 1,844,788	80,543
Investment Securities		
Taxable Investment Securities	108,268	1,882
Tax-Exempt Investment Securities	92,672	1,898
Total Investment Securities	200,940	3,780
Funds Sold	274,245	492
Total Earning Assets	2,319,973	$ 84,815
Cash and Due From Banks	52,170	
Allowance for Loan Losses	(41,729)	
Other Assets	337,212	
Total Assets	$ 2,667,626	
LIABILITIES:		
Interest Bearing Deposits		
NOW Accounts	$ 872,512	$ 1,110
Money Market Accounts	333,558	1,165
Savings Accounts	130,485	49
Time Deposits	423,726	4,797
Total Interest Bearing Deposits	1,760,281	7,121
Short-Term Borrowings	25,558	60
Subordinated Notes Payable	62,887	1,666
Other Long-Term Borrowings	52,330	1,642
Total Interest Bearing Liabilities	1,901,056	$ 10,489
Noninterest Bearing Deposits	457,807	
Other Liabilities	43,391	
Total Liabilities	2,402,254	
SHAREOWNERS' EQUITY:	$ 265,372	
Total Liabilities and Shareowners' Equity	$ 2,667,626	
Interest Rate Spread		$ 74,326
Interest Income and Rate Earned(1)		$ 84,815
Interest Expense and Rate Paid(2)		10,489
Net Interest Margin		$ 74,326

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