2000 Summary Annual Report

CASS

INFORMATION

SYSTEMS

data
transformation
CORPORATE PROFILE: Built upon a solid foundation of over 95 years in business, Cass continues to renew and transform itself to meet current business challenges. Today Cass Information Systems, Inc. is the leading provider of freight invoice payment, audit and rating services. Our Utility Information Services has become the leading back-office provider of energy information in North America. We continue to actively pursue opportunities in information processing and electronic commerce.

CONTENTS
Financial Highlights 1
Chairman's Letter to Shareholders 2
Cass – A New Corporation 4
Transportation Information Services – Building on the Basics 8
Utility Information Services – Building the Better Back-Office 11
Summary Financials 14
Board of Directors, Officers and Shareholder Information 17
## Financial Highlights

### For the Year

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$7,147,000</td>
<td>$6,198,000</td>
<td>15.3%</td>
</tr>
<tr>
<td>Earnings per Common Share</td>
<td>$2.05</td>
<td>$1.63</td>
<td>25.8%</td>
</tr>
<tr>
<td>Diluted Earnings per Common Share</td>
<td>$2.02</td>
<td>$1.61</td>
<td>25.5%</td>
</tr>
<tr>
<td>Dividends Paid per Common Share</td>
<td>$0.80</td>
<td>$0.76</td>
<td>5.3%</td>
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<tr>
<td>Return on Average Common Shareholders' Equity</td>
<td>13.16%</td>
<td>10.85%</td>
<td>21.1%</td>
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<tr>
<td>Average Common Shares Issued and Outstanding</td>
<td>3,485,789</td>
<td>3,791,250</td>
<td>(8.1)%</td>
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<tr>
<td>Total Invoices Paid</td>
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<td>19,718,000</td>
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<tr>
<td>Total $ Volume Paid</td>
<td>$8,475,000,000</td>
<td>$7,379,000,000</td>
<td>14.7%</td>
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<tr>
<td>EDI Partnerships</td>
<td>770</td>
<td>172</td>
<td>347.7%</td>
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<tr>
<td>Electronic Commerce Payments</td>
<td>$530,000,000</td>
<td>$391,000,000</td>
<td>35.5%</td>
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</tbody>
</table>

### At Year-End

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$576,886,000</td>
<td>$500,845,000</td>
<td>15.2%</td>
</tr>
<tr>
<td>Total Shareholders' Equity</td>
<td>$53,821,000</td>
<td>$56,563,000</td>
<td>(4.8)%</td>
</tr>
<tr>
<td>Book Value per Common Share</td>
<td>$16.14</td>
<td>$15.19</td>
<td>6.3%</td>
</tr>
<tr>
<td>Common Shares Issued and Outstanding</td>
<td>3,334,911</td>
<td>3,722,851</td>
<td>10.4%</td>
</tr>
</tbody>
</table>

### Symbols of Our Success:

These ticker symbols represent a small sampling of the Cass clients that have contributed to our success.

- ACK...
- AL...
- AMES...
- AOS...
- APD...
As you can see from this year's Summary Annual Report, the Cass organization continues to change dramatically. In the past few years, we have communicated the foundation upon which our organization is built and the steps that have been taken to strengthen and further enhance that foundation. This year highlights the significant transformation that has occurred in our company. The past investment in strategic resources has allowed us to enter the information age as a significant player in the markets we serve. Our growth in information processing continues and will be the defining mission of the organization in the future. Our ability to integrate financial services and transaction processing places us in a unique position to combine these critical functions in a single process. Indeed, we are enthusiastic and optimistic about the future of Cass.

The year 2000 was one of positive achievements. Financially the results were commendable. Cass' earnings grew 15.3 percent over 1999 results. On a diluted per share basis this represents a 25 percent increase, from $1.61 to $2.02 per share. We also achieved a 21.1 percent increase in return on average equity from 10.9 percent in 1999 to 13.2 percent in 2000. We are indeed pleased with these results, especially in a year which began with predictions of gloom and doom for the entire business world. We are more optimistic than ever about the potential for seizing the great opportunities which lie ahead for the business community and for our economy.

The year also marked continued growth in our core information processing activities. Over $8 billion dollars of transactions were processed during the year. A 60 percent increase in utility invoices processed was achieved. While significant expenses are still being incurred with regard to the expansion of Internet and data acquisition services, our transportation information group experienced over a 20 percent improvement in results. It is expected that these heavy development expenses will continue, and the challenge will be to leverage this investment into additional growth and expanded processing opportunities. We also introduced our new "Ratemaker" services, transforming our previous rating software into an online, interactive, Internet service that is used internally and as a stand-alone service.

Near the end of the year, we entered into an agreement to acquire the business and processing systems of a significant competitor in the utility information services market. This acquisition will significantly expand our service offering in utility processing while strengthening our ability to support greater growth. Toward this end, we have purchased a new processing facility in Columbus, Ohio, that will more than triple our processing capacity. Much of this site will be devoted to utility processing, but it provides needed space to support the continuing growth of our total processing activities.

Considering the ongoing heavy investment in new systems and processing capabilities, the results are even more satisfying. They illustrate that we are engaging change and adapting to new ideas, opportunities and technology. Indeed we have experienced a
renewing of our minds and have found the process to be invigorating, motivating and inspiring. The strengthening of our foundation and our continuing strategic investments in information resources are preparing us for an exciting future.

As an organization, we have had to make critical, strategic decisions over the last three years. The willingness of our Board of Directors and staff to confront these decisions in the best interest of long-term growth and improved performance has been commendable. The Cass organization has existed since 1906. The acceptance and recognition that we are not the organization we used to be has been a painful process for some. However, both our Board of Directors and the staff have willingly and actively engaged this process and supported the transformation which has occurred in our company. We thank them for their many significant efforts and hard decisions in this regard.

Our shareholders and the investment community have also been supportive in this process. We are grateful for their patience and understanding as we move from a financial services company into an information processing organization. We will continue to trust that improved results and future growth will result in appropriate value being returned to our investors.

We continue to express our thanks and appreciation to God for the grace and faithfulness that has been provided our organization. Over the years, we have clearly seen that God gives strength when we are under pressure, wisdom when problems must be solved and solutions in times of trial and crisis. We will continue to place our trust in Him as we execute the strategy and activities of the organization.

Lawrence A. Collett
Chairman and Chief Executive Officer
The transformation of Cass has been occurring gradually since 1956. The introduction of freight payment services, at that time, began a new business that initially was a department of a much larger commercial bank. The growth of those services occurred at a faster rate than traditional commercial banking. The volume of business soon rivaled that of the parent institution.

With the deregulation of transportation in the 1980s and the insatiable demand for information to better manage this critical corporate function, Cass Information Systems, Inc. was formed as a separate wholly owned subsidiary of Cass Commercial Corporation, a bank holding company. During the 1980s and 1990s, growth accelerated and information services began to dominate overall business activities. Today we find ourselves in a position where over 75 percent of our revenue is derived from information services activities and is expected to significantly increase in the future.

The organization has also changed its approach to technology. The need for advanced technology in information services remains a high priority. Cass has responded to this challenge through significant investments that have changed the entire way information is acquired, warehoused and delivered. Cass is installing and utilizing Web, Internet and browser technology in all of its systems. Cass continues to be the leading information processor in all of the markets it serves and is committed to expanding its position.
Another contributor to the transformation of the Cass organization is the way funds are utilized and moved in the business process. While traditional methods of commercial banking are still being utilized, the growth of e-commerce and electronic payment mechanisms has created new challenges to the financial services industry. Cass’ unique ability to integrate these new mechanisms with its transaction processing capabilities positions it as an institution that is able to bring financial and transaction components together in a single process. This integrated capability provided the movement of over $8 billion dollars in funds during 2000.

Thus, a natural growth in information needs, combined with an explosion in new technology and changes in the payments mechanism, have evolved the Cass organization into a full-fledged information services company.

We certainly do not apologize for that change but engage it wholeheartedly. We sincerely believe that this new company is poised to expand its activities in information processing at a faster pace than ever before. While this change will undoubtedly continue to affect our structure and focus, it is clearly the direction we are pursuing. We are excited about our future and the outstanding prospects for growth in the information services industry.

Cass Information Systems has been an electronic commerce provider before the term became popular in the 1990s. In the early 1980s Cass Information Systems initiated services to receive and send client data electronically. In addition, Cass began its Electronic Data Interchange (EDI) program to facilitate payables and information transaction processing. In 1995, recognizing the importance of the Internet, Cass began its strategy to leverage the Internet for its information services.
Today, our clients rely on Cass to provide high-quality business solutions, superior service and the most advanced technology. As we begin the 21st century, our information focus builds upon the accomplishments of the past decades. Currently, three areas of information management are critical to our business success:

- **Data Acquisition**
- **Data Warehousing**
- **Data Delivery**

The role of Cass Information Systems is to provide the processing and management of data. Cass facilitates the transfer of payable and information data and integrates the data into a useful management tool. As a Data Acquisition provider, Cass receives data from vendors such as freight carriers, energy providers and other billing entities. Cass also receives procurement and sales data from its clients to match and integrate with vendor transactions. While much of the data is provided electronically, Cass also accommodates manual processing to acquire all necessary data. Clients benefit not only from complete data but also from cost-efficient data acquisition methods.

Data Warehousing provides a repository of integrated information for analysis and management. Cass acquires data from heterogeneous sources. This makes it much easier and more efficient to use the data by having all relevant components available in one central data repository. The key is to transform operational data required to run businesses into informational data. Information is available through the Cass data warehouse. Our clients receive a solution for creating and maintaining their competitive advantage. Through data warehousing Cass enables information to become an asset.
Acquiring and storing data are only part of the solution. Being able to access the data in meaningful ways is key for an information services provider. As a Data Delivery provider Cass coordinates the generation of complete, seamless, digital databases of information in consistent formats for its clients. This includes providing data in standard and proprietary formats, developing methods and tools for communicating this data to our clients as required, and developing Internet-based methods and tools for analytical processing of data. Cass has provided data delivery since the early 1970s. Today, more and more data is provided via the Internet using browser and File Transfer Protocol (FTP) support. Cass also offers some of its services as an Application Service Provider (ASP) in both Transportation and Energy Information Services.

In addition, Cass Information Systems provides payment for processed transactions. An important component of this service is Cass Commercial Bank. Its financial operations provide the control and stability for handling billions of dollars of payment transactions and the total infrastructure for handling Electronic Funds Transfers (EFT). The payment and information services of Cass, combined with the financial services of its banking operations, provide a ubiquitous solution for our markets.

Business is about information. Exchanging information efficiently and accurately determines the success of business operations. Moving forward, we understand that our transformation will be a continual process. Our charge is to merge technology and business processes to provide a competitive advantage for our clients.
With the fear of Y2K behind them, major corporations once again began looking for methods to reduce and control their transportation expenditures. Accompanied by Cass’ premier Internet Information Delivery System, a tremendous opportunity was created for our services in 2000 and the upcoming years.

Cass’ Transportation Information Services provides many benefits for its clients. Our systems are designed to completely automate the payment and information delivery process. For many of our clients, electronically received shipment files are rated to determine the anticipated cost of each shipment and build accruals. The rated shipments are matched to electronically received carrier invoice files (or paper submitted invoices) to ensure that proper payment is made to carriers using our e-commerce banking system. Both shipment and invoice data are transferred to our data warehouse to populate the financial and transportation database. Our Internet portal allows our customers to make queries of the data that assist in the management of their supply chain networks.

THE TRANSFORMATION CONTINUES
In 2000, we continued the changes begun in 1998, fundamentally revising our three strategic business components – Data Acquisition, Data Warehousing and Data Delivery. Electronic Data Interchange (EDI) remains a priority of Transportation Information Services. By promoting a strong program of electronic invoice processing, our customers enjoy significant economies. We continue to build new core relationships with the carrier community to eliminate paper processing. We have adapted to standard and proprietary transaction sets and expect that trading of non-standard transaction formats and new technologies, such as Extensible Markup Language (XML), will gain momentum.

Paper invoicing remains a reality in our processing world. We are streamlining our data entry system by taking advantage of the latest browser technology. Our new system will provide efficiencies and add flexibility by enhancing Internet entry capability.
As more companies continue to improve internal processes by installing Enterprise Resource Planning (ERP) systems, the volume of automatic payments to carriers will increase. We have expanded our “auto-pay” business by offering shipment rating through our proprietary Ratemaker services. This process eliminates the need for carrier invoicing and removes another step of the billing/payment cycle. In addition, through automated rate-loading systems, we remove additional cost and improve rate integrity.

INCREASED STORAGE CAPABILITY

The key to using information is to have all of the necessary data stored and available. We have developed a robust database to allow clients complete access to all of their transportation data. To accomplish this, all invoice-related payables, financial and transportation information reside in a common data warehouse. This Structured Query Language (SQL) database provides uniform information access, retrieval and delivery for all customers, yet is flexible enough to support the customization requirements of our client base.

In 2000, we launched Ratemaker.com, the Web-enabled version of Cass’ Rate Management System (RMS). Client-negotiated rates, contracts, discounts and incentives, with applicable rules and shipment conditions for all modes of transportation, are securely stored and maintained in Ratemaker.com. In addition to archiving rates, Ratemaker.com can be used to integrate with ERP and load-planning systems. Ratemaker.com allows company transportation and field traffic personnel to make carrier routing decisions with the convenience of the Internet, including the selection of the most economical carrier using the Best Rate® feature of the service. This is currently the only Web-enabled freight rating service to handle all modes of transportation.
TRANSPORTATION INFORMATION SERVICES (cont.)

USING THE DATA

Our Internet Information Delivery is the most significant initiative that we have undertaken. Our goal is to provide customers with answers to their transportation and financial questions using data drill-down tools, such as On Line Analytical Processing (OLAP) and our Web reporting system, Source.Net. Our customers no longer need paper reports or downloads of data to an enterprise system that was not designed for transportation. In addition, carriers can manage their cash flow by accessing payment detail and downloading individual invoice remittances to their receivables systems.

In addition to accessing freight rates in Ratemaker.com, customers can now extract files of all rates they have negotiated with their carriers to help analyze the economics of network pricing and site location.

INVESTING IN THE FUTURE – TECHNOLOGY

Cass Information Systems and its development partner were profiled by Microsoft in a release of one of its Microsoft Certified Solution Provider announcements. Cass was cited for adopting the latest Microsoft tools in the development and deployment of its Internet site. Last year, we also made a major investment in our network infrastructure, including the installation of a Storage Area Network (SAN) for our production database with 400+ Mbps throughput using redundant fiber-channel SCSI-based SAN. We continued to refine application permission protocols by adding Secure Socket Layer (SSL) as a customer option when accessing data, and a new network monitoring system.

TRANSPORTATION INFORMATION SERVICES LOOKS TO THE FUTURE

Cass’ reputation, experience and service quality are the highest in our industry. Our vision is to leverage our processing expertise and to invest resources that advance the three components of our strategy. The market for our services is represented by the 1,000 largest manufacturing, food, chemical and personal care products companies in the United States and Canada. We believe that by utilizing technology, we will retain our position as the market leader for our services and seize opportunities that will add significant growth.
Energy issues leapt onto the front page of every newspaper in America, creating top-of-mind awareness and fueling demand for solutions. Cass not only maintained its market leadership, but also made key strategic investments that enabled it to be a major service provider in this emerging market. The goal: to be the premier provider of back-office utility information in North America.

**THE PRODUCT**

When it is all said and done, Cass’ Utility Bill Payment and Presentation product is more about information than anything else. This fast-growing Cass product line debuted more than five years ago, touting fast, efficient and cost-effective bill payment. Few people realized how important such information would become.

Today, everything is driven by information, and Cass remains at the forefront. Back-end systems are honed to gather extensive utility data, from paper bills and Electronic Data Interchange (EDI) files, accurately and cost-effectively. Cass pays more than $5.5 million daily to utility companies across the nation. The data is available to end-users in a variety of media, including Internet presentation.

Cass is synonymous with Customer Service. Significant additions were made to the Utility Information staff this year. Vendor Research and Resolution Systems were structured to act as advocates for our customers and assist in developing electronic commerce relationships. Customer service staffs were expanded to handle increasing workloads. Many of our key positions were filled by individuals with backgrounds in the utility market, giving Cass added credibility and expertise when dealing with customers and vendors.

**CHANGES IN THE SELLING MODEL – NEW CHANNEL STRATEGY**

Taking into account the increasing dominance of energy issues in the utility processing outsourcing decision, Cass reorganized its sales organization in 2000 to focus on recruiting, managing and providing support to resellers of our services. This new direction has proved popular with resellers and less confusing to the end-user.
EXTERNAL FORCES THAT ARE CHANGING THE MARKET

2000 was a year when awareness of the importance of energy costs climbed corporate America’s organizational charts, from energy managers and operational staffs to CFOs and CEOs. Dramatic gas price increases this winter affected bottom-line results for even the largest of companies, causing many companies to reevaluate risk management strategies and open-market commodity purchases.

California’s deregulation debacle created top-of-mind awareness of how critical it is to plan for energy acquisition in states where choices are or will be available. Entering 2001, 18 states have active deregulation programs for electricity and five more are planning to open competition by mid-2002. The gas market is more mature, with 17 states already open and 27 more offering partial choice based on minimum consumption levels. Utility information, as provided by Cass’ Utility Division, will be the key to developing sound plans.

2000 also brought the anticipated consolidation of competitors in the Bill Payment and Presentation market. High-profile Energy Service Provider (ESP) spin-offs were either sold or closed down and smaller companies were acquired by larger ones. This trend is expected to continue in the upcoming year.

CASS INVESTS IN THE FUTURE

At the end of 2000, Cass was able to participate in this consolidation with a very strategic purchase. On December 12, 2000, Cass announced that it entered into a letter of agreement for the acquisition of business and substantially all assets of “The Utility Navigator,” a division of privately held InSITE Services, Inc. The acquisition of this business, since completed, immediately added nearly 10,000 new customer sites to Cass’ customer portfolio. More importantly, it gave Cass nearly a dozen new resellers of its product, putting over 100 new salespeople in front of potential customers, with several resellers focusing on vertical markets not previously served.
Accompanying the purchase were the technology assets of “The Utility Navigator,” the Web tool and hosting environment that is “private labeled” for ESP customers. Widely regarded as one of the best utility Web presentation tools in the industry, the Web product allows each ESP to customize the look, feel and content of its site to help differentiate its product offering. It provides Cass with a new revenue source from Web hosting and customization.

CASS INVESTS IN THE FUTURE – CLICKS TO BRICKS

Cass’ new Web presence and growth necessitated a much more traditional investment – real estate. To accommodate growth for Utility Information Services, Cass purchased a new building in October 2000. The new headquarters should double the capacity of the Utility operation and is being outfitted with state-of-the-art technology, including a greatly enhanced IT infrastructure.

CASS INVESTS IN THE FUTURE – TECHNOLOGY

Cass announced an exciting development in 2000 – a new way to more efficiently process exception items. For the last two years, utility bills have been scanned using high-speed duplex scanners prior to data entry. This has already yielded tight controls allowing Cass to track a bill from scanning until its ultimate disposition. In 2001, the images will play an even more important role as they form the basis of a new image-based suspense process. Instead of using telephones and faxes to resolve questions, customer service will be using automated e-mails from a rules-based suspense processing engine. The new system will also assist with workload balancing, tracking and cost analysis.

Another encouraging technology front is electronic commerce. Using American National Standards Institute (ANSI) EDI transactions, Cass was able to process over 20 percent of electric bills electronically by the end of the year. This initiative will continue in 2001 as Cass strives to achieve greater accuracy, faster turnaround and reduced costs per transaction.

UTILITY INFORMATION SERVICES LOOKS TO THE FUTURE

Cass finished the year with a 72 percent increase in processed transactions, representing $1.1 billion in energy expenditures. Three million annual transactions are anticipated in 2001. Many markets are ready for these services including government, education, industry and healthcare. With Cass’ expanded payment processing, Internet information and Web-hosting capabilities, we trust that continued growth will be achieved as businesses seek to control the growing cost of energy.
### Condensed Consolidated Statements of Income

(In Thousands of Dollars, Except Share and per Share Information)  

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<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
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<tr>
<td>Payment and Processing Revenue</td>
<td>$19,424</td>
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<td>Net Investment Income</td>
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<td>Other</td>
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<td><strong>Total</strong></td>
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<td>47,953</td>
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<td><strong>EXPENSES</strong></td>
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<td>Salaries and Employee Benefits Expense</td>
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<td>25,974</td>
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<tr>
<td>Occupancy Expense</td>
<td>1,758</td>
<td>1,780</td>
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<tr>
<td>Equipment Expense</td>
<td>3,027</td>
<td>2,714</td>
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<tr>
<td>Other</td>
<td>7,951</td>
<td>7,876</td>
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<tr>
<td><strong>Total</strong></td>
<td>41,236</td>
<td>38,344</td>
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<tr>
<td>Income Before Income Tax Provision</td>
<td>11,008</td>
<td>9,609</td>
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<tr>
<td>Income Tax Provision</td>
<td>3,861</td>
<td>3,411</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$ 7,147</td>
<td>$ 6,198</td>
</tr>
<tr>
<td><strong>EARNINGS PER SHARE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>$ 2.05</td>
<td>$ 1.63</td>
</tr>
<tr>
<td>Diluted</td>
<td>2.02</td>
<td>1.61</td>
</tr>
<tr>
<td><strong>WEIGHTED AVERAGE SHARES OUTSTANDING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>3,485,789</td>
<td>3,791,250</td>
</tr>
<tr>
<td>Diluted</td>
<td>3,530,648</td>
<td>3,848,432</td>
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## Condensed Consolidated Balance Sheets

(In Thousands of Dollars, Except Share and per Share Information)

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<thead>
<tr>
<th></th>
<th>December 31, 2000</th>
<th>December 31, 1999</th>
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<tr>
<td><strong>ASSETS</strong></td>
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<tr>
<td>Cash and Cash Equivalents</td>
<td>$115,931</td>
<td>$124,217</td>
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<tr>
<td>Investments, Net</td>
<td>436,648</td>
<td>357,057</td>
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<td>Premises and Equipment, Net</td>
<td>13,914</td>
<td>9,181</td>
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<tr>
<td>Accrued Interest Receivable</td>
<td>3,528</td>
<td>2,764</td>
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<td>Other Assets</td>
<td>6,865</td>
<td>7,626</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$576,886</td>
<td>$500,845</td>
</tr>
<tr>
<td><strong>LIABILITIES AND SHAREHOLDERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>$212,666</td>
<td>$188,736</td>
</tr>
<tr>
<td>Accounts and Drafts Payable</td>
<td>302,840</td>
<td>249,894</td>
</tr>
<tr>
<td>Short-term Borrowings</td>
<td>—</td>
<td>208</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>7,559</td>
<td>5,444</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>523,065</td>
<td>444,282</td>
</tr>
<tr>
<td><strong>SHAREHOLDERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred Stock, par value $.50 per share; 2,000,000 shares authorized and no shares issued</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Common Stock, par value $.50 per share; 20,000,000 shares authorized and 4,000,000 shares issued</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Surplus</td>
<td>5,059</td>
<td>5,087</td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>59,177</td>
<td>54,814</td>
</tr>
<tr>
<td>Accumulated Other Comprehensive Income (Loss)</td>
<td>159</td>
<td>(417)</td>
</tr>
<tr>
<td>Common Shares in Treasury, at cost (665,089 and 277,149 shares at December 31, 2000 and 1999, respectively)</td>
<td>(12,480)</td>
<td>(4,770)</td>
</tr>
<tr>
<td>Unamortized Stock Bonus Awards</td>
<td>(94)</td>
<td>(151)</td>
</tr>
<tr>
<td><strong>Total Shareholders’ Equity</strong></td>
<td>53,821</td>
<td>56,563</td>
</tr>
<tr>
<td><strong>Total Liabilities and Shareholders’ Equity</strong></td>
<td>$576,886</td>
<td>$500,845</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITORS’ REPORT

THE BOARD OF DIRECTORS AND SHAREHOLDERS
OF CASS INFORMATION SYSTEMS, INC.:  

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheets of Cass Information Systems, Inc. and subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, cash flows, and shareholders’ equity and comprehensive income for the three-years ended December 31, 2000 (not presented herein); and in our report dated January 23, 2001, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statement is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP
St. Louis, Missouri
January 23, 2001
BOARD OF DIRECTORS

Lawrence A. Collett  
Chairman of the Board,  
Chief Executive Officer

John J. Vallina  
President,  
Cass Commercial Bank

Robert J. Bodine  
Chairman Emeritus,  
Bodine Aluminum, Inc.

Bryan S. Chapell  
President,  
Covenant Theological Seminary

Thomas J. Fucoloro  
Consultant

Harry J. Krieg  
Chairman Emeritus

Howard A. Kuehner  
Investor

Jake Nania  
Investor

Irving A. Shepard  
President,  
Venture Consultants, Inc.

A.J. Signorelli  
Founder,  
Andrews Educational & Research Center and Hope Educational & Research Center

Bruce E. Woodruff  
Attorney; of counsel to  
Armstrong Teasdale LLP

OFFICERS

Lawrence A. Collett  
Chairman of the Board,  
Chief Executive Officer

Eric H. Brunngraber  
Chief Financial Officer

John F. Pickering  
Chief Operating Officer,  
Transportation Information Services

Terrence J. Cowee  
Senior Vice President,  
Transportation Information Services

Harry M. Murray  
Executive Vice President,  
Utility Information Services

Kenneth A. Witbrodt  
Executive Vice President,  
Cass Commercial Bank

SHAREHOLDER INFORMATION

CORPORATE HEADQUARTERS  
Cass Information Systems, Inc.  
13001 Hollenberg Drive  
Bridgeton, Missouri 63044  
(314) 506-5500  
E-mail: cass@cassinfo.com  
Web: www.cassinfo.com

COMMON STOCK  
The company's common stock trades on the Nasdaq stock market under the symbol CASS.

ANNUAL MEETING  
The annual meeting of shareholders will be held on April 16, 2001, at 11:00 a.m. at the corporate headquarters.

TRANSFER AGENT  
Shareholders with inquiries regarding stock accounts, dividends, change of ownership or address, lost certificates or consolidation of accounts should contact:

Mellon Investor Services L.L.C.  
Overpeck Centre  
85 Challenger Road  
Ridgefield Park, New Jersey 07660  
(888) 213-0965  
Web: www.mellon-investor.com

INVESTOR RELATIONS  
Security analysts, investment managers and others seeking financial information about the company should contact:

Eric H. Brunngraber  
Chief Financial Officer  
Cass Information Systems, Inc.  
13001 Hollenberg Drive  
Bridgeton, Missouri 63044  
(314) 506-5500

INDEPENDENT AUDITORS  
KPMG LLP  
10 South Broadway  
Suite 900  
St. Louis, Missouri 63102

10-K AND OTHER PUBLICATIONS  
A copy of the company's Form 10-K, as filed with the Securities and Exchange Commission, will be furnished without charge upon written request to the address above or from the company's Web site at www.cassinfo.com.
Do not conform any longer to the pattern of this world, but be transformed by the renewing of your mind.

ROMANS 12:2