

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

-----  
FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) January 29, 2004  
-----

Cass Information Systems, Inc.

-----  
(Exact Name of Registrant as Specified in its Charter)

Missouri

-----  
(State or Other Jurisdiction of Incorporation)

2-80070

43-1265338

-----  
(Commission File Number)

(IRS Employer Identification No.)

13001 Hollenberg Drive, Bridgeton, Missouri

63044

-----  
(Address of Principal Executive Offices)

(Zip Code)

(314) 506-5500

-----  
(Registrant's Telephone Number, Including Area Code)

N/A

-----  
(Former Name or Former Address, if Changed Since Last Report)

CASS INFORMATION SYSTEMS, INC.

FORM 8-K

Item 7. Financial Statements and Exhibits.

(c) Exhibits

Exhibit No. -----	Description -----
99.1	Press Release dated January 29, 2004, issued by Cass Information Systems, Inc. (the Registrant)

Item 9. Information Furnished Under Item 12 - Results of Operations and Financial Condition

The information in this report is furnished pursuant to Item 12, "Disclosure of Results of Operations and Financial Condition."

On January 29, 2004, the registrant issued a press release announcing its preliminary results of operations for the quarter ended December 31, 2003. A copy of the press release is attached hereto as Exhibit 99.1 and hereby incorporated by reference. The information in this Form 8-K is being furnished under Item 12 and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Cass Information Systems, Inc.

January 29, 2004

By: /s/ Lawrence A. Collett

-----

Lawrence A. Collett  
Chairman and Chief Executive Officer

January 29, 2004

By: /s/ Eric H. Brunngraber

-----

Eric H. Brunngraber  
Vice President-Secretary  
(Chief Financial and Accounting Officer)

EXHIBIT INDEX

Exhibit Number -----	Description -----
99.1	Press Release dated January 29, 2004.

January 29, 2004

Cass Information Systems, Inc. Ends 2003  
With 9% Increase in 4th Quarter Earnings

ST. LOUIS - Cass Information Systems, Inc. (NASDAQ: CASS), the nation's leading provider of freight and utility invoice payment, rating, auditing and information services, reports that in the fourth quarter of 2003 it earned 63 cents per share fully diluted, a 9% increase over 2002 fourth quarter earnings of 58 cents per share fully diluted. Net income for the period was \$2,123,000, an 8% increase over net income of \$1,961,000 reported in the fourth quarter of 2002.

The solid growth in earnings over the period was largely the result of a 9% increase in overall processing fees driven by a 7% rise in freight invoice volume and a 39% rise in utility transactions.

#### 2003 Summary

For the year ending Dec. 31, 2003, Cass posted earnings of \$2.34 per fully diluted share, an 8% increase over the \$2.16 per fully diluted share it earned in 2002. Net income was \$7,902,000 in 2003, an 8% increase over the \$7,312,000 earned in 2002.

Cass achieved higher earnings despite a difficult economic environment. Low interest rates significantly reduced the company's net investment income, while anemic national freight activity, especially in the first half of 2003, adversely impacted processing volumes from existing customers.

Cass was able to offset these declines by expanding its customer base and product offerings to drive a 16% increase in overall processing revenues. It grew freight transaction volume by 8% and utility processing volume by 34%.

Total revenue increased \$9,385,000, largely as a result of consolidating the operating results of a software subsidiary, Government e-Management Solutions (GEMS). GEMS, which markets integrated financial, property and human resource management systems to the public sector, generated revenues of \$7,696,000 in 2003.

While net investment income decreased \$2,652,000 due to lower interest rates, the impact was partially offset by an increase in earning assets, changes in the mix of the company's investments and gains on the sale of investments.

5

"I am delighted with the 34% growth in transaction volume our utility invoice processing operations achieved and with our ability to increase freight transaction processing volumes by 8% despite an adverse level of economic activity," said Lawrence A. Collett, Cass chief executive officer and chairman of the board. "Undeniably, the \$2,652,000 drop in net investment income, attributable to lower interest rates, was a major burden on company-wide earnings," he continued. "Our focus in 2004 will be to continue to expand our information processing activities with the hope of seeing an improvement in the yields from our lending and investment portfolios."

Operating expenses increased 18% in 2003, attributable mainly to the GEMS' consolidation. Prior to Dec. 31, 2002, GEMS was accounted for as an asset held for sale and its operating results were not consolidated with those of the company. Statement of Financial Accounting Standards No.144, adopted by the company in 2002, now requires that GEMS be reclassified as an asset held and used. Consequently, Cass reclassified the entity's net assets and consolidated its operations with the parent company on Jan.1, 2003. Excluding the effect of that consolidation, operating expenses were 2% higher than those reported in 2002. For the fourth quarter, the 11% increase in operating expenses was also primarily related to the GEMS' consolidation. Excluding GEMS, operating expenses decreased 4% and total revenues decreased 1% compared to the fourth quarter of 2002.

6

Selected Consolidated Financial Data

The following table presents selected unaudited consolidated financial data (in thousands, except share and per share data) for the periods ended December 31, 2003 and 2002.

	Quarter Ended 12/31/03	Quarter Ended 12/31/02	Year Ended 12/31/03	Year Ended 12/31/02
Transportation Invoice Volume	6,001	5,629	23,359	21,549
Transportation Dollar Volume	\$2,256,947	\$2,083,125	\$8,673,993	\$7,715,588
Utility Transaction Volume	1,251	903	4,618	3,435
Utility Dollar Volume	\$ 847,302	\$ 696,591	\$3,340,375	\$2,634,269
Payment and Processing Fees	\$ 7,293	\$ 6,670	\$ 28,440	\$ 24,622
Software Revenue	1,825	--	7,696	--
Net Investment Income	6,604	6,938	26,192	28,844
Gain on Sale of Debt Securities	--	535	1,454	1,477
Other	642	563	2,477	1,931
	-----	-----	-----	-----
Total Revenues	\$ 16,364	\$ 14,706	\$ 66,259	\$ 56,874
Salaries and Benefits	\$ 9,126	\$ 8,055	\$ 37,152	\$ 31,405
Occupancy	442	385	1,782	1,500
Equipment	1,128	1,069	4,478	4,310
Other	2,660	2,536	11,492	9,360
	-----	-----	-----	-----
Total Operating Expenses	\$ 13,356	\$ 12,045	\$ 54,904	\$ 46,575
Income before Income Taxes	\$ 3,008	\$ 2,661	\$ 11,355	\$ 10,299
Provision for Income Taxes	\$ 885	\$ 700	\$ 3,453	\$ 2,987
Net Income	\$ 2,123	\$ 1,961	\$ 7,902	\$ 7,312
Average Earning Assets	\$ 606,189	\$ 553,121	\$ 563,071	\$ 544,011
Net Interest Margin	4.57%	5.29%	4.85%	5.60%
Allowance for Loan Losses to Loans	1.17%	1.22%	1.17%	1.22%
Non-performing Loans to Total Loans	.94%	2.12%	.94%	2.12%
Net Loan Charge-offs to Loans	--	.01%	--	.03%
Provision for Loan Losses	\$ 100	\$ 140	\$ 190	\$ 500
Non-performing Loans	\$ 4,394	\$ 9,194	\$ 4,394	\$ 9,194
Basic Earnings per Share	\$ .63	\$ .58	\$ 2.36	\$ 2.18
Diluted Earnings per Share	\$ .63	\$ .58	\$ 2.34	\$ 2.16

## About Cass Information Systems

Cass has been a leading provider of payables services and information support systems to companies throughout North America since 1956. The company pays over \$12 billion annually in freight and utility invoices on behalf of its customers from processing centers in St. Louis, Mo., Columbus, Ohio and Boston, Mass. The support of its bank subsidiary, Cass Commercial Bank, founded in 1906, makes the company unique in the industry.

## Note to Investors

Certain matters set forth in this news release may contain forward-looking statements that are provided to assist in the understanding of anticipated future financial performance. However, such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. For a discussion of certain factors that may cause such forward-looking statements to differ materially from the company's actual results, see the company's annual report on Form 10-K for the year ended December 31, 2002.