

Focus | Execution

Pursuing Opportunities with Vision and Determination

2004.



Cass Information Systems
2004 Summary Annual Report



CORPORATE PROFILE

Built upon a solid foundation of over 98 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 Division 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.

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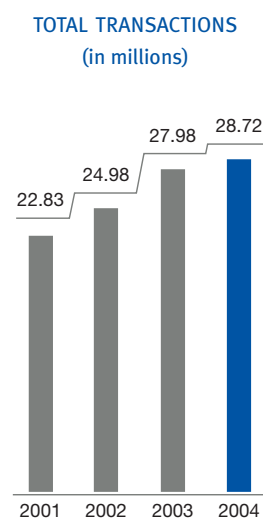
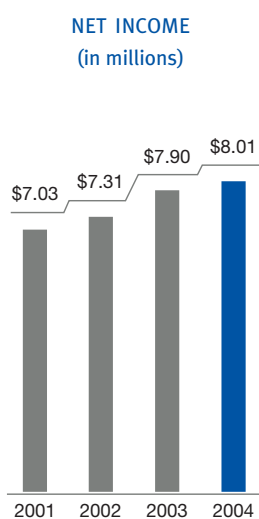
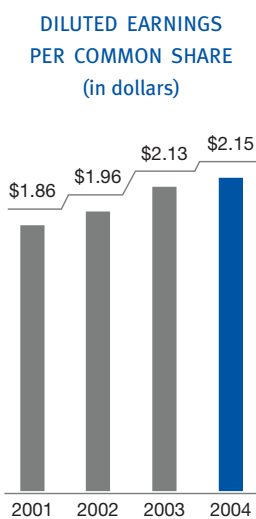
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2004 IN REVIEW

FOR THE YEAR	2004	2003	% Change
Total Net Revenue	\$ 66,292,000	\$ 66,259,000	–
Net Income	\$ 8,005,000	\$ 7,902,000	1.3%
Basic Earnings per Common Share	\$ 2.18	\$ 2.15	1.4%
Diluted Earnings per Common Share	\$ 2.15	\$ 2.13	0.9%
Dividends Paid per Common Share	\$ 0.821	\$ 0.764	7.5%
Return on Average Total Shareholders' Equity	12.16%	12.88%	(5.6%)
Total Number of Transactions Processed	28,724,000	27,977,000	2.7%
Total Dollar Volume Paid	\$ 13,453,000,000	\$ 12,014,000,000	12.0%

AT YEAR-END

Total Assets	\$ 716,521,000	\$ 645,916,000	10.9%
Total Shareholders' Equity	\$ 69,589,000	\$ 64,792,000	7.4%
Book Value per Common Share	\$ 18.87	\$ 17.66	6.9%



As we complete another year, we are thankful for the opportunity of presenting this report to our shareholders, customers and staff. We enter 2005 full of energy and optimism.



he economy is moving forward, employment is increasing and businesses are again expanding and making acquisitions. We have survived yet another election year and the implementation of the Sarbanes-Oxley internal control regulations has been completed.

Our focus is on executing the Cass Vision, utilizing the strategies we have put in place to achieve it. We are dedicated to that mission. The past year has allowed us to see the benefits of our direction and take significant steps to strengthen our abilities to grow the company. Looking to the future, we are excited and motivated by the opportunities in front of us.

Business Scorecard

We are pleased to report another record year for the Cass organization in 2004. Net earnings were \$8,005,000, representing an increase of 1.3% over fiscal year 2003. This equaled \$2.15 per share fully diluted, compared to last year's per share earnings of \$2.13. Total revenue increased to \$66.8 million, an increase of 1% over 2003 levels. The company's return on average invested capital decreased slightly from 12.88% to 12.16%.

Total fee income from Information Processing Services increased \$2.3 million, representing an increase of 7.9%. This is indicative of the strong growth achieved from these services. Total investment revenues also increased by \$1.3 million (4.8%) as a result of a slightly improved interest rate environment and higher levels of investments due to increases in the company's average assets of \$88.7 million (14.3%).

These results reflect the continuing growth in our information processing businesses and the execution of the Cass Core Competencies as illustrated in the chart on page 5 of this report. We continue to channel our activities into the areas of data acquisition, information management, information delivery and financial exchange. In 2004, over 28.7 million transactions worth over \$13.4 billion were processed through our systems. These represent increases of 2.7% and 12.0%, respectively, from previous year levels. The continuing growth of these activities confirms the potential of the markets in which we compete.

“Be diligent in these matters; give yourself wholly to them, so that everyone may see your progress.”

¹ Timothy 4:15

“Enlarge the place of your tent, stretch your tent curtains wide, do not hold back; lengthen your cords, strengthen your stakes.”

Isaiah 54:2

Our GEMS software subsidiary suffered a setback from its previously impressive record. During 2004, this business experienced a loss, reversing its trend of three consecutive years of growth in revenues and profits. Despite the loss, we continued to invest in system improvements and product enhancements. We believe this market is already seeing a turnaround and expect 2005 will produce an improved year for this provider of enterprise software solutions for medium-sized municipalities.

Overall, the year was a success. We are indeed grateful for the results achieved and the continuing increases in the key business activities of the company.

Operational Highlights

Looking back, we see a year of significant activity throughout the company. Clearly, the August purchase of ProfitLab, located in Greenville, South Carolina, allowed Cass to enter the Telecom Processing industry with the services necessary to effectively compete in this market. We are excited about the growth potential of this business and have completed the integration



of its systems with the data acquisition and financial exchange components of our other transaction processing systems.

Late in the year, we also completed the acquisition of Franklin Bank of California, enabling Cass to establish a new bank branch in the Orange County area. This expansion, brought about through growth achieved by our church lending division in this region, provides us with the capability to expand further with additional branches. We are enthusiastic about

our ability to better service our existing customers in this market and grow our customer base.

Our church loan portfolio continues to grow and perform splendidly. Our total church portfolio is now \$173 million and growing rapidly. We have been successful in not only entering the market in California, but have also added loans throughout the continental United States. Cass' expertise in this area provides a significant competitive advantage in locating and underwriting these credits.

Our Transportation Information Services (TIS) business experienced one of its most successful years in adding new clients, a number of whom are mentioned in the TIS section of this report. We are confident that this growth will continue, reflecting the competitive advantages that Cass enjoys in the areas of financial exchange, internal control and technological capabilities.

13.4B

WITH OVER 13.4 BILLION DOLLARS IN SECURE FINANCIAL TRANSACTIONS LAST YEAR, CASS IS ONE OF THE LARGEST PAYABLES TRANSACTION PROVIDERS IN THE COUNTRY.

28.7M

LAST YEAR, CASS INFORMATION SYSTEMS PROCESSED OVER 28 MILLION TOTAL TRANSACTIONS FOR ITS CUSTOMERS.

We were able to exercise excellent control over our costs during the year, especially in our information processing area. Despite growing fee revenue over \$1.7 million, our transportation and utility services were able to decrease their costs by \$1.6 million (4.0%) from 2003 levels. This illustrates the improved levels of productivity we are achieving in these services.

Finally, the enhanced requirements of Sarbanes-Oxley were also addressed and incorporated into our internal audit for financial control processes. Cass is one of the few firms in our marketplace able to provide the level of internal control required by large, publicly owned clients.

Acknowledgements

We are grateful for another successful year for the Cass organization. While it is always possible to identify ways in which it could have been improved, we have learned to be thankful for what we

have received, especially in light of the surrounding conditions. These results were achieved despite the continuance of low interest rates, increased expenses necessitated as a result of Sarbanes-Oxley regulations, and an adverse environment in the municipal sector. Challenges notwithstanding, we were nonetheless able to move ahead and continue the upward trend in earnings and information processing fee revenues. For that, we are joyous and blessed!

We wish to acknowledge the loss of a dear friend, associate and director. Bruce Woodruff was associated with Cass for over 40 years, both as legal counsel and, after retirement from full-time employment, as a director serving in several capacities. Bruce was an asset, not only to our company, but to the entire community. His sound mind, sharp wit and constant encouragement will be sorely missed. We were greatly blessed with his presence, both in our company and in our lives.

Again, we must express our highest praise for the watchful guardianship of our great God, whose protection and grace were felt throughout the year. To Him, we owe an expression of thanks that cannot be completely articulated.

To all our shareholders, employees and directors, we again thank you for your ongoing support, guidance, wisdom and hard work. The efforts expended on behalf of our organization are deeply appreciated. We look forward, with enthusiasm, to an exciting and successful 2005.

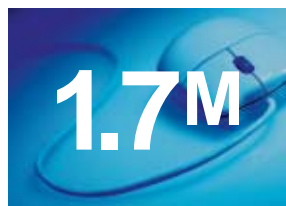
Blessings,



Lawrence A. Collett
Chairman and Chief Executive Officer



CASS' TRANSPORTATION AND UTILITY SERVICES BUSINESS UNITS WERE ABLE TO REDUCE COSTS BY \$1.6 MILLION FROM 2003 LEVELS.



CASS' TRANSPORTATION AND UTILITY SERVICES INCREASED FEE REVENUE BY \$1.7 MILLION FROM 2003 LEVELS.

Our core competencies give us a strategic edge: Not only do we process the transaction, we also collect the data defining the transaction and can effect the financial payment governing its terms.

Data Acquisition

Cass gathers vital information from complex and diverse input documents, electronic media, proprietary databases and data feeds, including data acquired from supplier invoices as well as customer procurement and sales systems.

Data Management

Once data is assembled, this information is integrated into customer-unique financial and accounting systems. Information is also used to develop management reporting for operational control, feedback, planning assistance and performance measurement.

Financial Exchange

Since Cass is in the unique position of owning a commercial bank, it is also able to manage the movement of funds from its customers to their suppliers. Cass provides immediate, accurate, controlled and protected funds management and transfer system capabilities for all of its customers. Over \$13.4 billion of payments were processed for its customers in 2004.

Information Delivery

Cass' information delivery solutions provide reports, digital images, data files and retrieval capabilities through the Internet or directly into customer internal systems. Transaction, operation, control, status and processing exception information is delivered through this system creating an efficient, accessible and reliable asset for customers.



“A dramatic increase in new business relationships that will make 2005 another record-breaking year in transaction volume processed.”

2004 was a very good year for Transportation Information Services. Earnings increased significantly on the strength of growing processing volume and significantly lower costs.



More important, we achieved a dramatic increase in new business relationships that will make 2005 another record-breaking year in transaction volume processed.

Our market focus continues to be large companies that desire unique business solutions for their freight bill audit, carrier payment and information delivery requirements. Among the companies in 2004 that clearly recognized the difference between Cass and its competitors were DuPont, Caterpillar, Hubbell, National Starch, Penske Logistics, Flowserve, Relizon, Weyerhaeuser and Toyota.

The Cass Difference

By far, Cass has the most industry experience in developing sophisticated match-pay processing and information systems that many large diversified companies need to meet the complexities of their supply chain and Enterprise Resource Planning systems. Increasing demand for web services integration and multiple data sourcing from our customers make it critical that the supplier of the services understands and successfully implements their requirements.

Cass' ownership of a commercial bank makes us extremely unique in the industry.

Financial exchange is a critical component of our services and a company seeking payment of their freight bills needs the financial stability and processing efficiencies of a financial institution. The oversight inherent in a member of the Federal Reserve System assures customers their funds are safe and the financial exchange process is economical and reliable.

For years, Cass has made exceptional processing control and documentation a priority. Sarbanes-Oxley requirements now make these advantages transparent to our customers and acknowledge Cass' processing leadership position. We have been providing SAS 70 Type II reporting for more than 15 years and have viewed it as an important audit verification of our company's focus on financial and technological control. Our documentation and internal control systems now embrace Sarbanes-Oxley "404" requirements as well – a capability not available with most of our competitors.

We have always surpassed our competition in the level of service that each of our customers receives. We recognize the importance of having resources available to our customers for analyzing anomalies,

fixing problems and recommending system enhancements. The pace of change within large corporations makes it imperative that they have resources available to resolve issues and ensure a smooth transition when change is required.

Technology, Service and Information

Technology continues to play a critical role in our success. We have been able to capitalize on the advantages that the Internet has provided by significantly reducing the cost of information delivery. In addition, in excess of 80% of carrier payments are made using electronic funds transfer. Our processing and information delivery system allows our customers and their carriers to receive a completely paper-free process. Automation has provided significant improvements in the scalability of our business and will continue to enhance future opportunities to reduce cost.

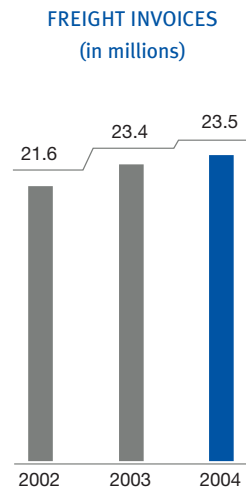
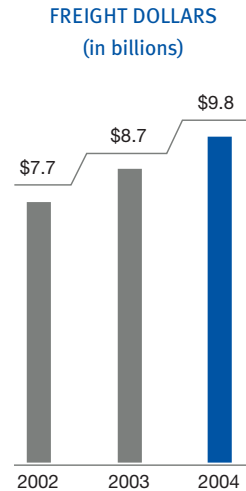
Because we are in the service business, it is critical that our staff is knowledgeable and can ensure ongoing performance excellence. We are fortunate to have an experienced staff with a proven track record in responding to the demands of our customers. We believe our facilities, processes and people are unequalled in our business and are major reasons we have retained some customers for more than 40 years.

Our freight bill auditing services mandate that the rates our customers negotiate with their carriers can be validated.

Our Ratemaker service is the best rating system available, proven in over 30 years of service to accommodate any pricing arrangement that our customers negotiate with their carriers. It stores and retrieves rates for all modes of transportation, multiple currencies and accessorial charges. Ratemaker is web-enabled and has integration capabilities to Transportation Management Systems using our web services products.

A critically important part of what we do is providing our customers with important management information. In addition to accounting for almost \$10 billion in transportation expense, we have also developed analyses of transportation expenses that help our customers diagnose their transportation cost components and indicate how they might be reduced. Technology is providing Cass with opportunities to significantly reduce the time it takes to analyze and model costs and make information even more valuable.

We are fortunate to have the most impressive customer list in our industry. In addition to those previously mentioned, companies like Ford, Dow Chemical, Nestle, Emerson, Hershey, Con Agra, Pfizer, Unilever, Gillette, FMC, Eaton and American Standard are just some of the fine customers we serve. The diversity of these businesses allows us to provide a broad range of systems solutions incorporating a variety of different approaches to address each customer's specific requirements. ■



“With nearly 5.2 million transactions processed in 2004, the Utility Division has nearly doubled in size since 2001.”

Utility Information Services continued to expand its market advantage in 2004, adding another 600,000 transactions over the prior year. With nearly 5.2 million transactions processed in 2004, the Utility Division has nearly doubled in size since 2001.



ollar volumes processed climbed to \$3.7 billion at year-end, up by \$400 million over 2003.

Formed in the late 1990s and based in Columbus, Ohio, the Utility Division has become a major contributor to Cass' overall performance. Investments in technology and process improvement drove 2004 after-tax net income contribution from this division up 47% over the prior year.

Sales remained strong in 2004 with the addition of 23 new customers, representing committed annual volume of 550,000 transactions and \$800 million in utility spend. Cass currently assists its customers with facility-related invoices at 230,000 sites across the United States and Canada.

Product Innovation and Execution

The Utility Division provides data acquisition and payment for more than a dozen types of facility-related expenses. The process begins with mail extraction and scanning of incoming mail. Data entry specialists then capture not only standard

payable information, but more detailed meter-level data on usage, demand, rate schedules and taxes. This information is critical when implementing an energy management strategy. Each customer receives customized general ledger input and treasury management support, driving costs out of the accounts payable process.

Proficiency in electronic financial transactions is also an important component to the Utility Division. During 2004, inbound electronic commerce (EDI 810s) increased 37% and now more than one in three bills are paid electronically through an ACH (Automated Clearing House) transaction. Many customers receive funding requests from an EDI transaction initiated by Cass.

The data and images hosted by Cass are delivered to the end-user customer through Cass' web portal, which has been branded for each Energy Service Provider (ESP). The Utility Division markets its offering through a reseller channel representing some of the most successful and knowledgeable ESPs in North America. Cass has become the back-office standard for data capture,

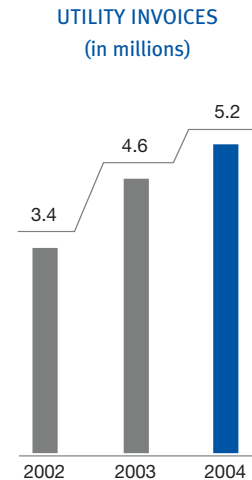
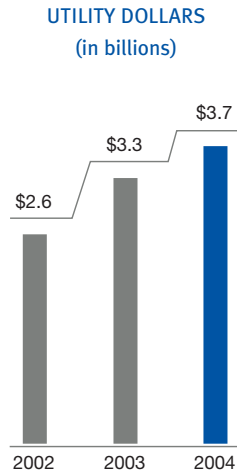
payment and information presentation for companies that provide value-added services such as bill auditing, rate analysis, commodity procurement and performance-based capital investment.

The Utility Division has evolved into a high-technology, process-driven business, operating seven days a week, 24 hours a day most of the year. Significant capital expenditures in 2004 were highlighted by the addition of custom-designed mail-opening and scanning equipment. Cass now offers both color and black-and-white images on its customer portals, the only company in the industry to do so.

Our new scanning equipment also supports the increasing use of imaging in Cass' internal processes. Image-based workflow routes bills through various exception handling processes, and supports detailed quality control processes in place to deliver accurate data to the web. An exception portal also enables clients to review and resolve suspended bills over the web.

Our Bank Holding Company Advantage

As the only major competitor owning a commercial bank, Cass successfully



leverages its size and experience to offer an unparalleled level of comfort for large, publicly traded companies. The requirements of Sarbanes-Oxley are causing CFOs and CEOs to demand an outsource provider with excellent controls and SAS 70 Type II documentation, something many competitors in the market are unable to provide. Cass is well-positioned to switch customers from its competitors as this requirement becomes more prevalent.

Just as importantly, through access to its financial economies, Cass continues to maximize funds management and offer the most attractive pricing in the market.

Focusing on the Future

Since the inception of the Utility Division, Cass has made terrific strides in educating customers on the value proposition of utility bill outsourcing, and recruiting and retaining a quality reseller channel to support the ultimate goal of cost savings for the end-user. Deregulation and price volatility of utility commodities continues to push companies to focus more and more on cost containment and predictability.

The challenge in coming years will be to refine our services to address the changing needs of the marketplace. Many, if not most, of the companies with 1,000-plus sites have made the decision to switch to an outsourced provider or invest in an internal program. The next level of growth will come from organizations with fewer sites, but possibly more complex requirements. Cass is responding with new service offerings for industrial customers and for owners of multi-family residential properties. We expect both of these vertical markets to be key contributors to Cass' growth in 2005. ■

**THE UTILITY DIVISION HAS EVOLVED INTO A HIGH-TECHNOLOGY,
PROCESS-DRIVEN BUSINESS, OPERATING SEVEN DAYS A WEEK,
24 HOURS A DAY MOST OF THE YEAR.**

“We believe our Telecom Division is in an advantageous position for significant growth in 2005 and beyond”

In 2004, Cass expanded its bill management and audit services to the telecom industry with the acquisition of ProfitLab, Inc., headquartered in Greenville, South Carolina.

ProfitLab is recognized in the industry as having one of the most robust engines in the Telecom Expense Management (TEM) arena. ProfitLab also brought knowledgeable auditing and telecom experts with years of experience from accounts payables environments and tier one telecom carriers. Combining ProfitLab's expense management engine and telecom expertise with Cass' powerful invoice processing systems, bill payment capabilities and superior financial strength makes our new Telecom Information Services Division an extremely powerful player in the TEM marketplace.

Bringing Financial Stability

Over the last several years, Telecom Expense Management has emerged as an important growth segment in accounts payable processing. The TEM industry grew out of telecom auditing. In the past, a one-time post audit caught a few errors and assisted executives in their choice of long-distance carriers. Today, with so many choices of telecom vendors, services and features combined with complex billing systems and the propensity for additional billing errors to occur, one-time audits fail to provide proper management over this significant



expense. Managing telecom expenses and auditing for errors with automated tools on an ongoing basis gives customers superior expense control.



Although several new companies have entered the market, TEM is still an infant industry with nearly all of our competitors financed with venture capital. Cass' financial stability gives customers confidence and security that other firms are unable to provide.

Effectively Managing Expenses

A key reason Cass' Telecom Division leads the TEM industry is our software engine, nCONTROL. This innovative system was designed and built from a user's perspective. Our nCONTROL system offers customers visibility to expenses down to distinct features on each circuit. It also acts as a common repository for telecom expenses across all customers' carriers and serves as a web-based management tool making the customer's job easier and less time consuming.



Electronic and Manual Capabilities

Another distinguishing factor the new Telecom Division brings to the market is its efficiencies in receiving and entering invoices. Over 85% of the invoices

processed on behalf of our overall customer base come in the form electronic transactions. Electronic interfaces enable Cass to:

- Load billing data directly into its TEM engine.
- Significantly decrease invoice processing time.
- Process more detail from each invoice, providing customers with more detailed management reporting.

For some vendors, electronic interfaces are not an option. With our tremendous ability to process manual invoices, customers realize Cass is far more efficient in entering invoices than they could be with internal resources and can provide a complete solution utilizing electronic and manual input.

Growing Our Customer Base

Cass' Telecom Division currently serves key customers such as Avery Dennison, Mohawk Industries, Swiss Re Insurance of America, FedEx Freight, Ferguson Enterprises and Skyworks. By acquiring ProfitLab and capitalizing on the unique offerings the combination of Cass and ProfitLab brings to the TEM industry, we believe our Telecom Division is in an advantageous position for significant growth in 2005 and beyond. ■

“As we approach 2005, we are optimistic that the corporate economy is improving and the overall level of safety and soundness in Cass’ loan portfolio will remain sound.”

For Cass Commercial Bank, the 2004 year was characterized by continued strong growth and highlighted by a significant first time event.



Since our beginning as a banking organization in 1906, Cass had never purchased another bank. This changed in November 2004 when we completed the acquisition of Franklin Bank of California, located in Orange County. Unchanged is our exclusive focus on just two specialized customer niches: privately owned businesses and churches.

Franklin Bank was a small single-branch bank operating near Anaheim, California. Immediately upon completing the acquisition, Franklin Bank was fully merged and integrated into Cass Commercial Bank and now represents one of six Cass Bank branches – and our first bank branch located outside the St. Louis metropolitan area.

Cass' national church lending program, now about five years old, made the California acquisition possible. Through this program, we have established solid bases of church customers in several geographical regions throughout the country. The Southern California area represents a strong market for Cass with church loan customers; with a physical presence in the region, we now have the opportunity to cross-sell deposits and

other commercial banking services to this customer base. The acquisition of this bank charter in California also offers the opportunity to open other new branches in the state and to continue strengthening our presence in that growing market.

Our national church lending program, together with our emerging California presence, provides geographical diversification and reduces the risk of having our banking financial fortunes tied exclusively to the health of one local or regional economy. Cass Bank seeks to continue to maximize returns in its banking operation, but also strives to minimize all types of risk encountered: geographical economy risk, credit risk, interest rate risk and various operational risks, such as fraud and theft. We have long believed that the best way to manage these risks is to stay narrowly focused on those customer segments in which we have expertise.

Achieving Healthy Growth

2004 was another year of very healthy growth for loans and deposits. In fact, the growth rates of these two key banking measures were identical to 2003, with total average loans growing by 8% and total average deposits growing by 17%.

At year-end, Cass Bank's total loan portfolio stood at \$500 million with total banking deposits of \$276 million. Our overall business mix also remained the same as the prior year with corporate business representing about 65% of loans and church clients representing the remaining 35%. On the deposit side, church customers represent about 20% of the total.

Another key growth measure is the number of new clients. While we are always pleased to participate in the growth of our long-time clients, we were encouraged in 2004 that 44% of the loan growth resulted from new banking relationships. This is an important dynamic to any healthy loan portfolio.

Maintaining Asset Quality

A primary focus for Cass Bank's management is controlling credit risk as we seek to maintain a conservative credit culture. Our lending teams maintain open lines of communication with all borrowers, and early identification of any potential credit quality issue is emphasized. When potential problems are identified, we are proactive in working with the borrower's management team, and taking the steps



**THIS USE OF PROCESSING TECHNOLOGY FOR
BOTH COST EFFICIENCY AND CUSTOMER SERVICE ENHANCEMENT
HAS BEEN, AND CONTINUES TO BE, A CASS HALLMARK**

necessary to improve the quality of the credit. In 2004, actual loans charged off were extremely low at just \$48,000. Further, loans with payments more than 30 days delinquent were also in excellent shape at less than 0.1%.

Even though Cass has very low historical charge-off amounts, we continue to add to our loan loss reserves to keep pace with the inherent risks associated with the overall growth in the loan portfolio. As of December 31, 2004, the Allowance for Loan Loss reserve amount exceeds the amount of "non-performing" and "impaired" loans in the total portfolio. Further, in 2004 we were able to reduce amounts of both non-performing loans and foreclosed real estate. As we approach 2005, we are optimistic that the corporate economy is improving and the overall level of safety and soundness in Cass' loan portfolio will remain sound.

Outlook for 2005

For 2005, Cass Bank's management will focus on the continuing refinement of our overall marketing strategy. Among the most tangible ways these plans are

taking shape is the physical upgrading of several of our branch locations – highlighted by three of our six branches being relocated into upgraded facilities. These moves are all in close proximity to the existing branches and will offer greater accessibility with improved finish and drive-through facilities. These branch relocations, all scheduled for completion in the first or second quarter of 2005, also offer greatly improved visibility from important commercial thoroughfares.

We will continue to explore new opportunities to leverage our robust check imaging capabilities. This advanced technology helps keep operating costs low and makes check storage and retrieval more convenient for our customers. We have also networked image-capture equipment to all of our branches. This allows Cass to process images of items deposited at any of our branches, including California, at our processing center located at our corporate headquarters in Bridgeton, Missouri. This use of processing technology for both cost efficiency and customer service enhancement has been, and continues to be, a Cass hallmark. ■

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

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

December 31,

REVENUES	2004	2003	2002
Payment and Processing Revenue	\$ 30,695	\$ 28,440	\$ 24,622
Net Investment Income	27,088	26,192	28,844
Software Revenue	5,157	7,696	–
Gain on Sale of Debt Securities	1,045	1,454	1,477
Other Revenues	2,307	2,477	1,931
Total Revenues	66,292	66,259	56,874

EXPENSES

Salaries and Employee Benefits Expense	38,198	37,152	31,405
Occupancy Expense	1,840	1,782	1,500
Equipment Expense	3,692	4,478	4,310
Other Expenses	11,295	11,492	9,360
Total Expenses	55,025	54,904	46,575
Income Before Income Tax Expense	11,267	11,355	10,299
Income Tax Expense	3,262	3,453	2,987
Net Income	\$ 8,005	\$ 7,902	\$ 7,312

EARNINGS PER SHARE

Basic	\$ 2.18	\$ 2.15	\$ 1.98
Diluted	2.15	2.13	1.96

WEIGHTED AVERAGE SHARES OUTSTANDING

Basic	3,674,767	3,677,314	3,697,788
Diluted	3,747,748	3,714,553	3,721,290

CONDENSED CONSOLIDATED BALANCE SHEETS

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

December 31,

ASSETS	2004	2003
Cash and Cash Equivalents	\$ 87,543	\$ 62,367
Loans and Investments, Net	571,541	532,673
Premises and Equipment, Net	12,187	13,538
Other Assets	45,250	37,338
Total Assets	\$ 716,521	\$ 645,916
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Deposits	\$ 275,629	\$ 272,428
Accounts and Drafts Payable	358,473	299,989
Borrowings	3,827	123
Other Liabilities	9,003	8,584
Total Liabilities	646,932	581,124
Shareholders' Equity		
Preferred Stock, par value \$.50 per share; 2,000,000 shares authorized and no shares issued	-	-
Common Stock, par value \$.50 per share; 20,000,000 shares authorized; 4,494,510 and 4,160,110 shares issued at December 31, 2004 and 2003, respectively	2,247	2,080
Surplus	18,370	8,466
Retained Earnings	64,685	69,695
Accumulated Other Comprehensive Income	543	1,122
Common Shares in Treasury, at cost (807,262 and 824,598 shares at December 31, 2004 and 2003, respectively)	(16,096)	(16,442)
Unamortized Stock Bonus Awards	(160)	(129)
Total Shareholders' Equity	69,589	64,792
Total Liabilities and Shareholders' Equity	\$ 716,521	\$ 645,916

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Cass Information Systems, Inc.:

We have audited, in accordance with the standards of the Public Company Oversight Board (United States), the consolidated balance sheets of Cass Information Systems, Inc. and subsidiaries as of December 31, 2004 and 2003, and the related consolidated statements of income, cash flows, and shareholders' equity and comprehensive income for each of the years in the three-year period ended December 31, 2004 (not presented herein); and in our report dated March 11, 2005, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements 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

March 11, 2005

Forward-Looking Statements

Factors that May Affect Future Results

This report may contain or incorporate by reference forward-looking statements made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause future performance to vary from expected performance summarized in the future-looking statements, including those set forth in this paragraph. Important factors that could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by those statements include, but are not limited to: the failure to successfully execute our corporate plan, the loss of key personnel or inability to attract additional qualified personnel, the loss of key customers, increased competition, the inability to remain current with rapid technological change, risks related to acquisitions, risks associated with business cycles and fluctuations in interest rates, utility and system interruptions or processing errors, rules and regulations governing financial institutions and changes in such rules and regulations, credit risk related to borrowers' ability to repay loans, concentration of loans to certain segments such as commercial enterprises, churches and borrowers in the St. Louis area which creates risks associated with adverse factors that may affect these groups and volatility of the price of our common stock. We undertake no obligation to publicly update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, or changes to future results over time.

Board of Directors

Lawrence A. Collett

Chairman of the Board, Chief Executive Officer

Robert J. Bodine

Chairman Emeritus, Bodine Aluminum, Inc.

Eric H. Brunngraber

Chief Financial Officer

Bryan S. Chapell

President, Covenant Theological Seminary

Thomas J. Fucoloro

Consultant

Wayne J. Grace

Managing Director, UHY Advisors MO, Inc.

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 *(deceased)*

Attorney; of counsel to Armstrong Teasdale LLP

Officers

Lawrence A. Collett

Chairman of the Board, Chief Executive Officer

Eric H. Brunngraber

Chief Financial Officer

Harry M. Murray

Executive Vice President

John F. Pickering

Chief Operating Officer,
Transportation Information Services

Gary B. Langfitt

Chief Operating Officer,
Utility Information Services

Tecumseh Hooper Jr.

Chief Operating Officer,
Telecom Information Services

John J. Vallina

Vice Chairman,
Cass Commercial Bank

Kenneth A. Witbrodt

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 April 18, 2005, at 11:00 a.m. at the corporate headquarters.

Investor Relations

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

Investor Relations
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

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 LLC
Overpeck Centre
85 Challenger Road
Ridgefield Park, New Jersey 07660
(888) 213-0965
Web: www.melloninvestor.com

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 website at: www.cassinfo.com.



Cass Information Systems
13001 Hollenberg Drive
Bridgeton, Missouri 63044

www.cassinfo.com