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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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

**Date of Report (date of earliest event reported): October 26, 2017**

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**CASS INFORMATION SYSTEMS, INC.**

(Exact name of registrant as specified in its charter)

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**Missouri**  
(State or other jurisdiction of  
incorporation or organization)

**000-20827**  
(Commission  
File Number)

**43-1265338**  
(I.R.S. Employer  
Identification No.)

**12444 Powerscourt Drive, Suite 550**  
**St. Louis, Missouri**  
(Address of principal executive offices)

**63131**  
(Zip Code)

**(314) 506-5500**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act.
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act.
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

On October 26, 2017, Cass Information Systems, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended September 30, 2017. A copy of this press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information reported under this Item 2.02 of Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (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, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 8.01. Other Matters.**

On October 26, 2017, the Company also announced that its Board of Directors declared a 10% common stock dividend payable on December 15, 2017 to shareholders of record on December 5, 2017 and a fourth quarter cash dividend of \$0.24 per share payable on December 15, 2017 to shareholders of record on December 5, 2017. Additionally, the Board of Directors voted to restore the capacity of the Company’s common stock repurchase program to 500,000 shares. Repurchases will be made in the open market or through negotiated transactions from time to time, depending on market conditions. A copy of the press release announcing these matters is attached hereto as Exhibit 99.1 and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

| <u>Exhibit Number</u> | <u>Description</u>  |
|-----------------------|---|
| 99.1                  | <a href="#"><u>Press release issued by Cass Information Systems, Inc. dated October 26, 2017.</u></a> |

**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.

Dated: October 26, 2017

CASS INFORMATION SYSTEMS, INC.

By: /s/ Eric H. Brunngraber

Name: Eric H. Brunngraber

Title: Chairman of the Board, President and Chief Executive Officer

By: /s/ P. Stephen Appelbaum

Name: P. Stephen Appelbaum

Title: Executive Vice President and Chief Financial Officer



Contact: Contact Kenn Entringer at Casey Communications, Inc., (314) 721-2828. kentringer@caseycomm.com

October 26, 2017

**3rd Quarter 2017 Earnings Up 11% at Cass Information Systems, Inc.**

***Declares 10% Stock Dividend and Raises Cash Dividend to Increase Total Payout to Shareholders by 15%; Also, Restores Share Buyback Program Capacity to 500,000 Shares***

ST. LOUIS – **Cass Information Systems, Inc. (NASDAQ: CASS)**, the nation's leading provider of transportation, energy, telecom and waste invoice payment and information services, reported third quarter 2017 earnings of \$.61 per diluted share, an increase of 11% from the \$.55 per diluted share it earned in the third quarter of 2016. Net income for the period was \$6.9 million, compared to \$6.2 million in 2016.

|   | 3rd Quarter    |                |          | YTD             |                 |          |
|---|----------------|----------------|----------|-----------------|-----------------|----------|
|   | 2017           | 2016           | % Change | 2017            | 2016            | % Change |
| <b>Transportation Invoice Volume</b>        | 9.0 million    | 8.9 million    | 0.7      | 26.6 million    | 25.8 million    | 3.1      |
| <b>Transportation Dollar Volume</b>         | \$ 6.2 billion | \$ 5.9 billion | 5.1      | \$ 18.3 billion | \$ 17.1 billion | 6.8      |
| <b>Facility Expense Transaction Volume*</b> | 6.9 million    | 6.0 million    | 14.9     | 20.5 million    | 17.0 million    | 20.5     |
| <b>Facility Expense Dollar Volume*</b>      | \$ 3.4 billion | \$ 3.3 billion | 2.7      | \$ 9.6 billion  | \$ 8.9 billion  | 8.6      |
| <b>Revenues</b>                             | \$34.3 million | \$31.6 million | 8.5      | \$100.3 million | \$93.4 million  | 7.4      |
| <b>Net Income</b>                           | \$ 6.9 million | \$ 6.2 million | 10.3     | \$ 19.7 million | \$17.9 million  | 9.8      |
| <b>Diluted Earnings per Share</b>           | \$ .61         | \$ .55         | 10.9     | \$ 1.74         | \$ 1.58         | 10.1     |

\* Includes Energy, Telecom and Waste

**2017 3rd Quarter Recap**

The 9% increase in revenue and 10% increase in net income was primarily attributable to three factors: continued growth in the customer base of each market; the development, deployment and expansion of new revenue-generating services; and modest improvement in the interest rate

environment. The solid bottom-line advances were achieved even as Cass continued to commit significant funds to new technology and infrastructure in support of service growth.

Highlighting third quarter performance was a 15% increase in facility-related (electricity, gas, waste and telecom expense management) transactions. New customer wins, combined with increased volume from current accounts, fueled the increase. Facility expense dollar volume was also up 3% for the period.

In the transportation sector, invoice volume was up 1% while dollar volume rose 5%.

Consolidated operating expenses increased \$1.5 million (6%) due mainly to on-going strategic investment in the technology and staff required to win and support new business.

“Results for the third quarter were strong and matched our expectations,” stated **Eric H. Brungraber**, Cass chairman and chief executive officer. “It marks the third consecutive reporting period in which Cass has posted double-digit increases in quarterly earnings.”

### **Nine-Month 2017 Recap**

For the nine-month period ended September 30, 2017 the company earned \$1.74 per diluted share, an increase of 10% from the \$1.58 per diluted share it earned in the same period in 2016. Net income was \$19.7 million, compared to \$17.9 million in 2016. Revenues rose 7%, from \$93.4 million in 2016 to \$100.3 million in 2017.

Consolidated operating expenses were up 7%, or \$4.7 million, stemming from investment in staff and technology as noted above.

### **10% Stock Dividend Augmented by Increase in Cash Dividend**

On October 24, 2017, the company’s board of directors declared a 10% stock dividend payable December 15, 2017 to shareholders of record December 5, 2017. Shareholders will receive one additional share of Cass stock for each 10 shares owned. No fractional shares will be issued.

Shareholders will receive cash for any fractional shares owned based on the share price reported by NASDAQ at the close of trading December 5, 2017.

Additionally, the company's board of directors declared a fourth quarter dividend of \$.24 per share payable December 15, 2017 to shareholders of record December 5, 2017. The new quarterly dividend is one cent or 4% higher than the previous pay-out of 23 cents per share. The upcoming cash payout will apply to all shares held after the 10% stock dividend is completed, effectively increasing the total fourth quarter dividend by nearly 15%. Cass has continuously paid regularly scheduled cash dividends since 1934.

Also, the board voted to restore the capacity of the company's stock repurchase program to 500,000 shares.

"In authorizing a stock dividend and cash dividend increase, Cass directors again demonstrated their commitment to rewarding shareholders and optimism about the immediate and long-term prospects of the company," said Brunngraber. "Additionally, the replenishment of the stock repurchase program affords us the flexibility to continue an initiative that has returned more than \$23 million to shareholders over the past 36 months."

#### **About Cass Information Systems**

Cass Information Systems, Inc. is a leading provider of integrated information and payment management solutions. Cass enables enterprises to achieve visibility, control and efficiency in their supply chains, communications networks, facilities and other operations. Disbursing \$44 billion annually on behalf of clients, and with total assets of \$1.5 billion, Cass is uniquely supported by **Cass Commercial Bank**. Founded in 1906 and a wholly owned subsidiary, Cass Bank provides sophisticated financial exchange services to the parent organization and its clients. Cass is part of the **Russell 2000**<sup>®</sup>. More information is available at [www.cassinfo.com](http://www.cassinfo.com).

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**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 reports filed from time to time with the Securities and Exchange Commission including the company's annual report on Form 10-K for the year ended December 31, 2016.*

### Selected Consolidated Financial Data

The following table presents selected unaudited consolidated financial data (in thousands, except per share data) for the periods ended September 30, 2017 and 2016:

|  | Quarter<br>Ended<br>September 30,<br>2017 | Quarter<br>Ended<br>September 30,<br>2016 | Nine Months<br>Ended<br>September 30,<br>2017 | Nine Months<br>Ended<br>September 30,<br>2016 |
|--|---|---|---|---|
| Transportation Invoice Volume                | 8,962                                     | 8,898                                     | 26,585  | 25,786  |
| Transportation Dollar Volume                 | \$ 6,162,957                              | \$ 5,864,716                              | \$18,271,178                                  | \$17,107,723                                  |
| Facility Expense Transaction Volume          | 6,935                                     | 6,034                                     | 20,477  | 16,989  |
| Facility Expense Dollar Volume               | \$ 3,391,672                              | \$ 3,301,049                              | \$ 9,647,573                                  | \$ 8,882,181                                  |
| Payment and Processing Fees                  | \$ 23,761                                 | \$ 21,737                                 | \$ 69,332                                     | \$ 62,162                                     |
| Net Investment Income                        | 10,094                                    | 9,480                                     | 29,475  | 29,250  |
| Gain on Sales of Securities                  | —   | —   | —   | 387   |
| Other  | 446                                       | 411                                       | 1,446   | 1,561   |
| Total Revenues                               | <u>\$ 34,301</u>                          | <u>\$ 31,628</u>                          | <u>\$ 100,253</u>                             | <u>\$ 93,360</u>                              |
| Salaries and Benefits                        | \$ 19,423                                 | \$ 18,319                                 | \$ 57,384                                     | \$ 54,267                                     |
| Occupancy                                    | 903                                       | 860                                       | 2,634   | 2,560   |
| Equipment                                    | 1,242                                     | 1,124                                     | 3,746   | 3,289   |
| Other  | 3,474                                     | 3,248                                     | 10,497  | 9,410   |
| Total Operating Expenses                     | <u>\$ 25,042</u>                          | <u>\$ 23,551</u>                          | <u>\$ 74,261</u>                              | <u>\$ 69,526</u>                              |
| Income from Operations before Income Taxes   | \$ 9,259                                  | \$ 8,077                                  | \$ 25,992                                     | \$ 23,834                                     |
| Income Tax Expense                           | 2,396                                     | 1,855                                     | 6,309   | 5,910   |
| Net Income                                   | <u>\$ 6,863</u>                           | <u>\$ 6,222</u>                           | <u>\$ 19,683</u>                              | <u>\$ 17,924</u>                              |
| Basic Earnings per Share                     | <u>\$ .62</u>                             | <u>\$ .56</u>                             | <u>\$ 1.77</u>                                | <u>\$ 1.61</u>                                |
| Diluted Earnings per Share                   | <u>\$ .61</u>                             | <u>\$ .55</u>                             | <u>\$ 1.74</u>                                | <u>\$ 1.58</u>                                |
| Average Earning Assets                       | \$ 1,395,026                              | \$ 1,351,638                              | \$ 1,348,253                                  | \$ 1,301,280                                  |
| Net Interest Margin                          | 3.27%                                     | 3.19%                                     | 3.35%   | 3.32%   |
| Allowance for Loan Losses to Loans           | 1.55%                                     | 1.56%                                     | 1.55%   | 1.56%   |
| Non-performing Loans to Total Loans          | .03%                                      | .19%                                      | .03%  | .19%  |
| Net Loan (Recoveries) / Charge-offs to Loans | —   | —   | —   | (.01%)  |
| Provision for Loan Losses                    | \$ —                                      | \$ —                                      | \$ —  | \$ (1,000)                                    |