

2009 SUMMARY ANNUAL REPORT

Tried Tested True

The security of long-standing values
through challenging times and beyond.

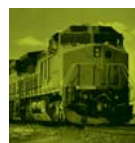


Cass Information Systems, Inc. is the leading provider of transportation, utility and telecom expense management and related business intelligence services, disbursing \$24 billion annually on behalf of its clients. With total assets exceeding \$1 billion, Cass is a thriving business process outsourcer focused on invoice processing, auditing and payment services. Cass is uniquely supported by Cass Commercial Bank, founded in 1906. Today, Cass Commercial Bank is a wholly owned subsidiary, providing sophisticated financial exchange services to the parent organization and its clients.



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2009 YEAR IN REVIEW

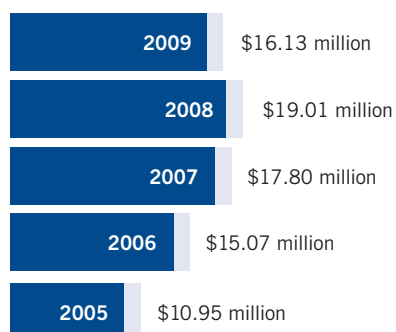
In 2009, Cass marked another milestone in its 104-year history by surpassing \$1 billion in total assets.

FOR THE YEAR ENDED DECEMBER 31,	2009	2008
Total Net Revenue	\$ 87,919,000	\$ 91,730,000
Net Income	\$ 16,129,000	\$ 19,006,000
Basic Earnings per Common Share	\$ 1.76	\$ 2.08
Diluted Earnings per Common Share	\$ 1.73	\$ 2.03
Dividends Paid per Common Share	\$ 0.530	\$ 0.490
Total Number of Transactions Processed	34,619,000	36,416,000
Total Dollar Volume Paid	\$ 23,717,451,000	\$ 26,900,535,000
Return on Average Total Shareholders' Equity	13.71%	18.24%
Return on Average Assets	1.65%	2.06%
AS OF DECEMBER 31,	2009	2008
Total Assets	\$ 1,012,981,000	\$ 885,228,000
Total Shareholders' Equity	\$ 129,568,000	\$ 106,241,000
Book Value per Common Share	\$ 13.81	\$ 11.58

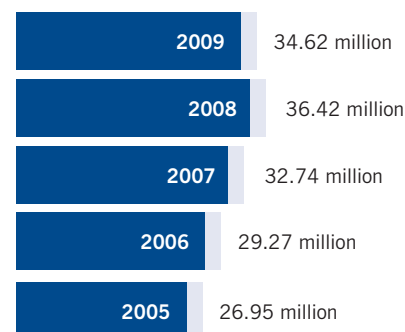
DILUTED EARNINGS PER COMMON SHARE



NET INCOME



TOTAL TRANSACTIONS



Cass will remain true to the principles that define our Company and will continue to serve clients by concentrating on their requirements and applying our core competencies.

Dear Fellow Shareholders,

In last year's shareholder letter, I reflected on the events that led to the financial panic and crisis of confidence that occurred during 2008. Despite these developments, Cass was able to report record operating results. However, as the financial panic transitioned into a severe economic slowdown that continued into 2009, Cass was strongly affected by decreased customer activity, resulting in a dramatic drop in the size and number of invoices processed. These decreases have a significant impact on earnings because they drive both fee revenue and interest income. The impact was most acute in our Transportation Information Services group. Combined with 2009 short-term interest rates of near zero percent, these shortfalls were only partially offset by the continued addition of new customers and strong growth in our other operating units.

It is against this backdrop that we report the financial results of Cass for 2009 and bring you up to date on our business activities. We remain steadfast, because the challenges presented during the past year have tried and tested our values, vision and strategy – and have underscored their power. We will remain true to our plan and work to strengthen our position for 2010 and beyond.

Financial Results

Total revenue for 2009 was \$87.9 million, a \$3.8 million or 4% decrease from the \$91.7 million recorded in 2008. Company revenue consists of two major components. The first is fee revenue derived primarily from information processing. The second is net investment income resulting from the balances generated by payment processing activities along with the net interest income generated by Cass Commercial Bank. Both components were negatively affected by the dramatic decline in the nation's transportation activity. At the same time, generally low interest rates negatively impacted net investment income.

To provide a little more detail, payment processing fee revenue is primarily driven by transaction volumes. Transportation invoice volume for 2009 was 23.1 million items, a 2.8 million or 11% decline from 2008. However, without the addition of new customers, that decrease would have been 16%. Results were far better in our Utility Information Services group. There, new accounts helped boost volume to 11.5 million items, a 9% increase over the 10.6 million items processed in 2008. The net result was \$48.7 million in payment processing fee revenue, a \$2.1 million or 4% decrease from the prior year.

Net investment income is also driven by many factors. First, income is derived from the balances generated by payment processing. Transportation invoice dollar volume for 2009 was \$14.0 billion, a \$3.5 billion or 20% decrease from 2008. Transportation invoice dollars decreased because companies cut orders, reduced inventories and shipped fewer goods, and because freight rates dropped due to excess capacity and lower fuel costs. Utility invoice dollar volume for 2009 was \$9.7 billion, a \$252.1 million or 3% increase from 2008. The combined payment processing activities of the business units produced average investable balances of \$459.9 million, a \$99.3 million or an 18% decrease from 2008. Fortunately, we were not only able to offset this decline by increasing bank deposits, but also increase average earning assets to \$895.0 million, a \$53.6 million or 6% increase over 2008. In fact, Cass in 2009 marked another milestone in its 104-year history by surpassing \$1 billion in total assets.

Although we were able to grow earning assets despite diminished transportation activity and improve the earning asset mix by expanding our loan portfolio, our net interest margin declined from 5.34% in 2008 to 4.79% in 2009. This was caused primarily by lower short-term interest rates as the Federal Reserve sought to stimulate the economy and due to a less favorable mix of funding sources. Net investment income for 2009 was \$36.7 million, a \$1.9 million or 5% decrease from 2008.

Total operating expenses for 2009 rose 1% or \$821,000 to \$66.4 million. This was due primarily to items that related to the difficult economic environment such as a \$729,000 increase in FDIC insurance, a \$1.3 million increase in pension expense and \$395,000 in workforce reduction costs. Throughout 2009 Cass continued to implement new methods and technologies to boost productivity. It will remain a priority in the future.

In sum, Cass produced total net income of \$16.1 million in 2009, a 15% decrease from the record \$19.0 million earned in 2008. On a diluted earnings per share basis, 2009 net income was \$1.73 compared to \$2.03 in 2008. While the earnings decline is disappointing, we are mindful that our return on average assets of 1.65%, return on average shareholder's equity of 13.71% and capital ratio of 16.69% at year end rank us among the top performing and strongest companies in our industry. More importantly, and as detailed in the following pages, we remained true to our business strategy in 2009. We overcame external challenges to strengthen internal operations, putting us in a better position to serve clients and grow in the years ahead.



Eric Brunngraber, President and Chief Executive Officer

Driving the Results

Despite the significant reduction in customer activity, the Transportation Information Services group accomplished several key objectives in 2009, including the consolidation of three processing centers into two, the successful collaboration with key carriers to remove paper from the billing process, and improvements in workflow efficiency and effectiveness. Although initially costly, these improvements are contributing to improved performance in 2010.

The Utility Information Services group produced another record year as measured by transactions processed, dollar volume of bills, total revenue and operating efficiency. Major advances were also made in information delivery through a new and rebranded Web portal and the release of enhanced key-from-image and optical character recognition applications. Demand for facility-related billing information continues to increase, fueled in part by initiatives to establish baselines for carbon emissions.

The Telecom Information Services group also continues to grow. The number of invoices processed, dollars paid and billing account numbers (BANS) under management were all up significantly over 2008. The group is also making great strides in process improvements and added functionality. Its most significant advance was the October release of enhanced capabilities for wireless expense management, including the integration of wireless provisioning and further optimization functionality.

Our bank subsidiary, which provides the infrastructure, security and investment management components for

our payment operations, had an outstanding year. This group was instrumental in generating deposit balances to compensate for the decline in transportation processing volume, increasing the size of the loan portfolio to partially offset the overall decline in interest rates and maintaining the quality of the loan and investment portfolios despite the recession.

Looking to the Future

We anticipate that the economy will continue to challenge all businesses, including Cass, in 2010. Our investment income continues to be affected by low interest rates. Fee revenue will remain below trend until we can add enough new clients to offset the decline in base business or the

We value our many customers and are thankful for the opportunity to provide solid business solutions.

business activity of our transportation clients improves. Although our investment and loan portfolios are conservatively managed and are performing well, a prolonged recession could eventually erode their performance.

Yet, as we enter 2010, we remain optimistic. The pipeline for new business for each of our units remains strong. The value of our products and services is particularly critical in competitive environments. Each business unit enters the year with new or enhanced services and ongoing productivity improvements. We continue to explore new business opportunities including geographic expansion as well as the development of new payment and processing services. Our strong balance sheet will allow us to capitalize on such growth opportunities.

Most importantly, Cass will remain true to the principles that define our Company. We will make decisions based on enhancing our competitive position over the long term. We will serve clients by concentrating on their require-

ments and applying our core competencies. We will maintain a strong capital position and diligently map and execute our business plan to ensure that Cass operates profitably. Finally, we will strive to be good stewards for all that is entrusted to us.

Acknowledgements

We again wish to recognize the many individuals who, in very difficult times, contributed to our successes in 2009. We thank our shareholders, who have entrusted their funds with us. Their encouragement, loyalty and support are deeply appreciated. We genuinely value our partnership.

We are grateful for each member of our board of directors. Their experience, capabilities and wisdom are particularly valuable during trying economic times. They not only provide Cass with valuable business counsel, but also strengthen and deepen the unique values and culture of our organization.

We are thankful for our dedicated staff, one that rose to overcome the many challenges posed by a difficult business environment. Their professionalism, resourcefulness, experience and hard work not only mitigated many of the negative effects of the recession, but strengthened our long-term competitive position.

We value our many customers and are thankful for the opportunity to provide solid business solutions ranging from technologically advanced information processing and business intelligence solutions, to dependable sources of financing, to a safe place to invest funds.

Finally, we remain grateful for the guidance that God so faithfully provides as we strive to conduct our business in a wholly moral and ethical manner. While unsettled times like these can test such resolve, our confidence and belief in His sovereignty empower us. As the new decade unfolds, we will continue to demonstrate our faith in Him by striving to conduct our affairs in a manner He finds pleasing. ■



Eric H. Brunngraber
President and Chief Executive Officer
Cass Information Systems, Inc.

LEVERAGING CORE COMPETENCIES



CORE COMPETENCIES

- DATA ACQUISITION
- DATA MANAGEMENT
- BUSINESS INTELLIGENCE
- FINANCIAL EXCHANGE

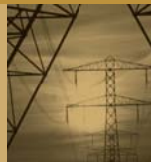
TRANSPORTATION INFORMATION SERVICES

Cass offers invoice management for freight and parcel bills, providing full visibility via CassPort®, the industry’s leading Web-based intelligence engine.



UTILITY INFORMATION SERVICES

Cass is the market leader for data capture, bill payment and information analysis for utility and other facility-related expenses.



TELECOM INFORMATION SERVICES

Cass helps corporations sustain measurable cost reductions through management of their telecommunications expenses.



CASS COMMERCIAL BANK

Cass Commercial Bank’s primary focus is to safeguard the assets of the Company and provide banking services to its target markets.



NEW BUSINESS OPPORTUNITIES

Cass continuously improves its processes for managing complex payables. We process transactions efficiently, make accurate payments and furnish clients with highly valued business intelligence.

Clients continue to report their success
by becoming sophisticated users
of the business intelligence
supplied by Cass.



The economic recession that began in the fourth quarter of 2008 and escalated in 2009 drove many Cass clients in the manufacturing and retail sectors to cut production and shrink inventories, resulting in a challenging environment for the Transportation Information Services group. Major shifts occurred in three key drivers of our business: an unprecedented decline in shipments, a reduction in the average dollars per shipment due to lower carrier fuel surcharges and carrier prices, and historically low interest rates. In 2009 we paid logistical suppliers (including over-the-road trucking companies, railroads, air and ocean carriers, brokers and commercial warehouse companies) \$14.0 billion – a 20% decrease when compared to 2008. The number of freight invoices declined from 25.9 million to 23.1 million.

Cass managed against the backdrop of declining shipment volumes by (1) maintaining our focus on delivering strong value to our clients (2) increasing our efforts to win new business and (3) streamlining operations to reduce costs.

In these tough economic times, the Cass value proposition resonates strongly with our clients: Cass mines data from invoices and furnishes clients with a data warehouse and analysis tools. Clients continue to report their success in improving business results and reducing their costs by becoming sophisticated users of the business intelligence supplied by Cass.

Despite corporate spending freezes in 2009 that lengthened our sales cycles, Cass succeeded in securing long-term services contracts with several new clients including McCain Foods USA, Inc., Siemens Industry and Standard Register.

Previous investments in technology to increase scalability, productivity and profitability allowed us to consolidate from three to two processing locations by moving the Boston processing activities to St. Louis. In addition to the economic benefits that we receive from such initiatives, we continue to be encouraged by our efforts to collaborate with carriers to develop processes to remove paper and increase process efficiencies.

Positive Outlook for Growth

Cass experienced considerable growth in its parcel services business. Among new clients signed in 2009 were several premier retail organizations. Parcel Services focuses on providing companies that are significant users of UPS and FedEx with specialized services to audit, process and pay parcel invoices as well as utilize Web-based business intelligence tools to gain visibility for logistical expenses across the enterprise. Parcel Services grew by 28% in 2009 after experiencing an impressive 14% growth in 2008. While it represents a small amount of the total dollars that Cass pays logistical suppliers, parcel shipping continues to be a growing market as more companies shorten their supply chain cycle.

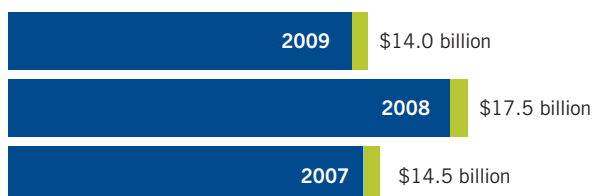
We also continue to have success with our service offering for import/export invoice processing and expense management. In the last few years, we have made significant progress in enhancing our services to respond to a growing market for services related to intercontinental ocean and air shipping.

Cass continues to resist the short-term view and invests in strategic initiatives that will make us stronger and more successful in the long term. Our unique business model provides us with the financial strength and resources to continually invest in technology and the growth plans that will allow us to emerge as a stronger market leader when the economy rebounds.

Recognized for Excellence

Cass was recognized repeatedly in 2009 for excellence in the logistics industry. Cass was named as a Top 100 logistics provider for 2009 by *Inbound Logistics Magazine*. *Supply & Demand Chain Executive Magazine* awarded Cass with one of its 2009 Green Supply Chain Awards, which recognizes companies that have demonstrated creative ways to achieve sustainable conservation of resources. Additionally, COO John Pickering was named as a member of the Transportation Industry Council of the Federal Reserve Bank of St. Louis.

FREIGHT DOLLARS



Looking Ahead to 2010

In 2010 the transportation group will release an enhanced market analysis service that allows our customers to compare their expenses with data compiled from multiple Cass

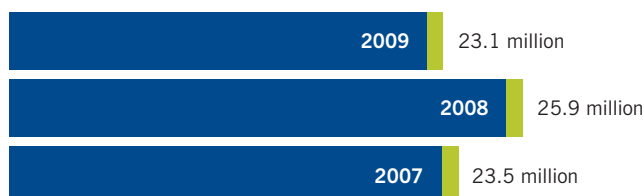
In 2009, Cass succeeded in securing long-term services contracts with McCain Foods USA, Inc., Siemens Industry, Standard Register and others.

clients. The data aggregated from Cass' select customer base, combined with robust functionality, will provide a premier tool for benchmarking transportation costs. Shipment cost components such as line haul, fuel, size of shipment and origin/destination pairings will be accessed via our online portal or fed into enterprise applications.

We are not expecting dramatic recovery in 2010 in the shipment volume of our incumbent customers, but we do expect that, when the economy stabilizes, sales performance will improve as we attract more new clients that recognize the value Cass can bring to their supply chain.

We will continue to leverage our strengths to remain the market leader as we focus on large U.S. retailers and global companies that are seeking creative solutions to meet their unique business requirements. These firms appreciate the difference in doing business with a financially strong company that has the technology and human resources to be a valuable, long-term business partner. ■

FREIGHT INVOICES



The Utility Information Services group set several new records as it maintained its focus on continuous process improvement.



Gary B. Langfitt
Chief Operating Officer



While 2009 was one of its most challenging years, the Utility Information Services group set several new records as it maintained its focus on continuous process improvement.

Bill volume topped 11.4 million transactions, an increase of 9%. The dollar volume of bills managed showed an increase as well, up \$252 million to \$9.7 billion. Especially in light of the economic turmoil that affected many of Cass' customers, this was a strong performance for the group.

Best practices, scalability and technology investments continued to produce increased efficiencies and superior services in 2009. The utility group added 35 new customers in 2009, representing another \$1.1 billion in spending and nearly 700,000 annual bills.

Growing Demand for Accurate Data

Many corporations that make up the S&P 500 Index have begun to generate baselines for carbon emissions and are steadily increasing the sophistication of their data-gathering processes. Possible legislative or EPA action has become a strong impetus for U.S. businesses to take action. Additionally, businesses are responding to increased pressure from climate-conscious shareholders and customers, as many corporate supply chain initiatives are stressing sustainability as a factor in vendor selection.

Gathering meaningful data is at the core of the Cass value proposition: by extracting data through the invoice management process and delivering meaningful business intelligence, Cass allows organizations to track carbon emissions, view trends, analyze patterns of energy consumption and evaluate the success of energy management initiatives.

Utility Information Services sells its services primarily as a subcontractor to the pre-eminent professional energy service providers (ESPs) in the U.S., which primarily focus on large, multi-site retail, commercial and industrial companies. Cass delivers the data and related applications via sophisticated Web services, which allow each ESP channel partner to customize online presentment and delivery options for its clients.

Focus – the Cass Differentiator

Cass has become the largest utility bill processor in the country by focusing on the continual improvement of its primary deliverables – fast invoice turnaround, safe and secure payment, data accuracy, and fast, user-friendly Web portals. These deliverables are our core focus. Since the energy services are performed by its premier, ESP channel partners, the utility group is able to concentrate research and development and other intellectual capital on improving the systems that support these deliverables. Typically, data capture and payment are not among our competitors’ core competencies.

In 2009, Cass launched its new and rebranded portal – Expense\$mart™. This enhanced Web application, that currently manages 35 million invoices and 4.6 terabytes of images, is best-in-class for performance, reliability and ease of use. Developers leveraged a new set of integrated technologies that delivers distributed, high-availability cache, which is an important factor in achieving superior performance for data-intensive applications. Significant new features of Expense\$mart include integrated workflow, carbon calculation, expanded report delivery (including scheduling of recurring reports) and customizable dashboards. Expense\$mart has three more modules scheduled for 2010 delivery.

Data capture speed and accuracy remain at the forefront of the Cass system. As the only utility invoice processor with 24-hour-a-day operation, we leverage state-of-the-art equipment and systems to drive positive key process indicators for bill processing, data capture and accuracy. Currently, bill turnaround time averages less than one business day.

New technology initiatives for 2010 will drive a goal to capture actionable data from every bill within the first eight hours of receipt. This exceptional speed in data capture aids us in prioritizing the work that remains in the process. Key-from-image and OCR (optical character recognition)

Cass has become the largest utility bill processor in the country by focusing on the continual improvement of primary deliverables.

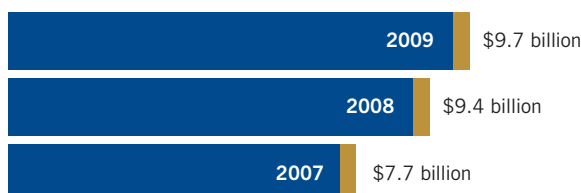
are technologies that continue to be leveraged in continuous process improvements.

Finally, Cass has long been considered the most reliable payable provider by virtue of its unique status as a bank holding company, decade-long commitment to SAS 70 compliance and controls honed from 60 years as a business process outsourcing resource. Its conservative lending and investment practices proved invaluable as Cass Commercial Bank’s key financial indicators remained strong, while much larger banks floundered and even failed.

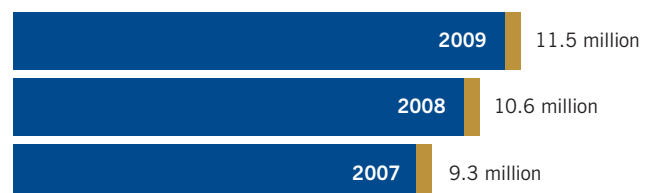
Looking Ahead

2010 will offer some unique opportunities to expand the utility group’s market share and introduce new value-add services. Continued improvements to the processing infrastructure allow the flexibility to extract more and more valuable information from an increasing universe of facility-related bills. The core business is also expected to grow with a strong sales pipeline and demand created by green initiatives and volatile energy prices. ■

UTILITY DOLLARS



UTILITY INVOICES



In 2009, the dollars paid by Cass on behalf of its telecom customers increased by 26% over the prior year.



The demand for outsourced Telecom Expense Management (TEM) continues to grow, particularly as organizations begin to take stock of rising wireless costs. Managing the telecom infrastructure of a large organization has become highly complex due to the convergence of voice/data networks and deployment of new technologies such as VoIP, 3G, 4G, IPTV and video conferencing. High costs and complexity are driving more organizations to formalize and automate business processes for managing telecom expenses. At the same time, however, corporate buyers moved through the vendor evaluation process cautiously and methodically in 2009, taking more time to make decisions during a sluggish economy.

Steady Growth in Telecom Expense Management

Despite the weak economy, Cass' Telecom Information Services group's business grew in 2009. The dollars paid

by Cass on behalf of its telecom customers increased by 26%. We increased the number of invoices processed by 24% over the prior year, the number of billing account numbers (BANs) by 29% and the amount of telecom spend managed by 21%.

While Cass paid more telecom bills for more clients in 2009 than in any previous year, the predominant theme for the year was investment in the future, as we successfully completed several projects to position Cass for future growth. The most significant milestone for the year was the release of our enhanced wireless solution.

Unveiling Truly Integrated, Wireless TEM

Wireless voice and data communications are becoming more mainstream as businesses quickly adopt smart-phones and other mobile devices. Associated equipment, service and management costs, if inadequately controlled, are mounting with continued adoption. While many

organizations now offer discrete wireless expense management solutions, large corporations have expressed a clear preference for an integrated solution to manage both fixed and wireless communications. To address this growing demand, Cass began a significant development effort in late 2007 to enhance its core TEM solution.

In October of 2009, we announced the official release of our wireless management solution, which integrates enhanced functionality for managing both fixed and wireless expenses.

Combining the services of a professional telecom staff, proven industry best practices and highly automated processes, Cass delivers a service that actively monitors plan utilization, down to the individual employee level. Cass' Web-based portal normalizes data across carriers and presents a carrier-neutral view. Clients can view both fixed and wireless spend by carrier, department or cost center, or service type (voice, data or SMS), and track trends as well. All reports are customized with the client organization's hierarchy and nomenclature and can be downloaded directly to spreadsheets. Features of Cass wireless expense management include:

- **Easy-to-Use Employee Service Portal** Employees log on to a portal that serves as the employer's online wireless catalog and make selections based on corporate-sanctioned options for wireless plans, devices and accessories. Approval requests are routed to managers, and e-mail notification provides employees with order status.
- **Change Management** Cass has a refined process to manage moves, adds, changes and disconnects (MACDs) for services and devices, enabling accurate inventory maintenance.
- **Carrier Management** Cass manages vendor billing disputes and the recovery of credits.
- **Usage Optimization** Cass systems include functionality to optimize plan utilization, making it easy to target devices with zero monthly usage for disconnection and identify opportunities for plan modification of high-volume power users or low-volume casual users.
- **General Ledger Cost Accounting** Cass automates the process to allocate actual cost per device to the appropriate cost center and user.

In 2009, another major upgrade to our industry-leading TEM software platform was nearly completed. The new version, which includes an enhanced user interface, multilingual capabilities and additional ad-hoc reporting functions, will be released in the first half of 2010.

Secure Management of Client Funds

Cass offers a complete, end-to-end solution for telecom expense management. Clients can contract for the entire set

After significant development and acceptance testing, we announced the official release of our truly integrated wireless management solution.

of services or selectively outsource to Cass. An overwhelming majority of new telecom customers prefers to include invoice payment services. From a business process standpoint, selecting Cass to make payments facilitates a closed-loop process whereby Cass can better address payment inquiries from telecom carriers without needing to contact the client's accounts payable staff to research payment status.

For organizations that want to free up accounts payable resources and off-load invoice payment, Cass is the only TEM provider that offers the protection of a regulated, publicly held, bank holding company. Cass is subject to various regulatory capital requirements, including that of the Federal Reserve. Cass is rated "well-capitalized," which is the distinction used to describe bank holding companies that maintain the highest capital levels.

Looking Forward

We look forward to new growth opportunities in 2010 and beyond. As CFOs and CIOs strive to cut general and administrative costs and gain greater visibility into how their telecom dollars are spent, Cass will continue to deliver solutions that improve the bottom line.

Staying true to our long-standing business values, we have continued to invest in solutions that we believe will bring increased value to our clients. Our enhanced wireless expense management applications and international processing capabilities will help us meet and exceed customer expectations for best-in-class expense management solutions. ■

In 2009, Cass Commercial Bank enjoyed its best year in history with net income exceeding \$5 million.



Robert J. Mathias
President



Amid the worst financial panic and economic contraction of the past 80 years, Cass Commercial Bank enjoyed its best year in history through its tried, tested and true business strategy.

By most measures, it was a record year for the Bank:

- Net income exceeded \$5 million for the first time;
- Statutory Bank assets and deposits achieved record levels;
- Managed loans for the consolidated Company reached a record \$642 million – an increase of 8%;
- Net loans charged off totaled \$217,000, just .03% of the average loan portfolio;
- The Bank is “well capitalized” by regulatory standards with record levels of capital and loan loss reserves.

The “Great Recession”

As we observed in last year’s report, no one knew the extent of the unfolding economic crisis and the near collapse of the banking system worldwide. Government financial intervention reached a scale not seen in our lifetimes. The U.S. government and Federal Reserve were injecting hundreds of billions of capital into banks and even industrials, while the Fed was providing literally trillions of dollars of liquidity to the financial system. Short-term interest rates fell to near zero and even negative rates on occasion. A total collapse was avoided, and the resilient U.S. economy seems to be recovering, albeit with stubbornly high unemployment. The long-term cost and consequences of this intervention are yet to be known.

At Cass Commercial Bank, our strong balance sheet and tested strategy have served us well to weather the crisis. We did not take TARP capital funds from the government as many banks chose to accept. Our tried-and-true lending

philosophy did not lead us into the sub-prime mortgage abuse, and we avoided the investment securities in which they were contained. We have also avoided, thus far, many of the direct problems in the commercial real estate and construction-related industries. Our conservative lending philosophy has served us well in a difficult time when more credit deterioration may still be on the horizon.

Our Corporate Mission

Cass Commercial Bank is uniquely positioned to provide services across the entire Cass corporation. Through our membership in the Federal Reserve System, Cass Commercial Bank facilitates fund transfers for clients of our transportation, utility and telecom information services groups. We manage the financial assets of the Corporation and monitor risk levels. We also have an external focus on our banking clients.

Cass Commercial Bank serves two distinct external markets: privately held businesses in greater St. Louis and church ministries nationwide. Expansion in both areas contributed to total loans growing by 8% in 2009, following 19% in 2008.

Cass has provided banking services to the business community in St. Louis for more than 104 years. We have brought credit resources to our clients throughout the economic turmoil. During the year, our strong focus on relationship banking enabled us to grow market share as evidenced by our 58% growth in deposits.

Nationwide, our team that serves church ministry groups achieved outstanding loan growth while continuing to be trusted advisors to our clients. Our strong referral network of satisfied congregations continues to recommend Cass. Our credit model of emphasizing cash flow has enabled us to achieve a sound credit profile among our churches and ministries. Again, we have grown our business by continuing to provide funds for church projects while many other financial institutions restricted credit in 2009.

Customer Service is Enhanced

Cass continues to emphasize efficient and value-added customer service. Our Deposit Connection™ and Internet banking services have been particularly well received

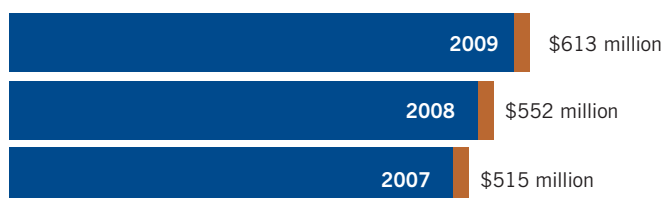
Our conservative credit philosophy has served us well over time, but especially through the past two years of the severe economic downturn.

in providing quick, efficient service to our clients. In 2009, we offered a new automated lock box product to accelerate cash flow for our customers. Today's technology allows banks, such as Cass, to provide a full array of leading-edge financial services that were once only provided by the largest banks. Our focused approach to business leads us to provide outstanding value-added service.

Asset Quality is Pre-eminent Focus

Cass Commercial Bank's main focus will always be to safeguard the assets of the Company by maintaining high standards for asset quality. Our conservative credit philosophy has served us well over time, but especially through the past two years of the severe economic downturn. We have an enviable record of low amounts of problem assets and loan losses. However, we cannot rest on our laurels, as it is not clear that the economy will rebound to sustained growth any time soon. High unemployment and a desire to de-leverage, both in households and businesses, have helped to sustain weak economic conditions. We will continue to strive to manage the credit risk of the Company in a tried, tested and true manner as we continue on our course in 2010 and beyond. ■

CONSOLIDATED AVERAGE LOANS



CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands of dollars, except share and per share information)

FOR THE YEAR ENDED DECEMBER 31,	2009	2008	2007
Revenues			
Payment and Processing	\$ 48,665	\$ 50,721	\$ 45,642
Net Investment Income	36,681	38,560	40,482
Gain on Sales of Securities	697	552	–
Other	1,876	1,897	2,558
Total Net Revenues	<u>87,919</u>	<u>91,730</u>	<u>88,682</u>
Expenses			
Salaries and Employee Benefits	50,614	49,723	46,965
Occupancy	2,396	2,228	2,106
Equipment	3,348	3,331	3,356
Other	10,027	10,282	10,312
Total Expenses	<u>66,385</u>	<u>65,564</u>	<u>62,739</u>
Income Before Income Tax Expense	21,534	26,166	25,943
Income Tax Expense	5,405	7,160	8,148
Net Income	<u>\$ 16,129</u>	<u>\$ 19,006</u>	<u>\$ 17,795</u>
Earnings Per Share			
Basic	\$ 1.76	\$ 2.08	\$ 1.95
Diluted	1.73	2.03	1.90
Weighted Average Shares Outstanding			
Basic	9,156,673	9,150,342	9,145,499
Diluted	9,374,069	9,431,750	9,446,558

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands of dollars, except share and per share information)

AS OF DECEMBER 31,	2009	2008
Assets		
Cash and Cash Equivalents	\$ 79,294	\$ 29,485
Loan and Investments, Net	858,270	778,643
Premises and Equipment, Net	10,451	11,617
Other Assets	64,966	65,483
Total Assets	<u>\$1,012,981</u>	<u>\$885,228</u>
Liabilities		
Deposits	\$ 437,876	\$277,541
Accounts and Drafts Payable	430,251	479,025
Borrowings	–	2,991
Other Liabilities	15,286	19,430
Total Liabilities	<u>883,413</u>	<u>778,987</u>
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; 9,949,324 shares issued at December 31, 2009 and 2008	4,975	4,975
Additional Paid in Capital	45,696	45,746
Retained Earnings	92,401	81,197
Common Shares in Treasury, at cost (564,119 and 775,288 shares at December 31, 2009 and 2008, respectively)	(13,323)	(18,264)
Accumulated Other Comprehensive Loss	(181)	(7,413)
Total Shareholders' Equity	<u>129,568</u>	<u>106,241</u>
Total Liabilities and Shareholders' Equity	<u>\$1,012,981</u>	<u>\$885,228</u>

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 Accounting Oversight Board (United States), the consolidated balance sheets of Cass Information Systems, Inc. and subsidiaries (the Company) as of December 31, 2009 and 2008, and the related consolidated statements of income, shareholders' equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2009 (not presented herein); and in our report dated March 11, 2010, 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, 2010

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. Although we believe that, in making any such statements, our expectations are based on reasonable assumptions, forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause future performance to be materially different from

expected performance summarized in the forward-looking statements. These risks, uncertainties and other factors are discussed in Part I, Item 1A, "Risk Factors" section of the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission. 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

K. Dane Brooksher
Retired Chairman & Chief Executive Officer, ProLogis

Eric H. Brunngraber
President & Chief Executive Officer

Bryan S. Chapell
President, Covenant Theological Seminary

Robert A. Ebel
Chief Executive Officer, Universal Printing Company

Benjamin F. Edwards, IV
Chairman, Chief Executive Officer & President, Benjamin F. Edwards & Company

John L. Gillis, Jr.
Retired, Armstrong Teasdale LLP

Wayne J. Grace
Retired Managing Director, UHY Advisors MO, Inc.

James J. Lindemann
Executive Vice President, Emerson Electric Co.

Randall L. Schilling
President & Chief Executive Officer, Candlestiq

Andrew J. Signorelli
President, Hope Educational & Research Center

Franklin D. Wicks, Jr., Ph. D.
President, Research Essentials & Specialties, Managing Director, North America, Sigma-Aldrich & Company

EXECUTIVE OFFICERS

Eric H. Brunngraber
President & Chief Executive Officer

P. Stephen Appelbaum
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

James M. Dwyer
Vice President & General Manager, Telecom Information Services

Robert J. Mathias
President & Chief Operating Officer, Cass Commercial Bank

SHAREHOLDER INFORMATION

Corporate Headquarters

Cass Information Systems, Inc.
13001 Hollenberg Drive
Bridgeton, Missouri 63044
314.506.5500
cass@cassinfo.com
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 19, 2010, at 11 a.m. at the Charles F. Knight Executive Education and Conference Center, Olin Business School at Washington University, St. Louis, Missouri.

Investor Relations

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

Investor Relations Department
Cass Information Systems, Inc.
13001 Hollenberg Drive
Bridgeton, Missouri 63044
314.506.5500

10-K and Other Publications

A copy of the company's Form 10-K, as filed with the Securities and Exchange Commission, will be furnished without charge upon written request to the address above or from the company's Web site at: www.cassinfo.com

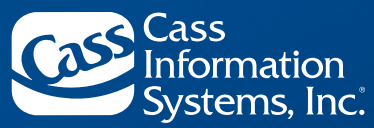
Transfer Agent

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

BNY Mellon Shareowner Services
480 Washington Boulevard
Jersey City, New Jersey 07310
866.323.8170
www.bnymellon.com/shareowner/isd

Independent Auditors

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



www.cassinfo.com