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

FORM 8-K

CURRENT REPORT

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

Date of Report (date of earliest event reported): July 20, 2006

CASS INFORMATION SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Missouri
(State or other jurisdiction of
incorporation or organization)

2-80070
(Commission File Number)

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

13001 Hollenberg Drive
Bridgeton, Missouri
(Address of principal executive offices)

63044
(Zip Code)

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

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

- Written communications pursuant to Rule 425 under the Securities Act.
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act.
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act.
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.
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Item 2.02. Results of Operations and Financial Condition.

On July 20, 2006, Cass Information Systems, Inc. (the "Company") issued a press release announcing its financial results for the second quarter of fiscal year 2006, which ended on June 30, 2006. A copy of this press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information reported under this Item 2.02 of Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

On July 24, 2006, the Company issued a press release announcing a 50% stock dividend payable September 15, 2006 to shareholders of record at the close of trading on September 1, 2006. In addition, the Company declared a regular quarterly cash dividend of \$.16 per share payable September 15, 2006 to shareholders of record on September 1, 2006. The September cash dividend pay-out will apply only to shares held prior to the 50% stock dividend. Thereafter, the Company anticipates paying a cash dividend of \$.12 per share on the expanded number of shares. A copy of this press release is attached hereto as Exhibit 99.2 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued by Cass Information Systems, Inc. dated July 20, 2006 regarding second quarter 2006 earnings.
99.2	Press release issued by Cass Information Systems, Inc. dated July 24, 2006 regarding stock and cash dividends.

SIGNATURES

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

Dated: July 25, 2006

CASS INFORMATION SYSTEMS, INC.

By: /s/ Lawrence A. Collett

Name: Lawrence A. Collett

Title: Chairman and Chief Executive Officer

Exhibit Index

Exhibit Number	Description
99.1	Press release issued by Cass Information Systems, Inc. dated July 20, 2006 regarding second quarter 2006 earnings.
99.2	Press release issued by Cass Information Systems, Inc. dated July 24, 2006 regarding stock and cash dividends.



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

July 20, 2006

Cass Information Systems, Inc. Posts
35% Increase in 2nd Quarter 2006 Earnings

Acquires NTransit, Inc. to Enhance Transportation Information Services

ST. LOUIS – **Cass Information Systems, Inc. (NASDAQ: CASS)**, the nation’s leading provider of transportation, utility and telecom invoice payment and information services, reported second quarter 2006 earnings of \$.62 per fully diluted share, a 35% increase over the \$.46 per fully diluted share it earned in the second quarter of 2005. Net income for the current period was \$3,535,000 compared to \$2,584,000 in 2005.

Earnings from continuing operations were \$.65 per fully diluted share in the second quarter, a 38% increase over the \$.47 per fully diluted share earned from continuing operations in the same period of 2005. Net income from continuing operations was \$3,724,000 and \$2,610,000 respectively. (Cass sold the business and assets of a wholly-owned subsidiary, **Government e-Management Solutions (GEMS)**, in the fourth quarter of 2005. GEMS’ assets, liabilities and results are shown as discontinued operations.)

NTransit’s “Unlock™” Service: A Boon for Parcel Shippers

On July 7, 2006 Cass acquired **NTransit, Inc.**, a company whose “**Unlock™**” service provides auditing and expense management of parcel shipments, saving money for companies that use such national carriers as **UPS, Federal Express** and **DHL**. The acquisition of the Wellington, Kansas-based firm strengthens the industry-leading position of the company’s transportation information services division, which typically pays more than \$14 billion in freight invoices for major health care, manufacturing, food and chemical companies. Financial terms were not disclosed.

“There has been tremendous growth in parcel shipping – a unique segment of the transportation industry that requires specialized services and expertise. This acquisition positions Cass to offer the market significant savings and meaningful improvement in the management of their parcel shipments by applying the proprietary protocols developed by NTransit,” stated **Lawrence A. Collett**, Cass chief executive officer and chairman.

2006 2nd Quarter Recap

Payment and processing fees increased 12% or \$1,069,000 compared to the year-earlier period, as transportation invoices were up 12% and dollar volume rose 26% due to new business and heightened activity from existing accounts. Utility invoices processed were up 14%.

Net investment income increased 25% or \$1,937,000 due mainly to growth in funds generated from processing activities and to the rise in prevailing interest rates.

Operating expenses were up 10% or \$1,245,000 largely as a result of higher employee costs related to transaction growth.

Six-Month 2006 Results

For the six months ended June 30, 2006, the company earned \$1.35 per fully diluted share from continuing operations, a 36% increase from the \$.99 per fully diluted share reported for the same period in 2005. Net income from continuing operations was \$7,676,000, 38% higher than the \$5,561,000 earned in 2005. Revenue rose \$5,958,000 or 17% compared to the first six months of 2005 due to increased processing volumes, fee revenues and investment income.

Operating expenses were up 10% or \$2,527,000 in the six-month year-over-year period, mainly due to the increase in salaries and benefits required to support processing growth.

Selected Consolidated Financial Data

The following table presents selected unaudited consolidated financial data (in thousands, except per share data) for the periods ended June 30, 2006 and 2005:

	Quarter Ended 6/30/06	Quarter Ended 6/30/05	Six Months Ended 6/30/06	Six Months Ended 6/30/05
Transportation Invoice Volume	6,163	5,518	12,157	10,673
Transportation Dollar Volume	\$3,624,224	\$2,869,289	\$7,074,300	\$5,437,379
Utility Transaction Volume	1,593	1,401	3,096	2,804
Utility Dollar Volume	\$1,275,735	\$ 989,180	\$2,649,950	\$2,018,415
Payment and Processing Fees	\$ 9,806	\$ 8,737	\$ 19,494	\$ 17,329
Net Investment Income	9,710	7,773	19,201	15,099
Gain on Sales of Debt Securities	—	—	—	547
Other	548	546	1,326	1,088
Total Revenues	<u>\$ 20,064</u>	<u>\$ 17,056</u>	<u>\$ 40,021</u>	<u>\$ 34,063</u>
Salaries and Benefits	\$ 10,267	\$ 9,485	\$ 20,537	\$ 18,680
Occupancy	485	508	940	944
Equipment	743	716	1,396	1,430
Other	2,789	2,330	5,280	4,572
Total Operating Expenses	<u>\$ 14,284</u>	<u>\$ 13,039</u>	<u>\$ 28,153</u>	<u>\$ 25,626</u>
Income from Continuing Operations before Income Taxes	\$ 5,780	\$ 4,017	\$ 11,868	\$ 8,437
Provision for Income Taxes	\$ 2,056	\$ 1,407	\$ 4,192	\$ 2,876
Net Income from Continuing Operations	<u>\$ 3,724</u>	<u>\$ 2,610</u>	<u>\$ 7,676</u>	<u>\$ 5,561</u>
Income (Loss) from Discontinued Operations net of Income Taxes	\$ (189)	(26)	(189)	(210)
Net Income	<u>3,535</u>	<u>\$ 2,584</u>	<u>\$ 7,487</u>	<u>\$ 5,351</u>
Average Earning Assets	\$ 737,203	\$ 680,850	\$ 740,320	\$ 672,765
Net Interest Margin	5.49%	4.82%	5.52%	4.78%
Allowance for Loan Losses to Loans	1.19%	1.17%	1.19%	1.17%
Non-performing Loans to Total Loans	.30%	.13%	.30%	.13%
Net Loan Charge-offs to Loans	.01%	—	.05%	.08%
Provision for Loan Losses	\$ 150	\$ 200	\$ 300	\$ 400
Non-performing Loans	\$ 1,582	\$ 658	\$ 1,582	\$ 658
Basic Earnings per Share (EPS) from Continuing Operations	\$.67	\$.48	\$ 1.38	\$ 1.01
Basic EPS from Discontinued Operations	(.03)	(.01)	(.03)	(.04)
Basic Earnings per Share	<u>\$.64</u>	<u>\$.47</u>	<u>\$ 1.35</u>	<u>\$.97</u>
Diluted EPS from Continuing Operations	\$.65	\$.47	\$ 1.35	\$.99
Diluted EPS from Discontinued Operations	(.03)	(.01)	(.03)	(.04)
Diluted Earnings per Share	<u>\$.62</u>	<u>\$.46</u>	<u>\$ 1.32</u>	<u>\$.95</u>

About Cass Information Systems

Cass Information Systems is the leading provider of transportation, utility and telecom invoice payment and information services. The company, which has been involved in the payables services and information support business since 1956, disburses over \$16 billion annually on behalf of customers from processing centers in St. Louis, Mo., Columbus, Ohio, Boston, Mass. and Greenville, S.C. The support of **Cass Commercial Bank**, founded in 1906, makes Cass Information Systems unique in the industry. On June 30, 2006, Cass became part of the reconstituted **Russell 2000® Index**.

Note to Investors

Certain matters set forth in this news release may contain forward-looking statements that are provided to assist in the understanding of anticipated future financial performance. However, such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. For a discussion of certain factors that may cause such forward-looking statements to differ materially from the company's actual results, see the company's reports filed from time to time with the Securities and Exchange Commission including the company's annual report on Form 10-K for the year ended December 31, 2005.



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

July 24, 2006

Cass Information Systems, Inc. Declares 50% Stock Dividend

ST. LOUIS – **Cass Information Systems, Inc. (NASDAQ: CASS)**, the nation’s leading provider of freight, utility and telecom invoice payment, rating, auditing and information services, announced a 50% stock dividend payable Sept. 15, 2006 to shareholders of record at the close of trading Sept. 1, 2006.

Shareholders will receive one additional share of CASS stock for each two shares owned. No fractional shares will be issued. Shareholders will receive cash for any fractional shares owned based on the July 18, 2006 closing sale price of \$41.96 per share, as reported by NASDAQ.

The stock dividend is the fourth declared by Cass within the past four years. The company previously paid a 50% stock dividend in September 2005, a 10% stock dividend in February 2004 and a 5% stock dividend in December 2002.

In addition, Cass also declared a regular quarterly cash dividend of \$0.16 per share payable Sept. 15, 2006 to shareholders of record Sept. 1, 2006. The September cash pay-out will apply only to shares held prior to the 50% stock dividend.

Thereafter, Cass anticipates paying a cash dividend of \$.12 per share on the expanded number of shares, effectively increasing its dividend by 12.5%. Cass has continuously paid regularly scheduled cash dividends since 1934.

“The stock dividend and higher cash dividend reflect our optimism about the future earning power of the company,” said **Lawrence A. Collett**, Cass chief executive officer and chairman.

About Cass Information Systems

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