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

FORM 10-Q

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

FOR THE QUARTER ENDED SEPTEMBER 30, 2001
COMMISSION FILE NO. 2-80070

CASS INFORMATION SYSTEMS, INC.

INCORPORATED UNDER THE LAWS OF MISSOURI
I.R.S. EMPLOYER IDENTIFICATION NO. 43-1265338

13001 HOLLENBERG DRIVE, BRIDGETON, MISSOURI 63044

TELEPHONE: (314) 506-5500

Indicate by check mark whether the registrant has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and has been subject to such filing requirements for the past 90 days.

Yes X No

The number of shares outstanding of registrant's only class of stock as of October 30, 2001: Common stock, par value $.50 per share - 3,181,815 shares outstanding.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in Thousands except Per Share Data)

	SEPTEMBER 30 2001	DECEMBER 31 2000
ASSETS		
Cash and due from banks	$ 31,758	$ 21,680
Federal funds sold and other short-term investments	56,820	94,251
Cash and cash equivalents	88,579	115,931
Investment in debt and equity securities:		
Held-to-maturity, fair value of $6,682 at December 31, 2000	--	6,650
Available-for-sale, at fair value	94,967	62,675
Total investment in debt and equity securities	94,967	69,325
Loans	370,912	372,220
Less: Allowance for loan losses	4,901	4,897
Loans, net	366,011	367,323
Premises and equipment, net	17,394	13,914
Accrued interest receivable	2,905	3,528
Investment in unconsolidated subsidiary	5,000	--
Other assets	9,424	6,865
Total assets	$584,280	$576,886
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing	$ 98,338	$ 99,941
Interest-bearing	118,588	112,725
Total deposits	216,926	212,666
Accounts and drafts payable	304,603	302,840
Short-term borrowings	1,000	--
Other liabilities	6,729	7,559
Total liabilities	529,258	523,065
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 and 4,000,000 shares issued	2,000	2,000
Additional paid-in capital	4,997	5,059
Retained earnings	62,653	59,177
Accumulated other comprehensive income	1,009	159
Common shares in treasury, at cost (818,185 shares at September 30, 2001 and 655,089 shares at December 31, 2000)	(15,597)	(12,480)
Unamortized stock bonus awards	(40)	(94)
Total shareholders' equity	55,022	53,821
Total liabilities and shareholders' equity	$584,280	$576,886

See accompanying notes to unaudited consolidated financial statements.

CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(Dollars in Thousands except Per Share Data)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2001	2000	2001	2000
INTEREST INCOME:				
Interest and fees on loans	$ 7,303	$ 7,164	$22,245	$20,151
Interest and dividends on debt and equity securities:				
Taxable	1,186	1,283	2,928	4,039
Exempt from federal income taxes	12	14	39	44
Interest on federal funds sold and other short-term investments	529	999	2,317	2,575
Total interest income	9,030	9,460	27,529	26,809
INTEREST EXPENSE:				
Interest on deposits	821	1,464	3,218	3,489
Interest on short-term borrowings	4	13	5	20
Total interest expense	825	1,477	3,223	3,509
Net interest income	8,205	7,983	24,306	23,300
Provision for loan losses	60	100	60	350
Net interest income after provision for loan losses	8,145	7,883	24,246	22,950
NONINTEREST INCOME:				
Freight and utility payment and processing revenue	5,429	4,651	15,895	14,836
Bank service fees	412	346	1,111	1,054
Other	45	69	275	192
Total noninterest income	5,886	5,066	17,281	16,082
NONINTEREST EXPENSE:				
Salaries and employee benefits	7,514	7,099	22,899	21,106
Occupancy expense	420	457	1,308	1,334
Equipment expense	960	772	2,678	2,291
Other	2,206	1,955	6,340	6,071
Total noninterest expense	11,100	10,283	33,225	30,802
Income before income tax expense	2,931	2,666	8,302	8,230
Income tax expense	1,035	946	2,881	2,934
Net income	$ 1,896	$ 1,720	$ 5,421	$ 5,296
Earnings per share:				
Basic	$.60	$.50	$1.67	$1.50
Diluted	$.59	$.49	$1.65	$1.48
Weighted average shares outstanding:				
Basic	3,184,804	3,435,722	3,245,577	3,526,471
Effect of stock options and awards	37,639	46,556	40,707	46,479
Diluted	3,222,443	3,482,278	3,286,284	3,572,950

See accompanying notes to unaudited consolidated financial statements.

CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in Thousands)

	NINE MONTHS ENDED SEPTEMBER 30	
	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 5,421	$ 5,296
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,256	1,950
Provision for loan losses	60	350
Amortization of stock bonus awards	64	60
Decrease (increase) in accrued interest receivable	623	(597)
Decrease (increase) in accounts receivable	(2,086)	482
Decrease in deferred income	(210)	(1,075)
Deferred income tax benefit	(117)	(366)
Increase (decrease) in income tax liability	633	(126)
Change in other assets	(1,224)	23
Change in other liabilities	(1,253)	787
Other operating activities, net	(433)	(30)
Net cash provided by operating activities	3,734	6,754
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from maturities of debt and equity securities:		
Held-to-maturity	--	15,664
Available-for-sale	26,040	6,664
Purchase of debt and equity securities available-for-sale	(50,461)	(18,889)
Net increase in loans	(2,953)	(69,867)
Purchases of premises and equipment, net	(5,572)	(2,717)
Net cash used in investing activities	(32,946)	(69,145)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net decrease in noninterest-bearing demand deposits	(1,603)	(10,825)
Net increase (decrease) in interest-bearing demand and savings deposits	(504)	17,388
Net increase (decrease) in time deposits	6,367	(358)
Net increase in accounts and drafts payable	1,763	45,245
Net increase (decrease) in short-term borrowings	1,000	(208)
Cash proceeds from exercise of stock options	61	47
Cash dividends paid	(1,944)	(2,110)
Purchase of common shares for treasury	(3,280)	(6,715)
Net cash provided by financing activities	1,860	42,464
Net decrease in cash and cash equivalents	(27,352)	(19,927)
Cash and cash equivalents at beginning of period	115,931	124,217
Cash and cash equivalents at end of period	$ 88,579	$104,290
Supplemental information:		
Cash paid for interest	$ 3,200	$ 3,476
Cash paid for income taxes	2,737	3,512
Transfer of securities from held-to-maturity to available-for-sale	6,682	--
Transfer of loans to investment in unconsolidated subsidiary	4,205	--

See accompanying notes to unaudited consolidated financial statements.

CASS INFORMATION SYSTEMS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 - Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the period ended September 30, 2001 are not necessarily indicative of the results that may be expected for the year ending December 31, 2001. For further information, refer to the consolidated financial statements and related footnotes included in the Cass Information System, Inc.'s ("the Company") Annual Report on Form 10-K for the year ended December 31, 2000.

Note 2 - Impact of New Accounting Pronouncements

In July 2001, the FASB issued SFAS 141, "Business Combinations", and SFAS 142, "Goodwill and Other Intangible Assets". SFAS 141 requires that the purchase method of accounting be used for all business combinations initiated after June 30, 2001 as well as all purchase method business combinations completed after June 30, 2001. SFAS 141 also specifies criteria which intangible assets acquired in a purchase method business combination must meet to be recognized and reported apart from goodwill. SFAS 142 will require that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead tested for impairment at least annually. SFAS 142 will also require that intangible assets with definite useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with SFAS 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of".

The Company is required to adopt the provisions of SFAS 141 immediately and SFAS 142 effective January 1, 2002. Furthermore, any goodwill and any intangible asset determined to have an indefinite useful life that are acquired in a purchase business combination completed after June 30, 2001 will not be amortized, but will continue to be evaluated for impairment in accordance with the appropriate pre-SFAS 142 accounting literature. Goodwill and intangible assets acquired in business combinations completed before July 1, 2001 will continue to be amortized prior to the adoption of SFAS 142.

SFAS 141 will require upon adoption of SFAS 142, that the Company evaluate its existing intangible assets and goodwill that were acquired in a prior purchase business combination, and to make any necessary reclassifications in order to conform with the new criteria in SFAS 141 for recognition apart from goodwill. Upon adoption of SFAS 142, the Company will be required to reassess the useful lives and residual values of all intangible assets acquired in purchase business combinations, and make any necessary amortization period adjustments by the end of the first interim period after adoption. In addition, to the extent an intangible asset is identified as having an indefinite useful life, the Company will be required to test the intangible asset for impairment in accordance with the provisions of SFAS 142 within the first interim period. Any impairment loss will be measured as of the date of adoption and recognized as the cumulative effect of a change in accounting principle in the first interim period.

As of the date of adoption, the Company expects to have unamortized goodwill in the amount of $223,000 which will be subject to the transition provisions of SFAS 141 and 142. Amortization expense related to goodwill was $30,000 and $23,000 for the year ended December 31, 2000 and the nine months ended September 30, 2001, respectively. Because of the extensive effort needed to comply with adopting SFAS 141 and 142, it is not practicable to reasonably estimate the impact of adopting these Statements on the Company's financial statements at the date of this report, including whether any transitional impairment losses will be required to be recognized as the cumulative effect of a change in accounting principle.

In June 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (SFAS 133) which establishes standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. In June 1999, the FASB issued Statement of Financial Accounting Standards No. 137, Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB No. 133, which defers the effective date of SFAS 133 from fiscal years beginning after June 15, 1999 to fiscal years beginning after June 15, 2000. In June 2000, the FASB issued Statement of Financial Accounting Financial Standards No. 138, Accounting for Certain Derivative Instruments and Certain Hedging Activities, which addresses certain issues causing implementation difficulties. The Company has adopted SFAS 133, as amended, effective January 1, 2001, but since the Company does not participate in any derivative or hedging activities, SFAS 133, as amended, had no impact on the Company's consolidated financial position and results of operations, except for the transfer of all held-to-maturity securities into available-for-sale securities as of January 1, 2001 as permitted by SFAS 133. At the time of the transfer the book value of the securities transferred was $6,650,000 and the fair value was $6,682,000. The difference was an unrealized gain recorded net of tax as other comprehensive income.

Note 3 - Loans by Type

(IN THOUSANDS)	SEPTEMBER 30, 2001	DECEMBER 31, 2000
Commercial and industrial	$130,397	$136,482
Real estate:		
Mortgage	134,487	117,170
Mortgage - Churches & Related	72,007	65,368
Construction	8,575	9,877
Construction - Churches & Related	12,990	19,587
Industrial revenue bonds	6,401	15,804
Installment	2,455	2,533
Other	3,600	5,399
Total loans	$370,912	$372,220

Note 4 - Stock Repurchase Program

On December 21, 1999 the Board of Directors authorized a stock repurchase program that would allow the repurchase of up to 200,000 shares of its common stock through December 31, 2000. On March 21, 2000 the Board of Directors authorized a 100,000 increase in the number of shares that can be purchased under the program. Along with the 300,000 shares authorized under the plan, the Board of Directors approved the repurchase of an additional 261,880 shares. For the nine month period ended September 30, 2001 the Company has repurchased 161,700 shares. Repurchases were made in the open market or through negotiated transactions from time to time depending on market conditions.

Note 5 - Comprehensive Income

For the three and nine month periods ended September 30, 2001 and 2000, unrealized gains and losses on debt and equity securities available-for-sale were the Company's only other comprehensive income component. Comprehensive income for the three and nine month periods ended September 30, 2001 and 2000 is summarized as follows:

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
(IN THOUSANDS)	2001	2000	2001	2000
Net Income	$1,896	$1,720	$5,421	$5,296
Other comprehensive income:				
Net unrealized gain on debt and equity securities available-for-sale, net of tax	504	194	850	115
Total comprehensive income	$2,400	$1,914	$6,271	$5,411

Note 6 - Industry Segment Information

The services provided by the Company are classified into three reportable segments: Transportation Information Services, Utility Information Services, and Banking Services. Each of these segments offers distinct services that are marketed through different channels. They are managed separately due to their unique service, processing and capital requirements.

The Transportation Information Services unit provides freight invoice rating, payment, auditing, cost accounting and transportation information services to large corporate shippers. The Utility Information Services unit processes and pays utility invoices, including electricity, gas, water, telephone and refuse, for large corporate entities that have many locations or are heavy users of energy. The Banking Services unit provides banking services primarily to privately held businesses and churches.

The Company's accounting policies for segments are the same as those described in the summary of significant accounting policies in the Company's Annual Report on Form 10-K for the year ended December 31, 2000. Management evaluates segment performance based on net income after allocations for corporate expenses and income taxes. Transactions between segments are accounted for at what management believes to be market value. The Company initiated the reporting of information relating to the Utility Information Services unit in 2001 due to its growth and formalization of its existence as an operating unit. Previous period information has been restated to reflect this addition.

All three segments market their services within the United States and no revenue from any customer of any segment exceeds 10% of the Company's consolidated revenue.

Summarized information about the Company's operations in each industry segment for the three and nine month periods ended September 30, 2001 and 2000, is as follows:

(IN THOUSANDS)	TRANSPORTATION INFORMATION SERVICES	UTILITY INFORMATION SERVICES	BANKING SERVICES	CORPORATE	ELIM-INATIONS	TOTAL
Three Months Ended September 30, 2001						
Total Revenues	$ 8,335	$1,969	$ 3,828	$ 521	$ (622)	$14,031
Net Income	816	33	1,060	(13)	--	1,896
Three Months Ended September 30, 2000						
Total Revenues	$ 8,713	$1,033	$ 3,269	$ 372	$ (438)	$12,949
Net Income	880	75	789	(24)	--	1,720
Nine Months Ended September 30, 2001						
Total Revenues	$25,290	$5,640	$10,895	$1,451	$(1,749)	$41,527
Net Income	2,560	76	2,822	(37)	--	5,421
Nine Months Ended September 30, 2000						
Total Revenues	$26,492	$2,780	$ 9,989	$1,142	$(1,371)	$39,032
Net Income	3,228	(333)	2,473	(72)	--	5,296

Note 7 - Investment in Unconsolidated Subsidiary

On January 2, 2001, the Company's Bank subsidiary foreclosed on certain operating assets relating to one borrower in order to protect the Bank's financial interest in that borrower. The Bank is currently stabilizing this business and operating it as Government e-Management Solutions, Inc. It is accounted for as an unconsolidated subsidiary. At September 30, 2001 the investment in this subsidiary was $5,000,000.

Note 8 - Reclassifications

Certain amounts in the 2000 consolidated financial statements have been reclassified to conform with the 2001 presentation. Such reclassifications have no effect on previously reported net income.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company operates in three primary business segments: Transportation Information Services, Utility Information Services and through the Company's wholly owned subsidiary, Cass Commercial Bank ("Cass Bank"), Banking Services. The Company is a payment processing and information services company, whose operations include the processing and payment of freight and utility invoices, preparation of management information, auditing and rating invoices and other payment related activities for customers located throughout the United States. Cass Bank provides specialized banking services to privately held businesses located primarily in the St. Louis, Missouri metropolitan area and church and church-related entities located in the St. Louis metropolitan area and selected cities throughout the United States.

On January 18, 2001 the Company announced that it acquired substantially all the utility payment and processing related assets of "The Utility Navigator(R)" a division of privately held InSITE Services, Inc. These assets include books and records relating to the business, customer and vendor lists, customer contracts, reporting history and databases, marketing and advertising materials, trademarks and other intellectual property, and a license to the software used to process and pay utility bills.

The following paragraphs more fully discuss the results of operations and changes in financial condition for the three-month period ended September 30, 2001 (the "Third Quarter of 2001") compared to the three-month period ended September 30, 2000 (the "Third Quarter of 2000") and the nine-month period ended September 30, 2001 ("First Nine Months of 2001") compared to the nine-month period ended September 30, 2000 ("First Nine Months of 2000"). The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes and with the statistical information and financial data appearing in this report as well as the Company's 2000 Annual Report on Form 10-K. Results of operations for the First Nine Months of 2001 are not necessarily indicative of the results to be attained for any other period.

RESULTS OF OPERATIONS

NET INCOME

The Company's net income was $1,896,000 for the Third Quarter of 2001, a $176,000 or 10.2% increase compared to net income of $1,720,000 for the Third Quarter of 2000. The Company's net income was $5,421,000 for the First Nine Months of 2001, a $125,000 or 2.4% increase compared to net income of $5,296,000 for the First Nine Months of 2000. Diluted earnings per share was $.59 for the Third Quarter of 2001, a 20.4% increase compared to $.49 for the Third Quarter of 2000. Diluted earnings per share was $1.65 for the First Nine Months of 2001, a 11.5% increase compared to $1.48 for the First Nine Months of 2000. The increase in net income was primarily a result of an increase in both fee and net interest income. Return on average assets for the Third Quarter of 2001 was 1.31% compared to 1.34% for the Third Quarter of 2000. Return on average assets for the First Nine Months of 2001 was 1.29% compared to 1.41% for the First Nine Months of 2000. Return on average equity for the Third Quarter of 2001 was 13.70% compared to 12.76% for the Third Quarter of 2000. Return on average equity for the First Nine Months of 2001 was 13.24% compared to 12.98% for the First Nine Months of 2000.

NET INTEREST INCOME

Third Quarter of 2001 compared to Third Quarter of 2000:

The Company's tax-equivalent net interest income increased 2.9% or $234,000 from $8,039,000 to $8,273,000. Average earning assets increased 8.6% or $41,203,000 from $478,840,000 to $520,043,000. The tax-equivalent net interest margin decreased from 6.68% to 6.33%. The average tax-equivalent yield on earning assets decreased from 7.91% to 6.96%. The average rate paid on interest-bearing liabilities decreased from 5.32% to 2.74%.

The average balances of loans increased $45,028,000 from $334,364,000 to $379,392,000, investment in debt and equity securities decreased $940,000 from $82,429,000 to $81,489,000, and federal funds sold and other short-term investments decreased $2,885,000 from $62,047,000 to $59,162,000. The average balance of noninterest bearing demand deposit accounts increased $18,685,000 from $74,902,000 to $93,587,000, accounts and drafts payable increased $30,265,000 from $267,743,000 to $298,008,000, and interest bearing liabilities increased $9,393,000 from $110,435,000 to $119,828,000.

The increase in average loan balances during this period was attributable to the Bank's marketing efforts, both in the commercial and church and church-related areas. The decrease in debt and equity securities and federal funds sold and other short term investments reflects management's asset allocation decisions given projected liquidity requirements, market interest rates and the attractiveness of alternative investments. Noninterest bearing demand and interest bearing liabilities have increased due to the Bank's increased marketing efforts to attract more deposits and the fact that many bank customers maintain higher noninterest bearing balances to compensate the Bank for services and to avoid higher services fees in a lower rate environment. The increase in average accounts and drafts payable relates to increases in utility dollar volume processed and a lengthening of the time the Company has funds available to complete payment of freight invoices.

The increases experienced during the Third Quarter of 2001 in net interest income was caused primarily by increases in the level of earning assets funded by the increase in demand deposits, accounts and drafts payable and interest-bearing liabilities and a shift in earning assets to higher yielding loans and also to a decrease in rates paid on deposits. The decrease in net interest margin was due primarily to a decline in the general level of interest rates. The Company is positively affected by increases in the level of interest rates due to the fact that its rate sensitive assets significantly exceed its rate sensitive liabilities. Conversely, the Company is adversely affected by decreases in the level of interest rates. This is primarily due to the noninterest-bearing liabilities generated by the Company in the form of accounts and drafts payable. For more information please refer to the table on page 10.

First Nine Months of 2001 compared to the First Nine Months of 2000:

The Company's tax-equivalent net interest income increased 4.9% or $1,141,000 from $23,473,000 to $24,614,000. Average earning assets increased 9.9% or $45,942,000 from $465,133,000 to $511,075,000. The tax-equivalent net interest margin decreased from 6.74% to 6.46%. The average tax-equivalent yield on earning assets decreased from 7.75% to 7.30%. The average rate paid on interest-bearing liabilities decreased from 4.64% to 3.58%.

The average balances of loans increased $55,713,000 from $320,908,000 to $376,621,000, investment in debt and equity securities decreased $22,369,000 from $87,485,000 to $65,116,000, and federal funds sold and other short-term investments increased $12,598,000 from $56,740,000 to $69,338,000. The average balance of noninterest bearing demand deposit accounts increased $9,127,000 from $79,388,000 to $88,515,000, accounts and drafts payable increased $27,047,000 from $261,833,000 to $288,880,000, and interest-bearing liabilities increased $19,716,000 from $101,043,000 to $120,759,000.

The increases and decreases experienced in account balances during the First Nine Months of 2001 were attributable to the same factors as those described for the third quarter, except that the average balance of federal funds sold and other short-term investments was higher for the First Nine Months of 2001 compared with the corresponding period for 2000. Investments made during the Third Quarter of 2001 have shifted from these funds to longer term, higher yielding investment securities.

The increases experienced during the First Nine Months of 2001 in net interest income were also caused primarily by increases in the level of earning assets funded primarily by the increase in demand deposits, accounts and drafts payable and interest bearing liabilities and a shift in earning assets to higher yielding loans and also to a decrease in rates paid on deposits. The decrease in net interest margin was due primarily to a decline in the general level of interest rates. The Company is positively affected by increases in the level of interest rates due to the fact that its rate sensitive assets significantly exceed its rate sensitive liabilities. Conversely, the Company is adversely affected by decreases in the level of interest rates. This is primarily due to the noninterest-bearing liabilities generated by the Company in the form of accounts and drafts payable. For more information please refer to the table on page 11.

DISTRIBUTION OF ASSETS, LIABILITIES AND STOCKHOLDERS' EQUITY; INTEREST RATE AND INTEREST DIFFERENTIAL

The following table shows the condensed average balance sheets for each of the periods reported, the interest income and expense on each category of interest-earning assets and interest-bearing liabilities, and the average yield on such categories of interest-earning assets and the average rates paid on such categories of interest-bearing liabilities for each of the periods reported.

	THIRD QUARTER 2001			THIRD QUARTER 2000		
(DOLLARS IN THOUSANDS)	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE
ASSETS 1						
Earning assets:						
Loans 2,3:						
Taxable	$370,721	$7,185	7.71%	$327,283	$7,068	8.59%
Tax-exempt 4	8,671	178	8.17	7,081	145	8.15
Debt and equity securities 5:						
Taxable	80,449	1,187	5.87	81,247	1,282	6.28
Tax-exempt 4	1,040	18	6.89	1,182	22	7.40
Federal funds sold and other short-term investments	59,162	529	3.56	62,047	999	6.41
Total earning assets	520,043	9,097	6.96	478,840	9,516	7.91
Nonearning assets:						
Cash and due from banks	24,764			17,858		
Premises and equipment, net	17,498			9,836		
Other assets	16,516			10,371		
Allowance for loan losses	(4,921)			(4,476)		
Total assets	$573,900			$512,429		
LIABILITIES AND SHAREHOLDERS' EQUITY 1						
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 58,593	$ 360	2.44%	$ 43,847	$ 544	4.94%
Savings deposits	48,672	322	2.63	59,767	840	5.59
Time deposits of $100 or more	7,955	92	4.60	2,326	31	5.30
Other time deposits	3,965	46	4.62	3,807	49	5.12
Total interest-bearing deposits	119,185	820	2.74	109,747	1,464	5.31
Short-term borrowings	643	4	2.47	688	13	7.52
Total interest-bearing liabilities	119,828	824	2.74	110,435	1,477	5.32
Noninterest-bearing liabilities:						
Demand deposits	93,587			74,902		
Accounts and drafts payable	298,008			267,743		
Other liabilities	7,553			5,705		
Total liabilities	518,976			458,785		
Shareholders' equity	54,924			53,644		
Total liabilities and shareholders' equity	$573,900			$512,429		
Net interest income		$8,273			$8,039	
Interest spread			4.22%			2.59%
Net interest margin			6.33%			6.68%

1. Balances shown are daily averages.

2. For purposes of these computations, nonaccrual loans are included in the average loan amounts outstanding. Interest on nonaccrual loans is recorded when received as discussed further in Note 1 to the Company's 2000 Consolidated Financial Statements.
3. Interest income on loans includes net loan fees of $84,000 and $151,000 for the Third Quarter of 2001 and 2000, respectively.
4. Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%. The tax-equivalent adjustment was approximately $67,000 and $56,000 for the Third Quarter of 2001 and 2000, respectively.
5. For purposes of these computations, yields on investment securities are computed as interest income divided by the average amortized cost of the investments.

	FIRST NINE MONTHS OF 2001			FIRST NINE MONTHS OF 2000		
(DOLLARS IN THOUSANDS)	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE	AVERAGE BALANCE	INTEREST INCOME/ EXPENSE	YIELD/ RATE
ASSETS 1						
Earning assets:						
Loans 2,3:						
Taxable	$363,371	$21,688	8.00%	$313,756	$19,856	8.45%
Tax-exempt 4	13,250	844	8.54	7,152	446	8.33
Debt and equity securities 5:						
Taxable	64,046	2,929	6.13	86,288	4,039	6.25
Tax-exempt 4	1,070	58	7.27	1,197	66	7.37
Federal funds sold and other short-term investments	69,338	2,317	4.48	56,740	2,575	6.06
Total earning assets	511,075	27,836	7.30	465,133	26,982	7.75
Nonearning assets:						
Cash and due from banks	22,672			22,395		
Premises and equipment, net	16,318			9,617		
Other assets	15,752			9,954		
Allowance for loan losses	(4,910)			(4,406)		
Total assets	$560,907			$502,693		
LIABILITIES AND SHAREHOLDERS' EQUITY 1						
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 55,629	$ 1,315	3.17%	$ 43,227	$ 1,367	4.22%
Savings deposits	55,076	1,533	3.73	51,169	1,892	4.94
Time deposits of $100 or more	5,976	222	4.98	2,456	95	5.17
Other time deposits	3,839	147	5.13	3,828	135	4.71
Total interest-bearing deposits	120,520	3,217	3.58	100,680	3,489	4.63
Short-term borrowings	239	5	2.80	363	20	7.36
Total interest-bearing liabilities	120,759	3,222	3.58	101,043	3,509	4.64
Noninterest-bearing liabilities:						
Demand deposits	88,515			79,388		
Accounts and drafts payable	288,880			261,833		
Other liabilities	8,023			5,922		
Total liabilities	506,177			448,186		
Shareholders' equity	54,730			54,507		
Total liabilities and shareholders' equity	$560,907			$502,693		
Net interest income		$24,614			$23,473	
Interest spread			3.72%			3.11%
Net interest margin			6.46%			6.74%

1. Balances shown are daily averages.
2. For purposes of these computations, nonaccrual loans are included in the average loan amounts outstanding. Interest on nonaccrual loans is recorded when received as discussed further in Note 1 to the Company's 2000 Consolidated Financial Statements.
3. Interest income on loans includes net loan fees of $95,000 and $230,000 for the First Nine Months of 2001 and 2000, respectively.
4. Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%. The tax-equivalent adjustment was approximately $307,000 and $173,000 for the First Nine Months of 2001 and 2000, respectively.
5. For purposes of these computations, yields on investment securities are computed as interest income divided by the average amortized cost of the investments.

ANALYSIS OF NET INTEREST INCOME CHANGES

The following table presents the changes in interest income and expense between periods due to changes in volume and interest rates. That portion of the change in interest attributable to the combined rate/volume variance has been allocated to rate and volume changes in proportion to the absolute dollar amounts of the change in each.

(IN THOUSANDS)	THIRD QUARTER 2001 OVER 2000 VOLUME	RATE	TOTAL
Increase (decrease) in interest income:			
Loans 1,2:			
Taxable	$ 886	$ (769)	$ 117
Tax-exempt 3	33	--	33
Debt and equity securities:			
Taxable	(12)	(83)	(95)
Tax-exempt 3	(3)	(1)	(4)
Federal funds sold and other short-term investments	(44)	(426)	(470)
Total interest income	860	(1,279)	(419)
Interest expense on:			
Interest-bearing demand deposits	147	(331)	(184)
Savings deposits	(135)	(383)	(518)
Time deposits of $100 or more	66	(5)	61
Other time deposits	2	(5)	(3)
Short-term borrowings	(1)	(8)	(9)
Total interest expense	79	(732)	(653)
Net interest income	$ 781	$ (547)	$ 234

1. Average balances include nonaccrual loans.
2. Interest income includes net loan fees.
3. Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%.

(IN THOUSANDS)	FIRST NINE MONTHS 2001 OVER 2000 VOLUME	RATE	TOTAL
Increase (decrease) in interest income:			
Loans(1,2):			
Taxable	$ 2,954	$(1,122)	$ 1,832
Tax-exempt(3)	387	11	398
Debt and equity securities:			
Taxable	(1,032)	(78)	(1,110)
Tax-exempt(3)	(7)	(1)	(8)
Federal funds sold and other short-term investments	499	(757)	(258)
Total interest income	2,801	(1,947)	854

Interest expense on:			
Interest-bearing demand deposits	337	(389)	(52)
Savings deposits	135	(494)	(359)
Time deposits of $100 or more	131	(4)	127
Other time deposits	--	12	12
Short-term borrowings	(5)	(10)	(15)
Total interest expense	598	(885)	(287)
Net interest income	$ 2,203	$(1,062)	$ 1,141

1. Average balances include nonaccrual loans.
2. Interest income includes net loan fees.
3. Interest income is presented on a tax-equivalent basis assuming a tax rate of 34%.

ALLOWANCE AND PROVISION FOR LOAN LOSSES

A significant determinant of the Company's operating results is the provision for loan losses and the level of loans charged off. There was a $60,000 provision made for loan losses during the Third Quarter of 2001 compared with a $100,000 provision made during the Third Quarter of 2000. There was a $60,000 provision made for loan losses during the First Nine Months of 2001 compared with a $350,000 provision made during the First Nine Months of 2000. Net loans charged off for the Third Quarter of 2001 were $106,000 compared to $68,000 for the Third Quarter of 2000. Net loans charged off for the First Nine Months of 2001 were $56,000 compared to $120,000 for the First Nine Months of 2000. This, along with a reduction in the balance of potential problem loans from December 31, 2000 to September 30, 2001, resulted in a decrease in the provision made during 2001. Potential problem loans consist of nonperforming loans and other impaired loans.

The allowance for loan losses at September 30, 2001 was $4,901,000 and at December 31, 2000 was $4,897,000. The allowance for loan losses at September 30, 2001 and December 31, 2001 represented 1.32% of total loans outstanding. Nonperforming loans were $836,000 or .22% of average loans at September 30, 2001 compared to $1,131,000 or .34% of average loans at December 31, 2000.

At September 30, 2001, impaired loans totaled $890,000 which included $790,000 of nonaccrual loans compared with impaired loans at December 31, 2000 of $5,394,000 which included $1,127,000 of nonaccrual loans. The allowance for loan losses on impaired loans was $219,000 at September 30, 2001. The decrease in impaired loans from December 31, 2000 relates primarily to one borrower. On January 2, 2001 the Bank foreclosed on certain assets of this borrower as explained in the Summary of Asset Quality section below.

Factors which influence management's determination of the adequacy of the allowance for loan losses, among other things, include: evaluation of each nonperforming and/or classified loan to determine the estimated loss exposure under existing circumstances known to management; evaluation of all potential problem loans identified in light of loss exposure based upon existing circumstances known to management; analysis of the loan portfolio with regard to future loss exposure on loans to specific customers and/or industries; current economic conditions; and, an overall review of the loan portfolio in light of past loan loss experience. In management's judgment, the allowance for loan losses is considered adequate to absorb probable losses in the loan portfolio.

SUMMARY OF ASSET QUALITY

The following table presents information as of and for the three and nine month periods ended September 30, 2001 and 2000 pertaining to the Company's provision for loan losses and analysis of the allowance for loan losses.

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
(DOLLARS IN THOUSANDS)	2001	2000	2001	2000
Allowance at beginning of period	$ 4,947	$ 4,480	$ 4,897	$ 4,282
Provision charged to expense	60	100	60	350
Loans charged off	110	71	110	153

Recoveries on loans previously charged off	4	3	54	33
Net loans charged-off (recovered)	106	68	56	120
Allowance at end of period	$ 4,901	$ 4,512	$ 4,901	$ 4,512
Loans outstanding:				
Average	$379,392	$334,364	$376,621	$320,908
September 30	370,912	348,090	370,912	384,090
Ratio of allowance for loan losses to loans outstanding:				
Average	1.29%	1.35%	1.30%	1.41%
September 30	1.32	1.30	1.32	1.30
Nonperforming loans:				
Nonaccrual loans	$ 790	$ 980	$ 790	$ 980
Loans past due 90 days or more	46	4	46	4
Total nonperforming loans	$ 836	$ 984	$ 836	$ 984
Other real estate owned	600	--	600	--
Total nonperforming assets	$ 1,436	$ 984	$ 1,436	$ 984
Nonperforming loans as a percent of average loans	.22%	.29%	.22%	.31%

On January 2, 2001, the Bank foreclosed on certain operating assets relating to one borrower in order to protect the Bank's financial interest in that borrower. At the time of foreclosure, loans to this borrower amounted to $4,205,000. The Bank is currently stabilizing this business and operating it as Government e-Management Solutions and will continue to operate the business until it can be sold or merged into another entity. As of September 30, 2001 the investment in this subsidiary was $5,000,000. During the First Nine Months of 2001, this subsidiary had a loss of $826,000, which includes depreciation and amortization of $1,123,000.

NONINTEREST INCOME

Noninterest income is principally derived from payment and processing fees. Processing volumes related to these fees for the three and nine month periods ended September 30, 2001 and 2000 are as follows:

	THREE MONTHS ENDED SEPTEMBER 30			NINE MONTHS ENDED SEPTEMBER 30		
(IN THOUSANDS)	2001	2000	% CHANGE	2001	2000	% CHANGE
Transportation Information Services:						
Invoice Bill Volume	4,969	4,641	7.1%	14,967	14,244	5.1%
Invoice Dollar Volume	$1,808,261	$1,840,447	(1.7%)	$5,475,427	$5,458,570	.3%
Utility Information Services:						
Invoice Bill Volume	606	445	36.2%	1,841	1,244	48.0%
Invoice Dollar Volume	$ 495,629	$ 309,747	60.0%	$1,326,058	$ 765,585	73.2%

Total noninterest income for the Third Quarter of 2001 was $5,886,000, a $820,000 or 16.2% increase compared with the Third Quarter of 2000. Total noninterest income for the First Nine Months of 2001 was $17,281,000, a $1,199,000 or 7.5% increase compared to the First Nine Months of 2000. The Company's payment and processing revenue for the Third Quarter of 2001 was $5,429,000, a $778,000 or 16.7% increase compared to the Third Quarter of 2000. CIS payment and processing revenue for the First Nine Months of 2001 was $15,895,000, a $1,059,000 or 7.1% increase compared to the First Nine Months of 2000. These increases were primarily derived from the growth in fee income from both the freight and utility processing segments. The increase in freight fees was due to increases in new customer- and service-related fees, which offset a decrease in shipments resulting from a slowing of the economy. The increase in utility fees relates primarily to the addition of new customers from marketing efforts and through the acquisition of "The Utility Navigator(R)".

Bank service fees for the Third Quarter of 2001 were $412,000, a $66,000 or 19.1% increase compared to the Third Quarter of 2000. During the First Nine Months of 2001 these fees were $1,111,000, a $57,000 or 5.4% increase compared to the First Nine Months of 2000. These increases are due to an expansion of the Bank's customer base and the fact that service fees increase as the value of noninterest bearing deposits used to compensate the Bank decrease as the general level of interest rates decrease.

NONINTEREST EXPENSE

Total noninterest expense for the Third Quarter of 2001 was $11,100,000, a $817,000 or 7.9% increase compared to the Third Quarter of 2000. Total noninterest expense for the First Nine Months of 2001 was $33,225,000, a $2,423,000 or 7.9% increase compared to the First Nine Months of 2000.

Salaries and benefits expense for the Third Quarter of 2001 was $7,514,000, a $415,000 or 5.8% increase compared to the Third Quarter of 2000. Salaries and benefits expense for the First Nine Months of 2001 was $22,899,000, a $1,793,000 or 8.5% increase compared to the First Nine Months of 2000. These increases were primarily related to an increased staff at the Company's new utility processing facility in Columbus, Ohio.

Occupancy expense for the Third Quarter of 2001 was $420,000, a $37,000 or 8.1% decrease compared to the Third Quarter of 2000. Occupancy expense for the First Nine Months of 2001 was $1,308,000, a $26,000 or 1.9% decrease compared to the First Nine Months of 2000. The decrease in the Third Quarter of 2001 relates primarily to a decrease in rent expense the Company experienced after moving its Columbus operations from leased space to a newly acquired building. The decrease in the First Nine Months of 2001 compared to the First Nine Months of 2000 was also due to a decrease in rent expense, which offset expenses related to moving the Columbus operations to the new building.

Equipment expense for the Third Quarter of 2001 was $960,000, an increase of $188,000 or 24.4% compared to the Third Quarter of 2000. Equipment expense for the First Nine Months of 2001 was $2,678,000, an increase of $387,000 or 16.9% compared to the First Nine Months of 2000. These increases were due primarily to increased investments in information technology.

Other noninterest expense for the Third Quarter of 2001 was $2,206,000, an increase of $251,000 or 12.8% compared to the Third Quarter of 2000. Other noninterest expense for the First Nine Months of 2001 was $6,340,000, an increase of $269,000 or 4.4% compared to the First Nine Months of 2000. These increases were due primarily to increases in postage expense and outside service fees.

FINANCIAL CONDITION

Total assets at September 30, 2001 were $584,280,000, an increase of $7,394,000 or 1.3% from December 31, 2000. Loans, net of the allowance for loan losses, at September 30, 2001 were $366,011,000, a decrease of $1,312,000 or .4% from December 31, 2000. Total investments in debt and equity securities at September 30, 2001 were $94,967,000, a $25,642,000 or 37.0% increase from December 31, 2000. Federal Funds sold and other short-term investments at September 30, 2001 were $56,821,000 a $37,430,000 or 39.7% decrease from December 31, 2000.

Total deposits at September 30, 2001 were $216,926,000, a $4,260,000 or 2.0% increase from December 31, 2000. Accounts and drafts payable were $304,603,000, a $1,763,000 or .6% increase from December 31, 2000. Total shareholders' equity at September 30, 2001 was $55,022,000, a $1,201,000 or 2.2% increase from December 31, 2000.

Although the ending balances of loans have decreased slightly from December 31, 2000, on average loans have increased over the last year with a large number of loans booked in the last quarter of 2000, offset by loan payoffs and refinancing in the First Nine Months of 2001. The decrease in federal funds sold and other short-term investments relate to the increase in investments in debt and equity securities as funds were shifted to longer term higher yielding investments. The increase in deposits and accounts and drafts payable reflects normal daily and seasonal fluctuations. The ending balances of accounts and drafts payable will fluctuate from period end to period end due to the payment processing cycle, which results in lower balances on days when checks clear and higher balances on days when checks are issued. For this reason, average balances are a more meaningful measure of accounts and drafts payable (for average balances refer to the tables on pages 10 and 11). The increase in total shareholders' equity resulted from net income of $5,421,000; an increase in other comprehensive income of $850,000; the amortization of the stock bonus plan of $64,000; cash received from the exercise of stock options of

$61,000 and the tax benefit received from the exercise of stock awards of $29,000; offset by the purchase of treasury shares for $3,280,000 (161,700 shares); and dividends paid of $1,944,000 ($.60 per share).

LIQUIDITY AND CAPITAL RESOURCES

The balances of liquid assets consists of cash and cash equivalents, which include cash and due from banks, federal funds sold, and money market funds, and were $88,579,000 at September 30, 2001, a decrease of $27,352,000 or 23.6% from December 31, 2001. At September 30, 2001 these assets represented 15.2% of total assets. These funds are the Company's and its subsidiaries' primary source of liquidity to meet future expected and unexpected loan demand, depositor withdrawals or reductions in accounts and drafts payable.

Secondary sources of liquidity include the investment portfolio and borrowing lines. Total investment in debt and equity securities was $94,967,000 at September 30, 2001, an increase of $25,642,000 or 37.0% from December 31, 2001. These assets represented 16.3% of total assets at September 30, 2001. Of this total, 22% were U.S. treasury securities, 18% were U.S. government agencies, 58% were mortgage-backed securities and 2% were other securities. Of the total portfolio, 24% matures in one year, 16% matures in one to five years, and 60% matures in five or more years. At January 1, 2001 the Company transferred the remaining balance of held-to-maturity securities into available-for-sale securities. The investment portfolio provides secondary liquidity through regularly scheduled maturities, the ability to sell securities out of the available-for-sale portfolio, and the ability to use these securities in conjunction with its reverse repurchase lines of credit.

Cass Bank has unsecured lines at correspondent banks to purchase federal funds up to a maximum of $20,341,000. Additionally, Cass Bank has a line of credit at an unaffiliated financial institution in the maximum amount of $60,000,000 collateralized by securities sold under repurchase agreements.

The deposits of the Company's banking subsidiary have historically been stable, consisting of a sizable volume of core deposits related to customers that utilize many other commercial products of the bank. The accounts and drafts payable generated by CIS has also historically been a stable source of funds.

Net cash provided by operating activities totaled $3,734,000 for the First Nine Months of 2001, compared to $6,754,000 for the First Nine Months of 2000. Net cash used in investing activities was $32,946,000 for the First Nine Months of 2001, compared with $69,145,000 for the First Nine Months of 2000. Net cash provided by financing activities for the First Nine Months of 2001 was $1,860,000, compared with $42,464,000 for the First Nine Months of 2000. The decrease in net cash used in investing activities relates primarily to the greater increase in loans during the First Nine Months of 2000, which was partially offset by the purchase of more debt and equity securities in the First Nine Months of 2001. The decrease in net cash provided by financing activities relates primarily to a greater increase in accounts and drafts payable during the First Nine Months of 2000.

The Company faces market risk to the extent that its net interest income and fair market value of equity are affected by changes in market interest rates. For information regarding the market risk of the Company's financial instruments, see Item 3. "QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK".

Risk-based capital guidelines require the Company to meet a minimum total capital ratio of 8.0% of which at least 4.0% must consist of Tier 1 capital. Tier 1 capital generally consists of (a) common shareholders' equity (excluding the unrealized market value adjustments on the available-for-sale securities), (b) qualifying perpetual preferred stock and related surplus subject to certain limitations specified by the FDIC, (c) minority interests in the equity accounts of consolidated subsidiaries less (d) goodwill, (e) mortgage servicing rights within certain limits, and (f) any other intangible assets and investments in subsidiaries that the FDIC determines should be deducted from Tier 1 capital. The FDIC also requires a minimum leverage ratio of 3.0%, defined as the ratio of Tier 1 capital less purchased mortgage servicing rights to total assets, for banking organizations deemed the strongest and most highly rated by banking regulators. A higher minimum leverage ratio is required of less highly rated banking organizations. Total capital, a measure of capital adequacy, includes Tier 1 capital, allowance for loan losses, and debt considered equity for regulatory capital purposes.

The Company and the Bank continue to significantly exceed all regulatory capital requirements, as evidenced by the following capital amounts and ratios at September 30, 2001 and December 31, 2000:

SEPTEMBER 30, 2001	AMOUNT	RATIO
Total capital (to risk-weighted assets)		
Cass Information Systems, Inc.	$53,140,000	12.42%
Cass Commercial Bank	23,924,000	12.05
Tier I capital (to risk-weighted assets)		
Cass Information Systems, Inc.	$48,239,000	11.27%
Cass Commercial Bank	21,445,000	10.80
Tier I capital (to average assets)		
Cass Information Systems, Inc.	$48,239,000	8.69%
Cass Commercial Bank	21,445,000	8.96

DECEMBER 31, 2000	AMOUNT	RATIO
Total capital (to risk-weighted assets)		
Cass Information Systems, Inc.	$57,712,000	13.55%
Cass Commercial Bank	26,064,000	13.38
Tier I capital (to risk-weighted assets)		
Cass Information Systems, Inc.	$52,815,000	12.40%
Cass Commercial Bank	23,624,000	12.13
Tier I capital (to average assets)		
Cass Information Systems, Inc.	$52,815,000	10.26%
Cass Commercial Bank	23,624,000	10.52

INFLATION

Inflation can impact the financial position and results of the operations of banks and bank holding companies because these companies hold monetary assets and monetary liabilities. Monetary assets and liabilities are those which can be converted into a fixed number of dollars, and include cash, investments, loans and deposits. The Company's consolidated balance sheets, reflect a net positive monetary position (monetary assets exceeding monetary liabilities). During periods of inflation, the holding of a net positive monetary position will result in an overall decline in the purchasing power of a company.

FORWARD-LOOKING STATEMENTS - FACTORS THAT MAY AFFECT FUTURE RESULTS

Statements in Management's Discussion and Analysis of Financial Condition and Results of Operations and the other sections of this Report that are not statements of historical fact are forward-looking statements. Such statements are subject to important risks and uncertainties which could cause the Company's actual results to differ materially from those expressed in any such forward-looking statements made herein. The aforesaid uncertainties include, but are not limited to: burdens imposed by federal and state regulators, credit risk related to borrowers' ability to repay loans, concentration of loans in the St. Louis Metropolitan area which subjects the Company to risks associated with changes in the local economy, risks associated with fluctuations in interest rates, competition from other banks and other financial institutions, some of which are not as heavily regulated as the Company and risks associated with breakdowns in data processing systems and competition from other providers of similar services.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As described in the Company's Annual Report on Form 10-K for the year ended December 31, 2000, the Company manages its interest rate risk through measurement techniques that include gap analysis and a simulation model. As part of the risk management process, asset/liability management policies are established and monitored by management. The policy objective is to limit the change in annualized net interest income to 15% from an immediate and sustained parallel change in interest rates of 200 basis points. Based on the Company's most recent evaluation, management does not believe the Company's risk position at September 30, 2001 has changed materially from that at December 31, 2000.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS
None

ITEM 2. CHANGES IN SECURITIES
None

ITEM 3. DEFAULTS IN SENIOR SECURITIES
None

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS
None

ITEM 5. OTHER INFORMATION
None

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) None

(b) Cass Information Systems, Inc. did not file any reports on Form 8-K during the three-month period ended September 30, 2001.

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 thereunto duly authorized.

CASS INFORMATION SYSTEMS, INC.

DATE: October 31, 2001 By Lawrence A. Collett

Lawrence A. Collett
Chairman and Chief Executive Officer

DATE: October 31, 2001 By Eric H. Brunngraber

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