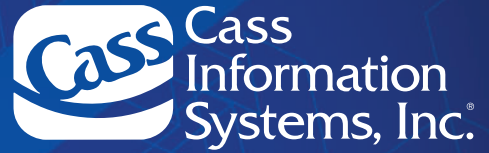


THE NEXT 100 YEARS



2006 Summary Annual Report



Corporate Profile

Building on a solid foundation of a century in business, Cass continually renews and reinvents itself in response to a changing and challenging marketplace. Today, Cass Information Systems, Inc. ranks as the leading provider of freight invoice payment, audit and rating services in North America, the largest back-office provider of energy information in North America and a leader in the growing telecom expense management market. We continue to actively pursue opportunities in information processing and electronic commerce in the century to come.

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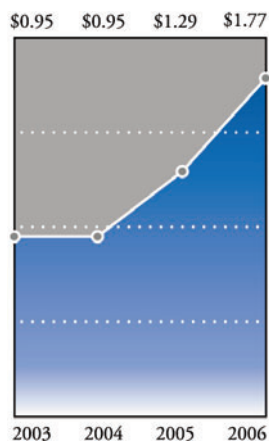
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2006 in Review

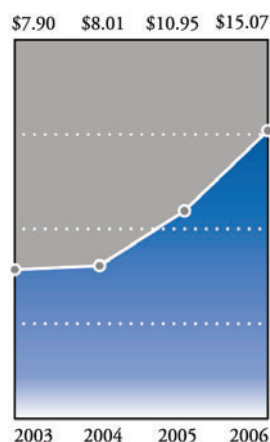
For the year ended December 31,	2006	2005	% Change
Total Net Revenue	\$ 82,105,000	\$ 71,442,000	14.93%
Net Income	\$ 15,066,000	\$ 10,946,000	37.64%
Basic Earnings per Common Share	\$ 1.81	\$ 1.33	36.09%
Diluted Earnings per Common Share	\$ 1.77	\$ 1.29	37.21%
Dividends Paid per Common Share	\$ 0.440	\$ 0.387	13.70%
Return on Average Total Shareholders' Equity	18.89%	15.23%	24.03%
Total Number of Transactions Processed	30,885,000	28,003,000	10.29%
Total Dollar Volume Paid	\$ 19,871,000,000	\$ 16,372,000,000	21.37%

As of December 31,	2006	2005	% Change
Total Assets	\$ 858,471,000	\$ 818,698,000	4.86%
Total Shareholders' Equity	\$ 83,921,000	\$ 75,281,000	11.48%
Book Value per Common Share	\$ 10.08	\$ 9.12	10.53%

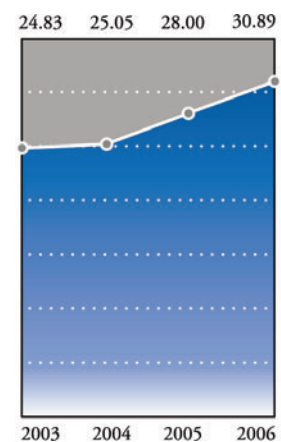
**Diluted Earnings
Per Common Share**
(in dollars)



Net Income
(in millions)



Total Transactions
(in millions)



ASCENDING INTO THE NEXT 100 YEARS

CASS INFORMATION SYSTEMS, INC. HAS JUST COMPLETED ITS CENTENNIAL ANNIVERSARY YEAR – A YEAR THAT HAS BEEN EXTREMELY SUCCESSFUL IN ALL ASPECTS. WE ARE EXCITED WITH THE RESULTS ACHIEVED AND WITH THE ENERGY THAT PROPELS US INTO OUR NEXT CENTURY.

For the fiscal year ended December 31, 2006, the company earned a record net profit of \$15.1 million, an increase of 37.6% over the level of profits achieved in 2005. This represents \$1.77 per share on a fully diluted basis, an increase of 37.2% from the \$1.29 per share earned last year. These exciting results reflect continued growth in processing volumes attained by the company's information processing businesses. Additionally, earnings were enhanced by improvements in the interest rate environment. The market's acceptance of the company's transportation, utility and telecommunications processing services provides strong momentum as we move ahead to grow and enhance these services.

Total fee revenue from information processing increased over \$4.4 million or 12.4% due to growth in processing volumes and activities fueled by an increase in the number of transactions processed of nearly 2.9 million. This is an important part of Cass' strategy, and the double-digit growth in this key statistic confirms the expanding client base using our services. In addition to its impact on fee revenue, the growth in these services generated an additional \$67 million in funds, contributing significantly to increased investment revenue. For 2006, the volume of transactions processed approached \$20 billion.

This growth enabled the company to achieve a return on average shareholders equity of 18.9% compared to 15.2% in 2005. We are pleased to be able to provide this level of return for our

investors, and feel the company's information processing strategy is delivering substantial dividends for the company's owners, as well as its other constituencies. At year-end, the company's assets increased to \$858 million, putting us within reach of the billion-dollar level.

2006 was clearly a strong year for Cass Information Systems. We are grateful for these results and the efforts undertaken to achieve them. As we enter fiscal 2007, we will continue our focus on those activities clearly fitting our overall vision and strategies. The expansion of current lines of information processing services combined with the development of new products will occupy our focus and attention into the future.

A Century Completed

During 2006, we celebrated our 100th birthday in a variety of ways. The largest event was the centennial anniversary dinner held in our St. Louis headquarters city. Speakers included some of the customers, families and individuals who have been instrumental in sustaining Cass over this period.

We also published a book about the Cass organization, capturing the highlights of its first 100 years with pictures and stories about the company's founders, leaders, customers and staff members. The history of Cass was depicted from its original founding as a local banking institution through its transformation into an information processing business serving some of the largest global and domestic companies in existence.

Chairman's Letter to Shareholders

Some things clearly changed! Cass not only moved to a totally different business model and strategy, but out of necessity, managed to survive constantly changing economic and market environments – emerging as a dynamic, technology-driven information company with an exciting future. Facilities, staff, technologies, locations, processes and marketing strategies all were altered and modified on several occasions. Services and products were created, modified and discarded as market demands and requirements changed.

Some things did not change! As we reviewed the organization's past century, it became clear there were certain characteristics of Cass that formed the foundation of our business practices, then and now. The constant focus on service quality is one of those traits. Our ability to provide high-quality service regardless of economic conditions or other external influences has always been a priority at Cass. Another hallmark is our consistency and continuity. Being a service driven company, Cass has always been aware of the need to focus on process and productivity. Maintaining a strong financial and operating condition is a third ongoing characteristic. Shortcuts were avoided, and the

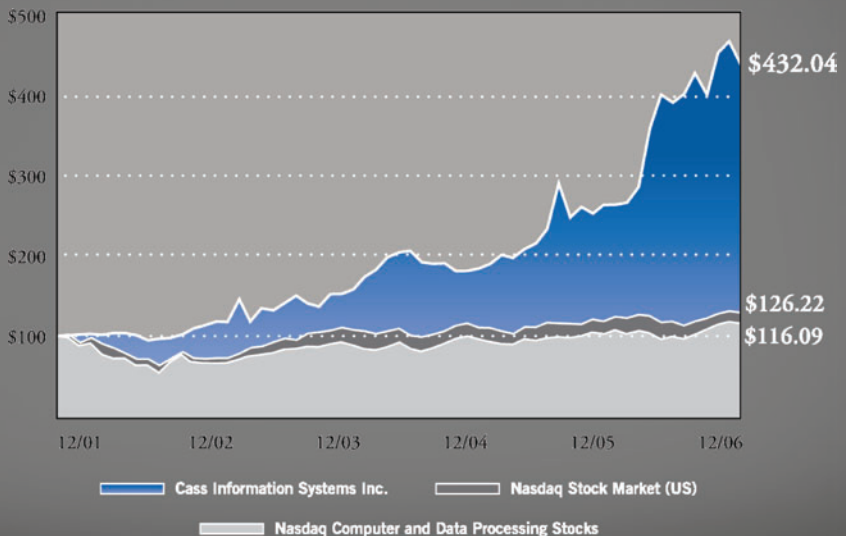
long-term health and sustenance of the organization always received priority. Finally, our culture has remained solid with integrity and forthrightness as key ingredients. We also recognize that perseverance, trust and directly confronting trials are part of our value system, together with a steadfast faith in God's sovereignty. As we move into our second century, we truly hope those things that did not change, will not change.

A New Century Begins

Unlike the beginning of our first 100 years, Cass enters its second century in the midst of our greatest growth ever. A new set of obstacles has emerged that will test the company's ability to continue to grow and best its competition in an ever-challenging global business environment. Staying abreast of technology that is not just better, but makes us better, is a constant challenge. Managing and operating in a broader global environment will create opportunities for productivity and growth, while testing our capabilities to define ourselves as an efficient global provider of information services. Already an active North American provider of services, Cass is now challenged to provide its services to the European and Asian businesses of our global customers.

Value of \$100 Invested in CASS Over 5 Years

This graph compares the cumulative total returns over the last five fiscal years of a hypothetical investment of \$100 in shares of common stock of CASS with a hypothetical investment of \$100 in the NASDAQ stock market (US) and in the index of NASDAQ computer and data processing stocks. The graph assumes \$100 was invested on December 31, 2001, with dividends reinvested. Returns are based on period end prices.



Chairman's Letter to Shareholders

“WHOEVER LIVES BY THE TRUTH COMES INTO THE LIGHT,
SO THAT IT MAY BE SEEN PLAINLY THAT WHAT HE HAS DONE
HAS BEEN DONE THROUGH GOD.” JOHN 3:21

Discovering ways to broaden our markets and enter new ones will test our creativity and core competencies.

If 2006 is any example, we believe Cass is up to the challenge. Our information systems are the best available, and we are constantly improving them with new technological applications that make us more efficient and productive. Our service offerings provide the broadest and most complete solutions for our customers' businesses. Our ability to provide support for the accounting, financial, audit and internal audit functions of our clients is unmatched in our industry. Our vision and strategy allow us to be flexible and opportunistic. Our staff and Board are ready for the challenges.

We enter this new period confident and poised for more growth. Organizationally, we have also changed and restructured. During 2006, Eric H. Brunngraber was named the company's first Chief Operating Officer. His appointment allows us to better manage and coordinate our various business segments while more actively seeking new avenues and opportunities for services, acquisitions or expansion. Eric's 27 years of experience with Cass provides familiarity and continuity with our values and operating principles.

Acknowledgements

We are indeed grateful for the results achieved last year and for the contributions of so many toward our success. Our staff was challenged to sustain the quality of our services as we continued to add greater numbers of new and significant customers. They also introduced new technologies and systems designed to increase our efficiency and productivity and enhance our competitiveness. We are extremely grateful for their support and dedication in the conduct of our business.

Our shareholders continue to provide encouragement and trust. Certainly, the value of their investment has grown significantly as our business model has taken root and grown successfully. However, we continue to be impressed with the sincere desire to support our culture and leadership methods. We thank them for their support.

We also wish to acknowledge the contributions of our Board of Directors, as well. Over the past five years, the make-up of our Board has changed significantly. The challenge to lead us into a new century while maintaining the standards and integrity of past directors is significant. We have been blessed with new directors who are helping to meet that challenge. We deeply appreciate their dedication and commitment to the Cass organization.

Finally and most importantly, we must acknowledge the faithfulness and sovereignty of our gracious God. In ways we do not always understand, we have been allowed to experience continued growth and success. We have been protected from many crises and sustained through other trials. We have always been comforted by His presence and strengthened by His testing. We are thankful for His provision.

As we move into our second century, please join me in confidently forging ahead to seize the great opportunities that lie before us.



LAWRENCE A. COLLETT
Chairman and Chief Executive Officer

The Cass Strategic Edge

OUR CORE COMPETENCIES GIVE US A STRATEGIC EDGE:
NOT ONLY DO WE PROCESS THE TRANSACTION, WE ALSO
COLLECT THE DATA DEFINING THE TRANSACTION AND CAN
EFFECT THE FINANCIAL PAYMENT GOVERNING ITS TERMS.

Data Acquisition

Cass gathers vital information from complex and diverse input documents, electronic media, proprietary databases and data feeds. This includes data acquired from supplier invoices as well as customer procurement and sales systems.

Data Management

Once data is assembled, this information is integrated into customer-unique financial and accounting systems. Information is also used to develop management reporting for operational control, feedback, planning assistance and performance measurement.



Financial Exchange

Since Cass is in the unique position of owning a commercial bank, it is also able to manage the movement of funds from its customers to their suppliers. Cass provides immediate, accurate, controlled and protected funds management and transfer system capabilities for all of its customers. Over \$19.9 billion of payments were processed for its customers in 2006.

Information Delivery

Cass' information delivery solutions provide reports, digital images, data files and retrieval capabilities through the Internet or directly into customer internal systems. Transaction, operation, control, status and processing exception information is delivered through this system creating an efficient, accessible and reliable asset for customers.



CASS TRANSPORTATION INFORMATION SERVICES

Transportation Information Services provides freight bill audit, payment, cost accounting and information delivery services for many of the largest companies in the United States. Last year, we processed over 24 million freight bills and 65 million parcel shipments representing over \$14 billion in payments to railroads, motor, parcel, air and ocean carriers. The robust growth rates with our existing customers,

together with the addition of new relationships, allowed us to experience record levels of volume and earnings for 2006.

In addition to adding companies like Siemens, Rock-Tenn and Sealed Air to our already impressive list of customers, we were especially pleased to be selected by one of the largest global third-party logistics providers as its supplier for our services.

Cass Transportation Information Services

TECHNOLOGY DEVELOPMENT HAS CREATED MAJOR OPPORTUNITIES AND WILL CONTINUE TO BE THE MAJOR DRIVER OF AUTOMATION AND IMPROVEMENTS IN THE SOPHISTICATION OF THE SERVICES THAT WE OFFER.

This addition represents the fourth large third-party logistics company that has chosen Cass as its provider.

2006 was a special year because it marked the 50th year that we have been providing our services. During that span, many changes have taken place in the industry. Most notably, technology development has created major opportunities and will continue to be the major driver of automation and improvements in the sophistication of the services that we offer.

Elimination of Paper Processing

Electronic Data Interchange (EDI) and Extended Markup Language (XML) have been and will continue to be important protocols for automating the freight bill payment process. The largest U.S. carriers have embraced these two methods as the preferred method of billing and receivable management. However, not all shippers can fully convert to electronic billing because internal shipping systems are not completely automated and integrated to allow for the elimination of paper documents to authenticate shipment delivery and payment authorization. We believe that the solution is to combine EDI and document imaging in such a way as to satisfy the shipper's control requirements and eliminate the costly and inefficient processing of paper freight bills.

Leveraging Information

We have the most impressive list of customers in our industry. In response to their feedback, we have developed what we believe is a benchmarking service that is unavailable from any external resource other than Cass. This new service will allow our customers to compare shipment costs by industry, mode of transportation, shipment size and distance, and

origin/destination regions. The database includes three years of historical shipments for some of the largest companies in the United States. The new benchmarking service is an outgrowth of our other web-based information delivery tools. It marks a transition to develop more sophisticated expense analysis services. In addition to shipment costs, accessorial charges such as fuel surcharges can be compared among companies participating in the service.



Parcel Services

In 2006, we announced the acquisition of NTransit, Inc., a leading expert in the parcel package auditing business located in Wellington, Kansas. There has been significant growth in the parcel shipment segment of our market. Parcel carriers such as UPS, FedEx and DHL combine for more than 6.5 billion packages per year. The availability of the detail shipment data from these carriers has allowed shippers to perform audits and analyze shipments to make decisions that enable them to be more efficient and cost effective.

Cass Transportation Information Services

Parcel audits can typically save between 2% and 5% of a company's total parcel expenses. In addition to rate discrepancies, our audit uncovers service failure rebate opportunities, shipments billed without proof of shipment or proof of delivery, duplicate billings and verification of shipper liability. Claims are processed and validated with parcel carriers for each overcharge identified.



Web-based analysis and reporting tools provide visibility to shipment information that allows companies to make changes to their parcel shipping system to save them additional money. Correcting shipment addresses, eliminating underused account numbers, reducing accessorial charges and, most importantly, making more appropriate selection of service levels can result in significant savings without a major commitment of resources.

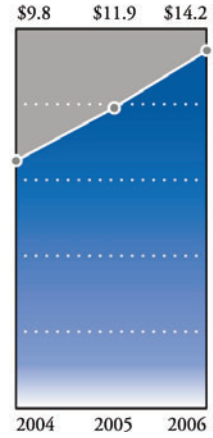
Expansion Outside of North America

In coming months, we expect to announce that we will be offering services to our customers for their businesses in Europe.

Freight Invoices
(in millions)



Freight Dollars
(in billions)



We expect to provide audit, payment and information delivery services in the United States, Europe and later to the Asian market. The global expansion of our customers has created a strong demand for the services we provide outside North America.

The Cass Difference

It is important to our customers that Cass Commercial Bank is the financial exchange engine for executing payments to their carriers. We have a track record for developing and supporting challenging processing systems that can integrate with the unique business systems of large companies. The time-critical nature of our business makes it imperative that recovery from unforeseen events of disruption is proven and stands the test of external auditing standards. Finally, individuals at all levels are critical when partnering with a service company – and at Cass, they are our most important asset.

WE HAVE THE TRACK RECORD FOR DEVELOPING AND SUPPORTING
CHALLENGING PROCESSING SYSTEMS THAT CAN INTEGRATE WITH THE
UNIQUE BUSINESS SYSTEMS OF LARGE COMPANIES.



CASS UTILITY INFORMATION SERVICES

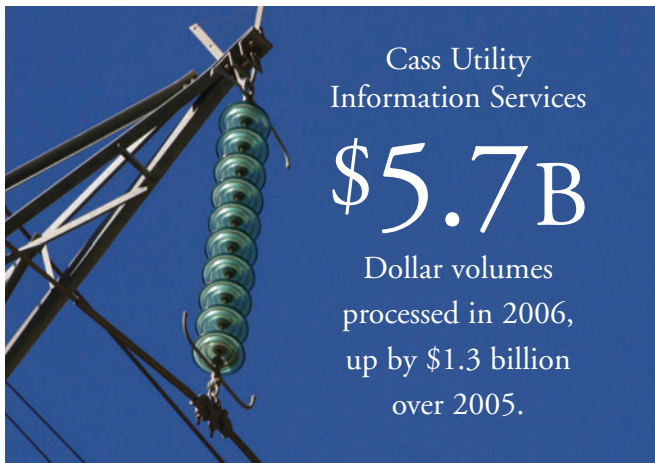
Utility Information Services continued its growth by adding 1 million transactions processed in 2006 versus 2005. With nearly 6.65 million transactions processed in 2006, this business continues to lead the industry in total transactions processed. Dollar volumes processed finished at \$5.67 billion, up by \$1.25 billion over 2005.

Utility Information Services is a prime example of Cass' vision and the application of our core competencies. Leveraging our payment infrastructure, Cass was at the forefront of creating a market for outsourced utility bill payment and data analytics in the late 1990s. In 2001, Cass Utility Information Services was one of the first entities in the market to achieve profitability, and is now a key linchpin in corporate performance.

Cass Utility Information Services

2006 WAS OUR STRONGEST YEAR EVER. WE CLOSED 34 NEW CUSTOMERS DURING THE YEAR, REPRESENTING COMMITTED ANNUAL VOLUME OF 2.5 MILLION TRANSACTIONS AND \$2.1 BILLION IN CUSTOMER EXPENDITURES.

2006 was our strongest year ever. We closed 34 new customers during the year, representing committed annual volume of 2.5 million transactions and \$2.1 billion in customer expenditures. Much of this growth was being implemented in the third and fourth quarter, indicating strong performance for 2007 as well. Cass currently assists customers with facility-related invoices at 370,000 sites across the United States and Canada, and manages over 930,000 discrete accounts for our customers.



Commitment to the Future

Utility Information Services has led Cass' development of imaged-based processing and will expand that effort in 2007 and 2008. Recent capital purchases have enabled us to create and operate a world-class mail handling and imaging back office. The bill image is critical to production control and routing. Currently, the vast majority of all exception handling is image-based, including structured work flow with web-based customer decision making.

Our commitment to image-based processing will manifest itself in the data capture process as well. Although Utility Information

Services' universe of electronic trading partners – generally in the form of Electronic Data Interchange (EDI) and Extended Markup Language (XML) – has steadily increased: some 65% of current volume still arrives in the form of a paper invoice. While progress will continue in establishing new partnerships, with 14,000 vendors currently being paid, paper will continue to be the predominant source of bill data through the end of the decade.

From projects started in 2006, we will continue to invest in systems and processes that will drive 100% image-based processing by 2008. This will be our most ambitious project ever, including components that will address work scheduling and distributed processing, zone-based Key-From-Image (KFI), additional quality-control algorithms and targeted optical character recognition (OCR).

In a highly competitive market, our process improvements continue to drive faster bill turnaround and high-quality data capture, while maintaining price points that show demonstrable returns on investment to end-user customers and partners.

Sarbanes-Oxley and Process Control

The majority of our customers are publicly traded companies that look to us to provide proven and documented controls of the critical processes they outsource.

The regular review and documentation by external Cass financial auditors have traditionally been a strong selling point for us. A SAS 70, type II report, which is a description and independent assessment of effectiveness of process controls, is routinely provided to our customers and has long been a differentiator versus many of Utility Information Services' competitors. Other reviews include third-party web-security auditors, as

Cass Utility Information Services

well as customers who are granted the authority to do their own security assessments or other on-site audits, as requested.

We continue to invest in the infrastructure that will ensure uninterrupted processing, including redundancy with the St. Louis processing center, a 900 KVA backup diesel generator and disaster recovery hot sites. As a result of increased, growth-driven storage needs and new technology availability, additional funds were invested in 2006 in hardware upgrades designed to increase redundancy and manageability of data, images and communications.

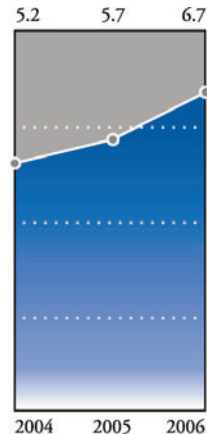
Enhancing the Customer Experience

Utility Information Services has two distinct customers: the reseller partner that relies on our data capture, daily data feeds and web presentation to perform its services; and the end-user customer whose satisfaction drives both our success and the success of our resellers.

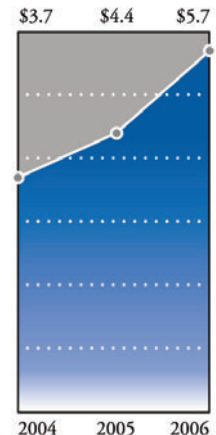
It's a common misconception that Cass is primarily a data acquisition organization. The reality is that for every dollar spent on capturing bill data, an equivalent amount is spent on staff to manage interactions between customers and their vendors. The Research and Resolution Department directly interfaces with vendors to locate bills that have not reached us in the expected timeframe. Other departments have daily contacts with vendors to manage accounting issues and solidify our relationships on key items such as late-fee management, electronic partnerships and payment application.

Each customer is also assigned a Customer Service Manager and Major Account Representative. Customer Service management provides day-to-day customer contact, facilitates site adds and changes, monitors general ledger and accrual files, and receives approval to release payment for items falling outside the customers' profile (dollar limits, service types, balance carry forwards, etc). Major Account Representatives work hand in hand with the customers to ensure the outsourced solution delivers the maximum value to the organization.

Utility Invoices
(in millions)



Utility Dollars
(in billions)



2007 will see significant investments in customer information delivery tools. The web-based, exception-approval system will be completely redesigned to offer more flexibility and integration with other web tools. Utility Information Services' energy information portal will also begin a major revision, allowing smoother presentation of both energy and accounting data, and more opportunities for customers to save favorite and most-used views and reports.

Reducing Energy Consumption – a National Initiative

The velocity of our rapid growth in recent years is in many ways attributable to companies ascribing more value (both bottom-line and societal) to controlling energy consumption and expense. Our outsourced model allows businesses to identify how much electricity, gas and water is being consumed, which is key to mobilizing initiatives for control. With good consumption and cost benchmarks, our customers can then target capital and human resources in ways to become more productive and cost efficient.

With the volatility of energy prices (and inexorably upward pricing trends), Utility Information Service's products should continue to perform well in the coming years.



CASS TELECOM INFORMATION SERVICES

Cass enjoys a unique position for long-term success in the Telecom Expense Management (TEM) market. We provide the best solution at the most competitive price. No other TEM vendor can claim the core competencies that come from 50 years of experience in expense management

or the ability to offer their own financial exchange services. Due to our relationship with Cass Commercial Bank, we are able to leverage our financial and strategic position to meet our customers' needs. This allows us to provide significant payment services in addition to our foundational processing and audit capabilities.

Cass Telecom Information Services

AS THE ONLY PUBLICLY TRADED COMPANY THAT OWNS A COMMERCIAL BANK IN THE TELECOM EXPENSE MANAGEMENT MARKET, WE CAN LEVERAGE OUR FINANCIAL AND STRATEGIC POSITION TO MEET OUR CUSTOMERS' NEEDS.

Providing Solutions

Telecom Information Services uses nCONTROL, a proprietary software, to provide TEM solutions to customers. nCONTROL receives 90% of invoices electronically and provides tools for tracking, payment, managing inventory, resolving disputes, and finding and implementing optimizations. We apply our telecom experience in managing customers' operations and constantly refine our processes to reduce telecom costs and produce significant returns on investment. Our proven approach offers a solution combining services and tools focused on specific needs.

Our solution-focused pricing allows our customers to choose the services they desire. Our customers vary in the amount of their of monthly telecommunications expenditures and the number of locations they must manage. Our solutions are flexible in order to meet many diverse customers' needs.

Increasing Revenue, Decreasing Costs

During 2006, we increased the number of customers using Telecom Information Services by 23%, adding major customers in the key vertical markets of retail, manufacturing and food products.

By growing new customers and increasing our volumes with existing ones in 2006, we increased the amount of dollars Telecom Information Services paid on behalf of customers by 135%. The number of invoices processed increased by 84%,

and the number of billing telephone numbers (BTN) increased by 56%. All these results confirm the broad acceptance of our services in the emerging telecom marketplace and the potential for further growth.

While increasing our processing activity in 2006, we were also able to simultaneously decrease our telecom management costs.



Applying Innovations

One of the significant ways we were able to achieve this increase in productivity was by migrating five of our largest electronic trading partners to direct invoice transfer methods. We also increased our electronic invoice collection capabilities and now interface with 40 telecom vendors in North America. Approximately 85% of the dollar volume processed in 2006 was from electronic invoices. Other technical innovations

Cass Telecom Information Services

during 2006 included enhancements to our payment processing, payment visibility and payment research capabilities. These technical innovations contributed to improved operational efficiency and productivity.

During 2006, Telecom Information Services moved to a new location in Greenville, South Carolina. Our new facilities provide leading technology for hosting customers and prospects.

Other 2006 operational innovations included the enhancement of our Account Management function for telecom customers. This provided improved helpdesk support for customers, improved templates and additional tools to encourage customers to better control facility and organizational changes.

The telecom marketing team also provided enhanced resource materials to customers via our website, including white papers, sample requests for proposal questions and video

segments for downloading. The team also worked to increase our market exposure. As a result, Cass has been recommended by many analysts as the choice outsourced provider for large organizations.

Looking Forward

In the year ahead, we plan to introduce service order functionality in nCONTROL, while continuing to make enhancements in our infrastructure and operational processes including wireless optimization and procurement models. Cass' financial stability, proven processes, financial exchange, quality solutions and unique market position allow us to offer solid solutions for our customers. We look forward to all of these opportunities adding to our growth in 2007.



CASS' FINANCIAL STABILITY, PROVEN PROCESSES, FINANCIAL EXCHANGE,
QUALITY SOLUTIONS AND UNIQUE MARKET POSITION
ALLOW US TO OFFER SOLID SOLUTIONS FOR OUR CUSTOMERS.



CASS COMMERCIAL BANK

This year marks the beginning of our second century of service to the markets served by Cass Commercial Bank. We are proud of our record during these past 100 years and look forward to better serving our customers and obtaining additional relationships in the years ahead.

Industry Challenges

The banking industry today provides many challenges. These include a very competitive environment, a continuing move toward more electronic banking, increased regulatory burden and the need to closely monitor and measure risk, both within the loan portfolio and in our operations.

Cass Commercial Bank

WE ARE PROUD OF OUR RECORD DURING THESE PAST 100 YEARS AND LOOK FORWARD TO BETTER SERVING OUR CUSTOMERS AND OBTAINING ADDITIONAL RELATIONSHIPS IN THE YEARS AHEAD.

However, there are also great opportunities in the banking market. Our branch located in Santa Ana, California is now fully functional. While Southern California is a very competitive market, we believe that Cass Commercial Bank can continue to expand its church and church ministries lending in this vibrant and growing area of the country. We will also seek to make the Cass Commercial Bank name more visible for the privately held corporate market. We are confident that our focus on service and relationships will be well received.



We believe significant opportunities abound in the national church and related ministry market. Much of our loan growth in recent years has come from church lending on a nationwide basis. Our lending and depository services continue to be well received across the country. We will seek to broaden and expand our services to more areas in the near future.

2006 was a very strong year for Cass Commercial Bank. With our strong emphasis on asset quality, particularly within the loan portfolio, several ratios are particularly favorable. At year-end, loan delinquencies of 30 days or greater amounted to .35%, non-performing loans amounted to .16% and net loans charged off amounted to .17%, all as a percentage of outstanding loans at year-end. Throughout the year there were no foreclosed assets on the books. Our conservative lending practices resulted in a strong loan portfolio while minimizing the costs associated with collection problems, non-performing assets, charge-offs and foreclosures.

Implementing Technology

Cass Commercial Bank, like its information processing relatives, continues to focus on technology and productivity in its operations. We are currently in the process of upgrading our primary accounting systems to a new and better platform that will provide the foundation for significant growth in customers and capabilities. Additionally, we are adding a new Internet banking product that will better handle the significant growth being achieved in this area. We continue to enhance our image processing services. In recent years, the increased use of image capture at our branches has offered more prompt processing of deposited items. This allows checks to be cleared on an electronic basis, greatly reducing the number of paper checks still physically processed through the banking system.

Cass Commercial Bank

In 2006, Cass Commercial Bank introduced Deposit Connection to our customers. This product allows our customers to convert the checks that they receive in the normal course of their business to electronic images which are forwarded electronically via the Internet and ultimately cleared electronically through the banking system. We anticipate the use of Deposit Connection will offer our customers a significant benefit.

Building Relationships

Cass Commercial Bank's core objectives remain unchanged. We are committed to providing a relationship form of banking to our customers. We want to know our customers well in order to better serve them. We want our customers to know more than just the relationship manager. We want them to have the confidence that requests for loans and services will be acted on promptly with a greater understanding of the customer and its business.

Cass Commercial Bank will continue to focus on two primary niches – privately held businesses and churches and related ministries. We strongly believe we can better serve these markets through this specialization. As technology continues to offer new advances in the way banking is conducted and information is exchanged, we will strive to stay on the leading edge and offer products and services which best meet the needs of our customer base.

As we completed our first 100 years in 2006 and start our second century, we look forward to building on Cass' many fine traditions and principles in the years ahead.



OUR CONSERVATIVE LENDING PRACTICES RESULT IN A STRONG LOAN PORTFOLIO MINIMIZING COSTS ASSOCIATED WITH COLLECTION PROBLEMS, NON-PERFORMING ASSETS, CHARGE-OFFS AND FORECLOSURES.

Condensed Consolidated Statements of Income

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

For the year ended December 31,	2006	2005	2004
Revenues			
Payment and Processing	\$ 40,343	\$ 35,901	\$ 30,695
Net Investment Income	39,284	32,789	27,088
Gain on Sale of Debt Securities	–	547	1,045
Other	2,478	2,205	2,307
Total Revenues	82,105	71,442	61,135
Expenses			
Salaries and Employee Benefits	42,676	38,044	33,558
Occupancy	1,979	1,941	1,589
Equipment	2,928	2,795	3,276
Impairment of Equity Investment	–	3,100	–
Other	10,694	9,336	8,622
Total Expenses	58,277	55,216	47,045
Income from Continuing Operations Before Income Tax Expense	23,828	16,226	14,090
Income Tax Expense	8,367	4,982	4,209
Net Income from Continuing Operations	15,461	11,244	9,881
Net Loss from Discontinued Operations	(395)	(298)	(1,876)
Net Income	\$ 15,066	\$ 10,946	\$ 8,005
Earnings Per Share			
Basic	\$ 1.81	\$ 1.33	\$ 0.97
Diluted	1.77	1.29	0.95
Weighted Average Shares Outstanding			
Basic	8,310,171	8,262,713	8,268,227
Diluted	8,550,718	8,553,602	8,432,435

Condensed Consolidated Balance Sheets

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

As of December 31,	2006	2005
Assets		
Cash and Cash Equivalents	\$ 196,504	\$ 149,692
Loans and Investments, Net	600,282	617,881
Premises and Equipment, Net	12,898	11,987
Other Assets	48,787	39,138
Total Assets	\$ 858,471	\$ 818,698
Liabilities		
Deposits	\$ 289,894	\$ 286,998
Accounts and Drafts Payable	468,393	445,811
Borrowings	3,881	3,888
Other Liabilities	12,382	6,720
Total Liabilities	774,550	743,417
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; 9,112,484 and 6,336,593 shares issued at December 31, 2006 and 2005, respectively	4,556	3,168
Additional Paid in Capital	18,245	18,486
Retained Earnings	81,516	71,506
Accumulated Other Comprehensive (Loss) Income	(2,970)	(406)
Common Shares in Treasury, at cost (784,773 and 836,457 shares at December 31, 2006 and 2005, respectively)	(17,077)	(17,313)
Unamortized Stock Bonus Awards	(349)	(160)
Total Shareholders' Equity	83,921	75,281
Total Liabilities and Shareholders' Equity	\$ 858,471	\$ 818,698

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 as of December 31, 2006 and 2005, and the related consolidated statements of income, cash flows, and shareholders' equity and comprehensive income for each of the years in the three-year period ended December 31, 2006 (not presented herein); and in our report dated March 9, 2007, we expressed an unqualified opinion on those consolidated financial statements.

As of December 31, 2006, Cass Information Systems, Inc. adopted Statement of Financial Accounting Standard No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans*.

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 9, 2007

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. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and other factors which may cause future performance to vary from expected performance summarized in the forward-looking statements, including those set forth in this paragraph and in the "Risk Factors" section of the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission. Important factors that could cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by those statements include, but are not limited to: the failure to successfully execute our corporate plan, the loss of key personnel or inability to attract additional qualified personnel, the loss of key customers, increased competition, the inability to remain current with rapid technological change, risks related to acquisitions, risks associated with business cycles and fluctuations in interest rates, utility and system interruptions or processing errors, rules and regulations governing financial institutions and changes in such rules and regulations, credit risk related to borrowers' ability to repay loans, concentration of loans to certain segments such as commercial enterprises, churches and borrowers in the St. Louis area which creates risks associated with adverse factors that may affect these groups and volatility of the price of our common stock. 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, Chief Executive Officer

ROBERT J. BODINE

Chairman Emeritus, Bodine Aluminum, Inc.

K. DANE BROOKSHER

Chairman, ProLogis

ERIC H. BRUNNGRABER

President, Chief Operating Officer

BRYAN S. CHAPELL

President, Covenant Theological Seminary

ROBERT A. EBEL

Director and Chief Financial Executive Officer,
Universal Printing

BENJAMIN F. EDWARDS, IV

Branch Manager and
Member of the Board of Directors,
AG Edwards and Sons, Inc.

WAYNE J. GRACE

Retired Managing Director,
UHY Advisors MO, Inc.

HARRY J. KRIEG

Chairman Emeritus

IRVING A. SHEPARD

President, Venture Consultants, Inc.

A.J. SIGNORELLI

Founder, Andrews Educational & Research
Center and Hope Educational & Research Center

FRANKLIN D. WICKS JR.

President, Fine Chemical Division of
Sigma-Aldrich

Executive Officers

LAWRENCE A. COLLETT

Chairman of the Board, Chief Executive Officer

ERIC H. BRUNNGRABER

President, Chief Operating 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

JOHN J. VALLINA

Vice Chairman, President,
Cass Commercial Bank

Shareholder Information

CORPORATE HEADQUARTERS

Cass Information Systems, Inc.
13001 Hollenberg Drive
Bridgeton, Missouri 63044
(314) 506-5500
E-mail: cass@cassinfo.com
Web: 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 16, 2007, at 11:00 a.m. at the Charles F.
Knight Executive Education Center, John M. Olin
School of Business at Washington University,
St. Louis, Missouri.

INVESTOR RELATIONS

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

Investor Relations
Cass Information Systems, Inc.
13001 Hollenberg Drive
Bridgeton, Missouri 63044
(314) 506-5500

INDEPENDENT AUDITORS

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

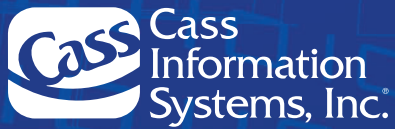
TRANSFER AGENT

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

Mellon Investor Services LLC
480 Washington Boulevard
Jersey City, New Jersey 07310
888-213-0965
www.melloninvestor.com

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 website
at: www.cassinfo.com



Cass Information Systems, Inc.
13001 Hollenberg Drive
Bridgeton, Missouri 63044
www.casinfo.com