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ANALYST CONFERENCE

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Welcome

May 6, 2019

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Opening Comments, Introductions, and Agenda

Kevin Williams

Chief Financial Officer and Treasurer

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Welcome to Denver for the 2019 Analyst Conference

Forward-Looking Statement

Statements, remarks or responses to questions concerning future expectations, events, objectives, strategies, trends or results constitute forward-looking statements or deal with expectations about the future. Like any statement about the future, these are subject to a number of factors which could cause actual results to differ materially from those which we anticipate, due to a number of risks and uncertainties; and the company undertakes no obligation to update or revise these statements. For a summary of these risk factors and additional information, please refer to the sections in our 10-K entitled Risk Factors and Forward-Looking Statements.

Agenda

1:00 – 1:05 p.m.	Welcome Kevin Williams, Chief Financial Officer and Treasurer
1:05 – 1:35 p.m.	State of the Business David Foss, President and Chief Executive Officer
1:35 – 2:00 p.m.	Financial Review Kevin Williams, Chief Financial Officer and Treasurer
2:00 – 2:25 p.m.	Technology Update Mark Forbis, EVP and Chief Technology Officer
2:25 – 2:50 p.m.	Jack Henry Banking® Stacey Zengel, VP of JHA and President of Jack Henry Banking
2:50 – 3:15 p.m.	Symitar® Ted Bilke, VP of JHA and President of Symitar

Agenda

3:15 – 3:25 p.m.	Break
3:25 – 3:55 p.m.	JHA Payment Solutions™ Greg Adelson, VP of JHA and GM of JHA Payment Solutions
3:55 – 4:20 p.m.	ProfitStars® Russ Bernthal, VP of JHA and President of ProfitStars
4:20 – 4:45 p.m.	Consumer and Commercial Solutions Ron Moses, VP of JHA and GM of Consumer and Commercial Solutions
4:45 – 5:15 p.m.	Sales and Marketing Update Steve Tomson, GM of Sales & Marketing
5:15 – 5:30 p.m.	Wrap up and Q&A
6:00 – 8:00 p.m.	Reception and Mini Tech Fair

Introduction of Associates Representing JHA

jackhenrybanking.com

profitstars.com

symitar.com

Detailed Product Information

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State of the Business

David Foss

President and Chief Executive Officer

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Agenda

- Year at a Glance
- Jack Henry Today
- Strategic Direction
- Sales Performance
- Customer Strategies
- Future Outlook
- Q&A

Year at a Glance

- Solid financial performance
 - Record revenue and earnings
 - Fortress balance sheet
- Completed Ensenta integration
- Announced Bolts and Agiletics acquisitions
- New strategic solutions:
 - Expanded Commercial Lending Center Suite
 - Fully launched new card payments platform
 - Delivered Current Expected Credit Loss (CECL) solutions
 - Delivered expanded *jhaCall Center*[™] services

Year at a Glance

- Record client conference attendance – including multiple prospects
- Continued to earn very high customer satisfaction ratings
- Introduced new HR programs:
 - Enhanced “Total Rewards” program funded by TCJA
 - Bonus plan and 401K enhancement
 - Launched formal Diversity & Inclusion programs
- Once again named to Forbes’ “America’s Best Employers” list
- JKHY named to S&P 500

Jack Henry Today

6,500+
employees

9,000+
clients

40 offices
nationwide

5 core
processing
systems

JHA Payment
Solutions™
processes more than
695+ million
monthly transactions
representing over
\$132+ billion
per month

300+
products
and services

50+
acquisitions

57% of our core
clients use the
outsourced delivery model

\$1.47 billion
in revenue
fiscal year ended June 30

jha

\$10+ billion
market cap

Strategic Direction

- Provide core processing systems to financial institutions
- Offer additional technology solutions to these financial institutions
- Focus on digital channels and payments
- Offer stand-alone solutions to banks and credit unions using competing cores
- Work with partners to offer selected solutions to non-financial industry clients
- Emphasize integration and superior customer service
- Focus on developing our people and culture
- Make acquisitions supporting the above strategies
- Pay dividends and execute share repurchases to return value to shareholders

Pillars of Success at JHA

- 
- 1 employees
 - 2 customers
 - 3 shareholders

Best Places to Work



AMERICAN BANKER

BEST PLACES TO WORK IN FINTECH 2019



The Dallas Morning News

TOP 100

PLACES TO WORK 2018

10TH ANNIVERSARY

Powered by
BELO MEDIA GROUP

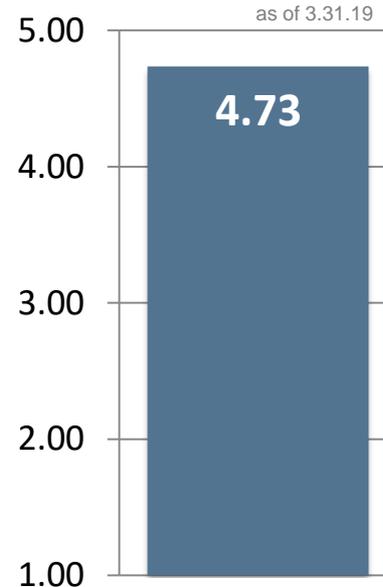


Daily Customer Satisfaction Surveys

overall rating
customer service representative

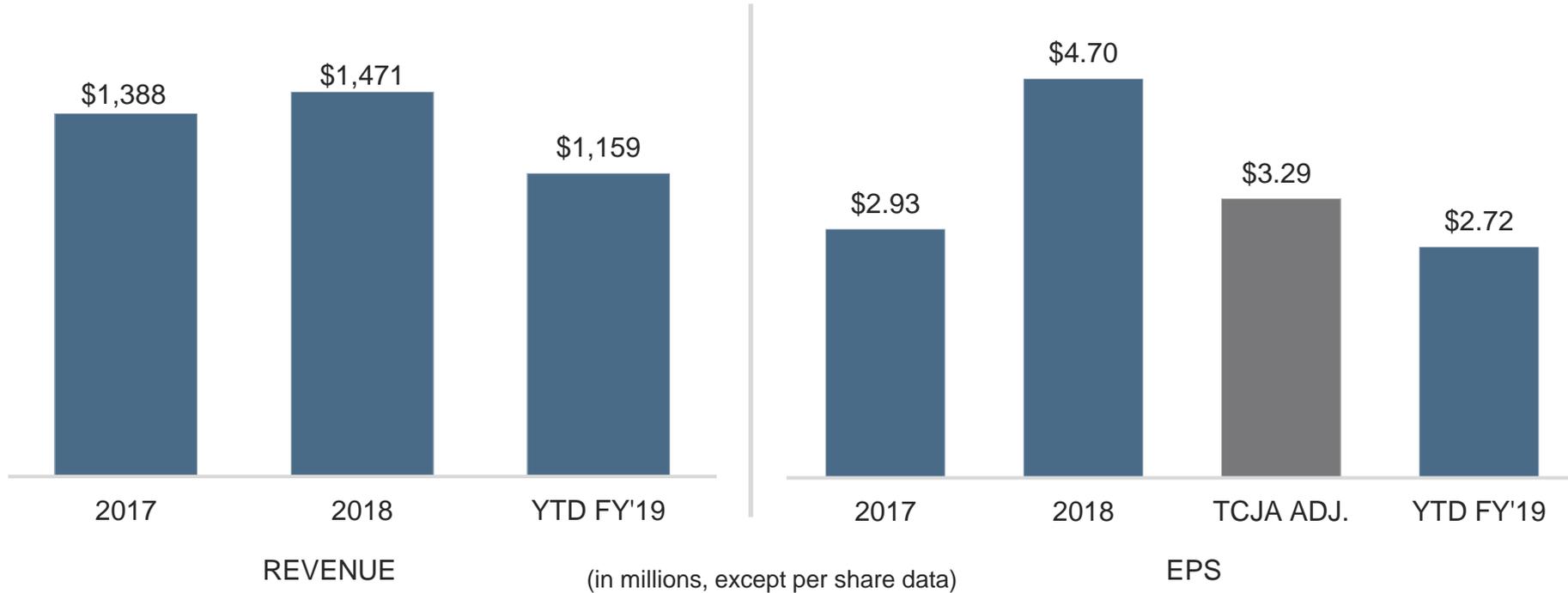
Rating Scale:

- 1) Unacceptable
- 2) Needs improvement
- 3) Met expectations
- 4) Exceeded expectations
- 5) Far exceeded expectations



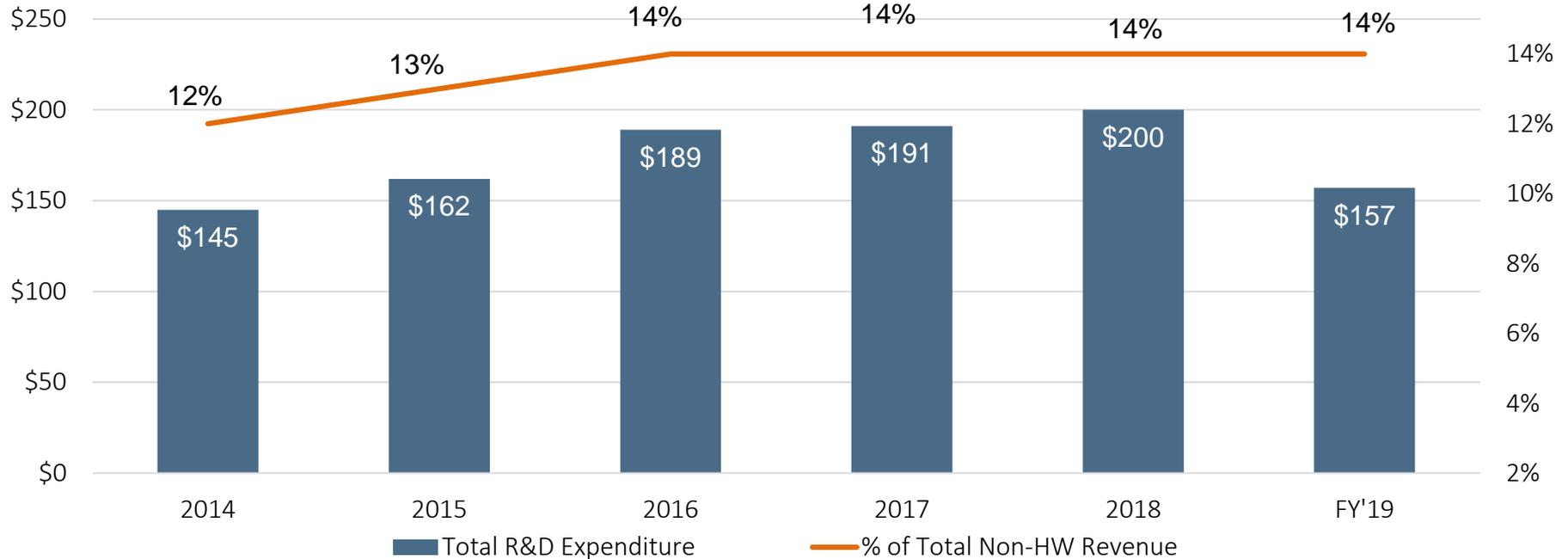
Revenue and EPS Comparison

Fiscal Year Ended June 30



Investment in Technology

R&D Expenditure (in millions and as percentage of total Non-HW revenue)



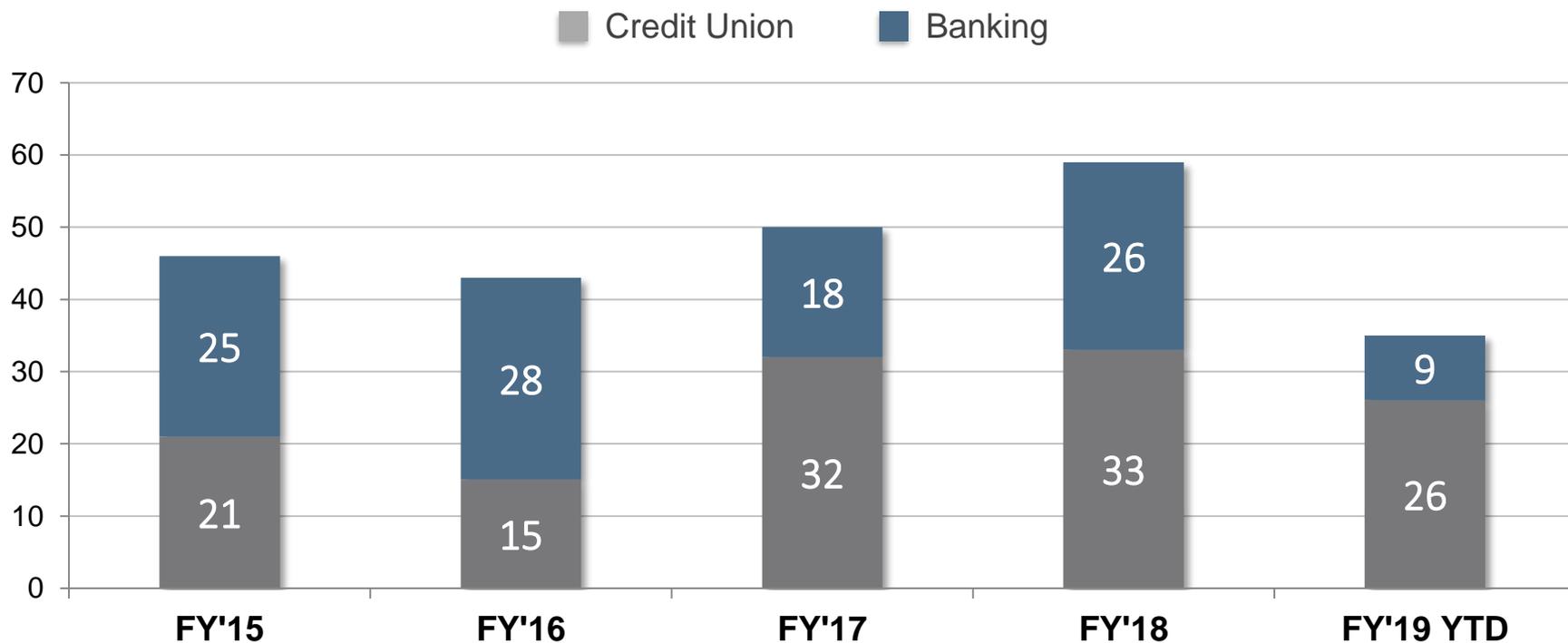
Key R&D Initiatives

- Digital Solutions – Banno™, JHA OpenAnywhere™, Branch Anywhere™
- Card Processing Platform Migration
- Treasury Management Platform
- JHA Payments Hub – Zelle and The Clearing House
- Open Banking Strategy
- Episys® Technology Migration Program
- Commercial Lending Center Suite™ Integration

Sales Highlights Year-to-Date

- Jack Henry Banking®
 - 27 new core account wins – (includes 4 de novos)
 - 9 core migrations from in-house to our hosted offerings
- Symitar®
 - 15 new core account wins – all of which are competitive displacements
 - Virtually all of these sales have been outsourced transactions as opposed to in-house
 - We have contracted with 26 in-house clients migrating to outsourcing this year
- ProfitStars®
 - Added 71 new customers for Jack Henry, more than twice last year's pace
 - For non-core customers we average more than 3 ProfitStars offerings per client

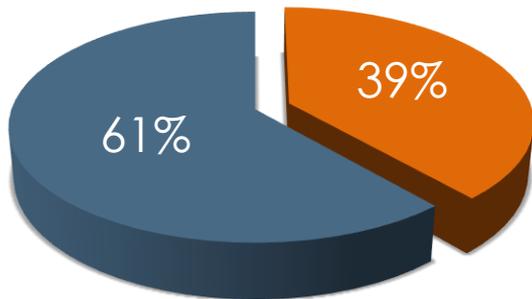
In-House to Outsourcing Sales



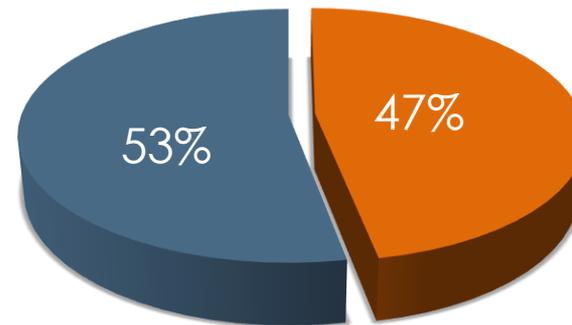
as of 3.31.19

In-House to Outsourcing

BANKING



CREDIT UNION



■ OUTSOURCING

■ IN-HOUSE



Increase total revenue



Increase recurring revenue



Multi-year contracts

CUSTOMER STRATEGIES

According to Cornerstone Advisors ...

“CEO optimism for 2019 – which hit a five-year high in 2017 – slips for the second straight year amid concerns about higher interest rates and challenges in deposit gathering.”

“Eighty-seven percent of FIs will increase tech spending in 2019 from 2018, and in about one-fourth of them, spending will rise by more than ten percent.”

“Expanding digital presence is a priority for an increasing number of bank and credit union executives – finally.”

Cornerstone Advisors: What's Going on in Banking 2019; Community-Based FIs' Priorities, FinTech Plans and Future-Readiness

CEO Plans for Tech Spending

How will your institution's tech spending change in 2019 compared to 2018?

	Banks		Credit Unions	
	2018	2019	2018	2019
Significantly higher (>10% higher)	22%	26%	30%	25%
Somewhat higher (1%–10% higher)	63%	59%	54%	66%
No change	9%	12%	9%	7%
Somewhat lower (1%–10% lower)	4%	2%	6%	2%
Significantly lower (>10% lower)	1%	1%	0%	0%

A Few Top Customer Growth Priorities

What are your institution's top growth priorities in 2019 compared to 2018?

	Banks		Credit Unions	
	2018	2019	2018	2019
Grow commercial loans	86%	60%	23%	24%
Grow commercial deposits	57%	56%	2%	16%
Grow consumer deposits	39%	46%	45%	64%
Expand digital presence (e.g., online/mobile channels)	18%	37%	30%	49%
Grow consumer loans	4%	5%	66%	40%

A Few Key Customer Strategies

- Digital Experience
- Payments
- Commercial Services
- Deposit Gathering
- Open Banking
- Cloud Services

Digital Experience

- Customer Challenge:
 - FIs need a comprehensive digital strategy to compete today and in the future. The days of “online banking” and “mobile banking” as two separate experiences are coming to an end.
- **JHA Solution:**
 - Banno™ coupled with JHA OpenAnywhere™ provide a complete digital ecosystem for the FI with both available today.
 - Banno mobile-only clients live: 195
 - Banno Platform™ clients live: 34

Payments

- Customer Challenge:
 - The payments landscape continues to evolve. More FIs will look for new or replacement payments providers in response to the importance of credit cards and real-time payments to FI payments strategies.
- **JHA Solution:**
 - We have strengthened our position here by expanding our offerings with our new cards platform, JHA PayCenter™, and Ensenta.
 - Card Processing Clients live: 364

Commercial Services

- Customer Challenge:
 - FIs require tools to expand their relationships with larger commercial customers allowing them to pursue loan and deposit growth opportunities.
- **JHA Solution:**
 - Our Commercial Lending Center Suite™, JHA Treasury Management™, and new Agiletics solutions all provide these necessary tools.
 - Commercial Lending Center Suite clients live: 494
 - JHA Treasury Management clients live: 20

Deposit Gathering

- Customer Challenge:
 - FIs are challenged today to find sufficient deposits to fund ongoing lending opportunities.
- **JHA Solution:**
 - Our core multi-branding project supports our customers in this area. We are currently supporting many online-only bank brands to assist our clients in garnering deposits from non-traditional sources.
 - Today we support about a dozen banks with this solution but have many more in the pipeline.

Open Banking

- Customer Challenge:
 - FIs are trying to determine what “open” means for them and how to leverage the fintech environment to their advantage.
- **JHA Solution:**
 - We support two primary concepts for our clients today:
 1. B2B – connectivity for the FI to integrate their JHA core to a third party chosen by the bank.
 2. C2B – open APIs to connect the FI’s core data to a third party chosen by the consumer.
 - We are actively moving more customers and more products to our private and public cloud environments.

Cloud Services

- Customer Challenge:
 - FIs continue to have trouble finding/retaining qualified IT and security talent and look to outsource more of their solutions to JHA cloud offerings.
- **JHA Solution:**
 - In addition to our traditional core outsourcing business, we can host your network, disaster recovery function, call center, and a variety of ancillary products.
 - *jha*Call Center™ clients live: 110
 - Gladiator Hosted Network Solutions™ clients live: 126

What about AI?

“Coffee-table books are there to generate conversation, and it looks like that’s mostly what’s happening with emerging technologies like AI, machine learning and Robotic Process Automation (RPA). Most of the activity regarding these technologies involves discussions at the board or executive team level.”

Despite feedback from Cornerstone, we are actively involved with projects in all three areas.

Cornerstone Advisors: What’s Going on in Banking 2019; Community-Based FIs’ Priorities, FinTech Plans and Future-Readiness

Summary

- We have a highly motivated and engaged workforce.
- We enjoy outstanding customer satisfaction levels – critical in a reference selling business like ours.
- Spending rates are projected by 87% of FIs to be “higher” or “significantly higher” than what we saw in 2018.
- We are well-positioned with new solutions to help address the challenges our clients face every day.

Future Outlook

- Continue our dedicated focus on financial services
- Maintain our high levels of customer service and satisfaction
- Deliver highly integrated business solutions
- Leverage advancing technologies to enhance products and services
- Pursue disciplined acquisitions

QUESTIONS?

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Financial Update

Kevin Williams

Chief Financial Officer and Treasurer

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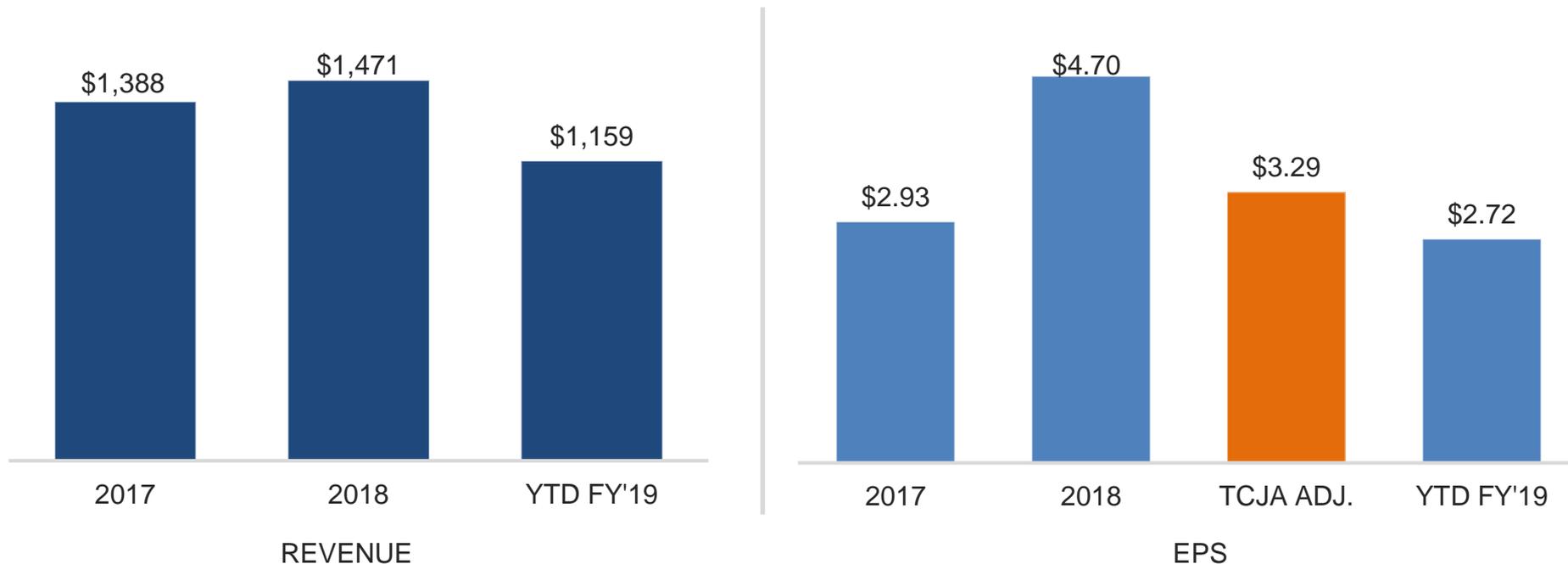
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Revenue and EPS Comparison

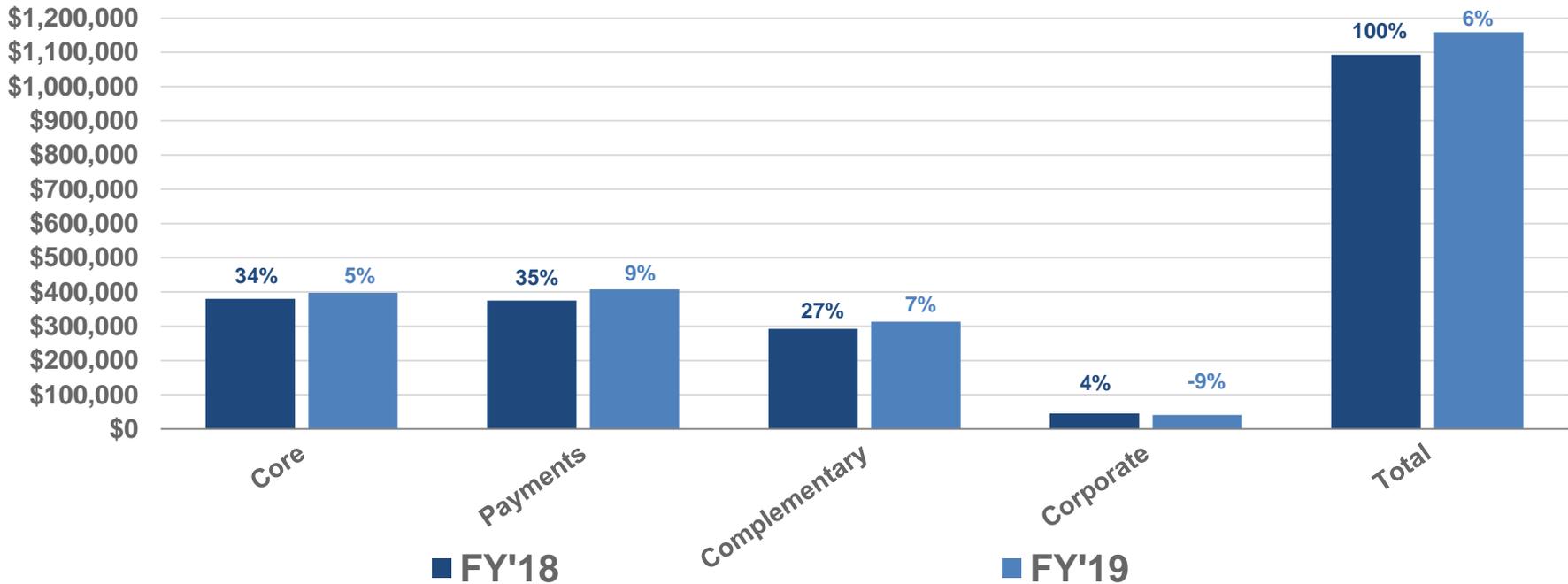
(in millions, except per share data)

Fiscal Year Ended June 30



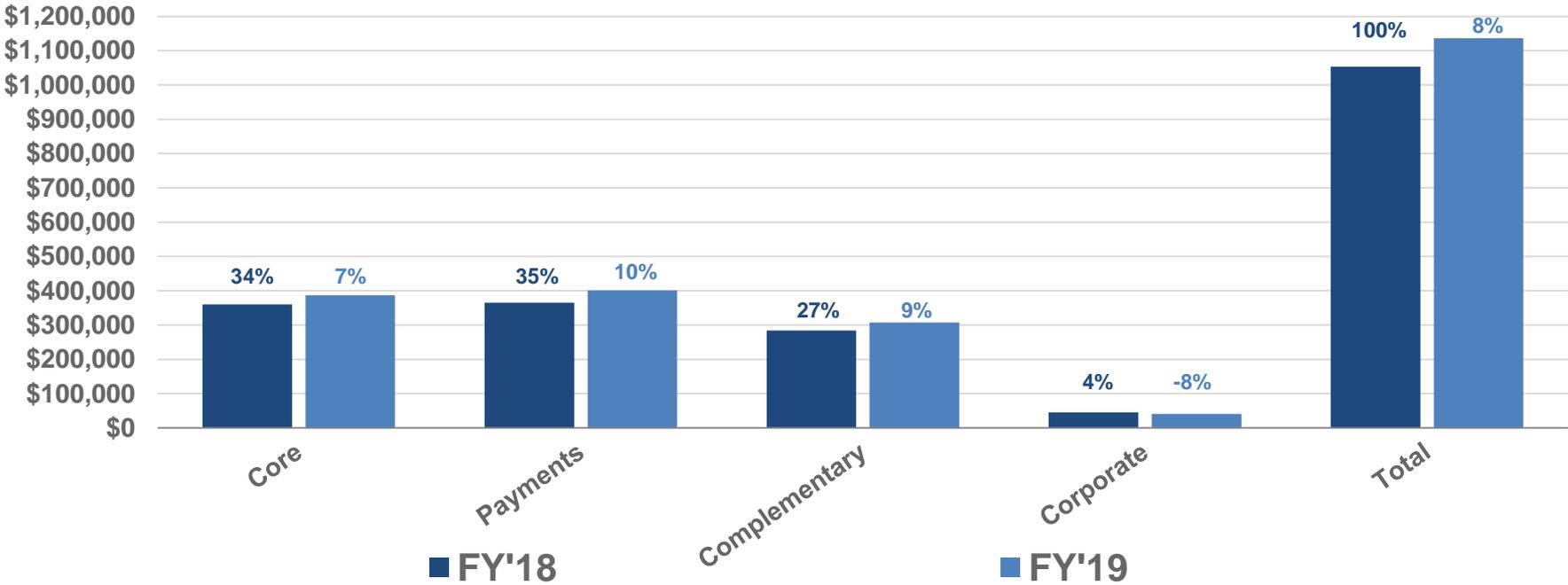
GAAP Segment Revenue Year to Date

(Percentage of Segment Revenue; Year-over-Year Growth)
(in thousands)



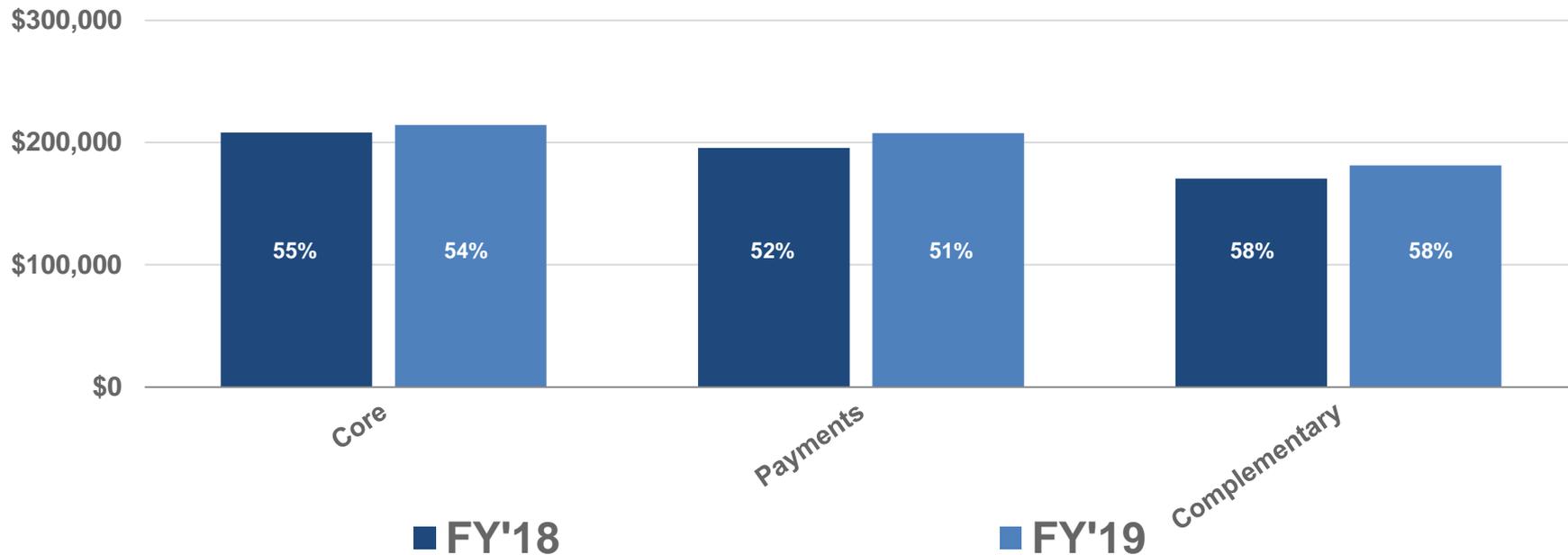
Non-GAAP Segment Revenue Year to Date

(Percentage of Segment Revenue; Year-over-Year Growth)
(in thousands)



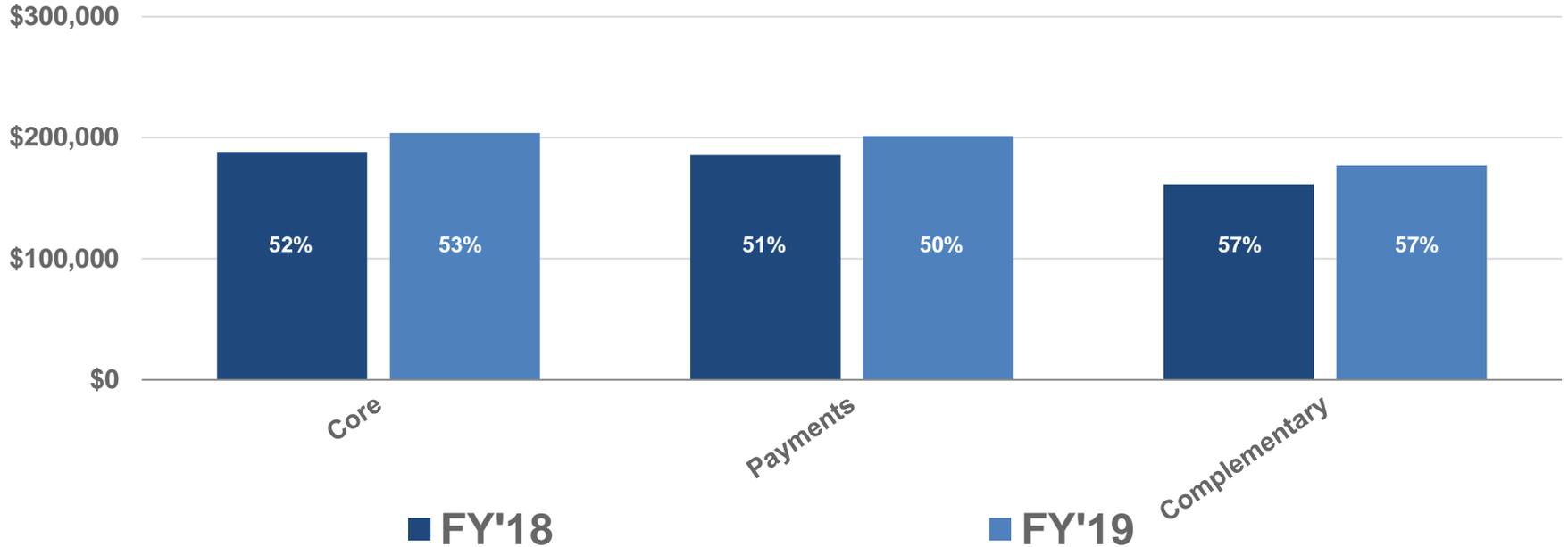
GAAP Segment Operating Income YTD

(Margin Percentage)
(in thousands)

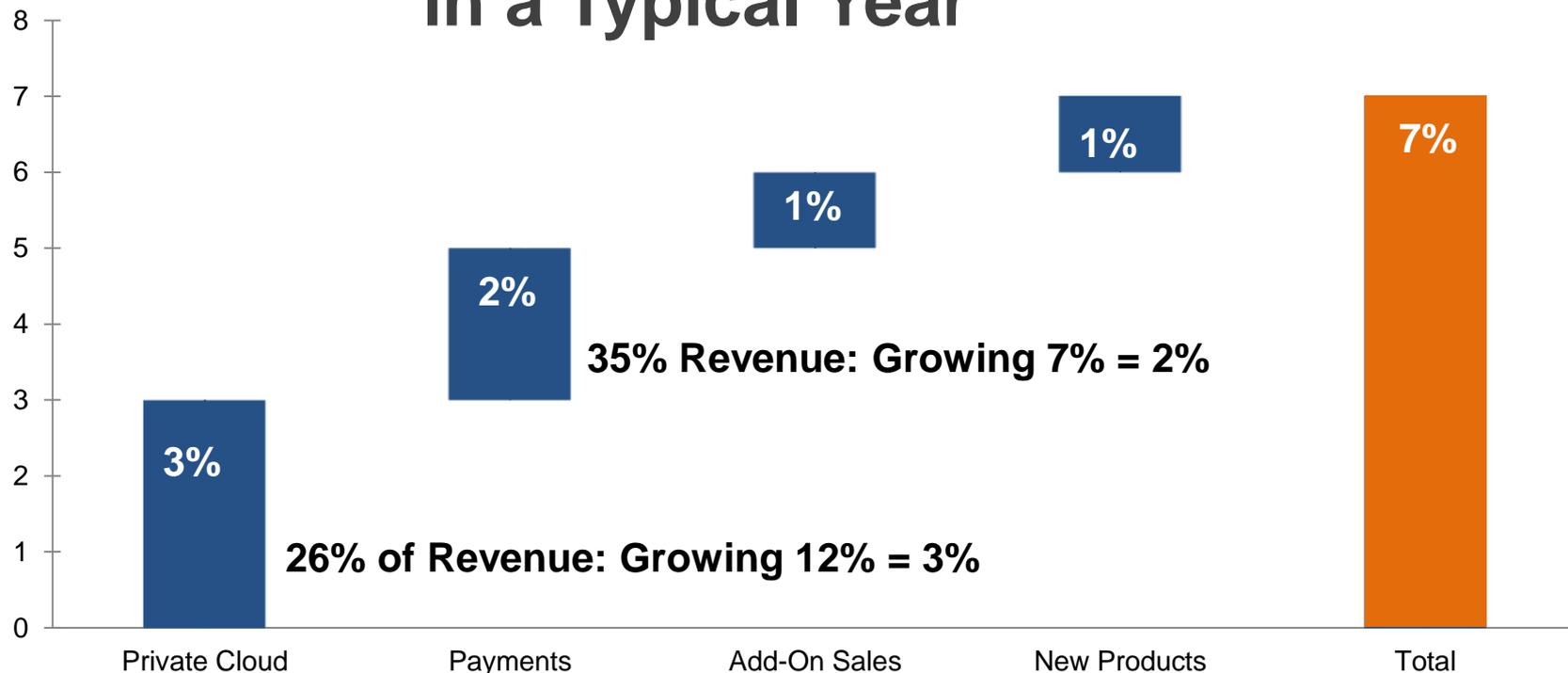


Non-GAAP Segment Operating Income YTD

(Margin Percentage)
(in thousands)

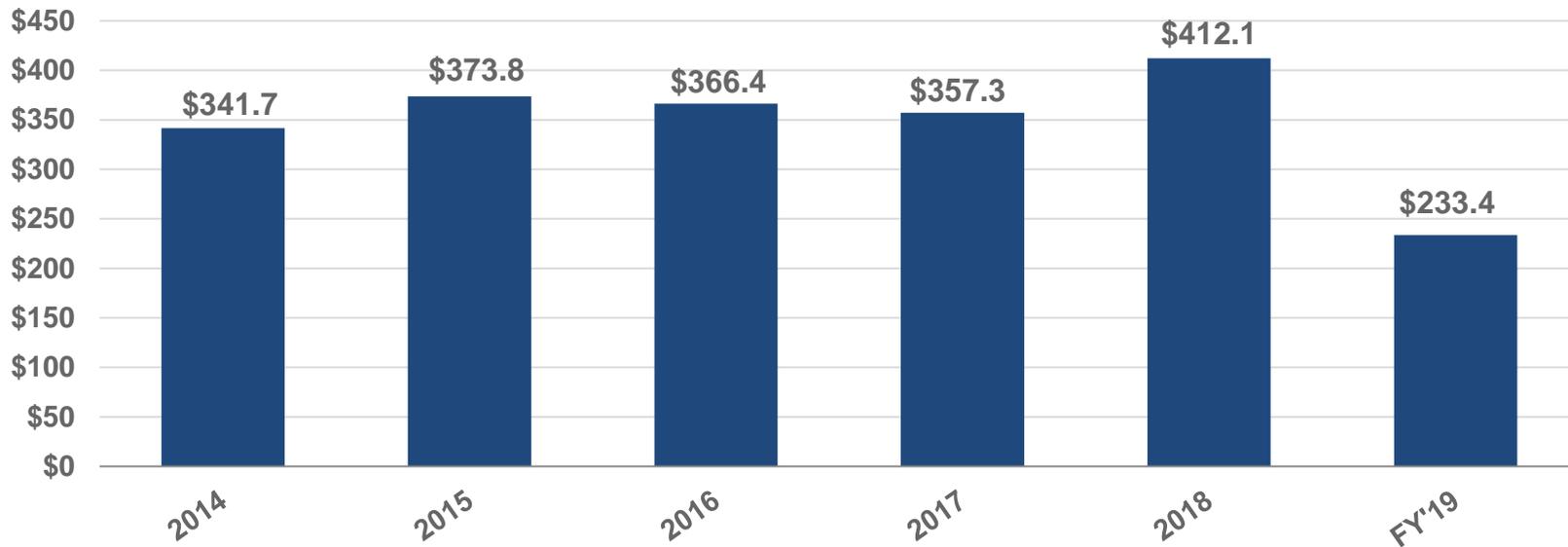


Projected Revenue Growth Drivers in a Typical Year



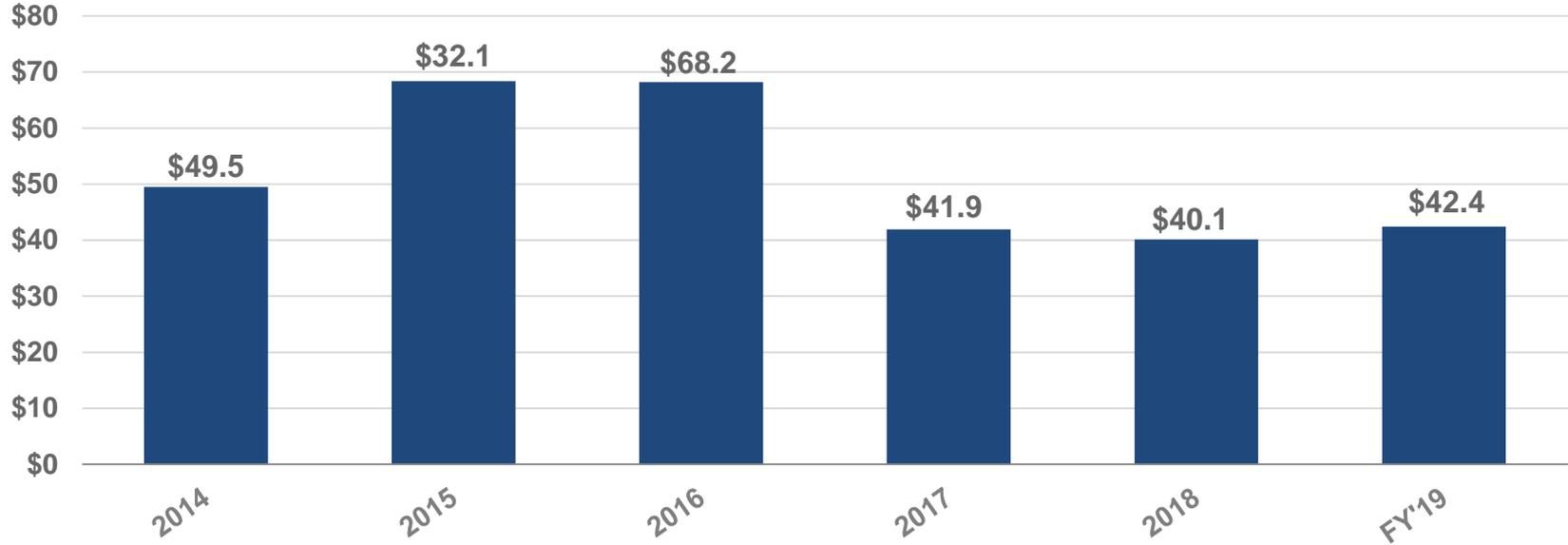
Operating Cash Flow

(in millions)



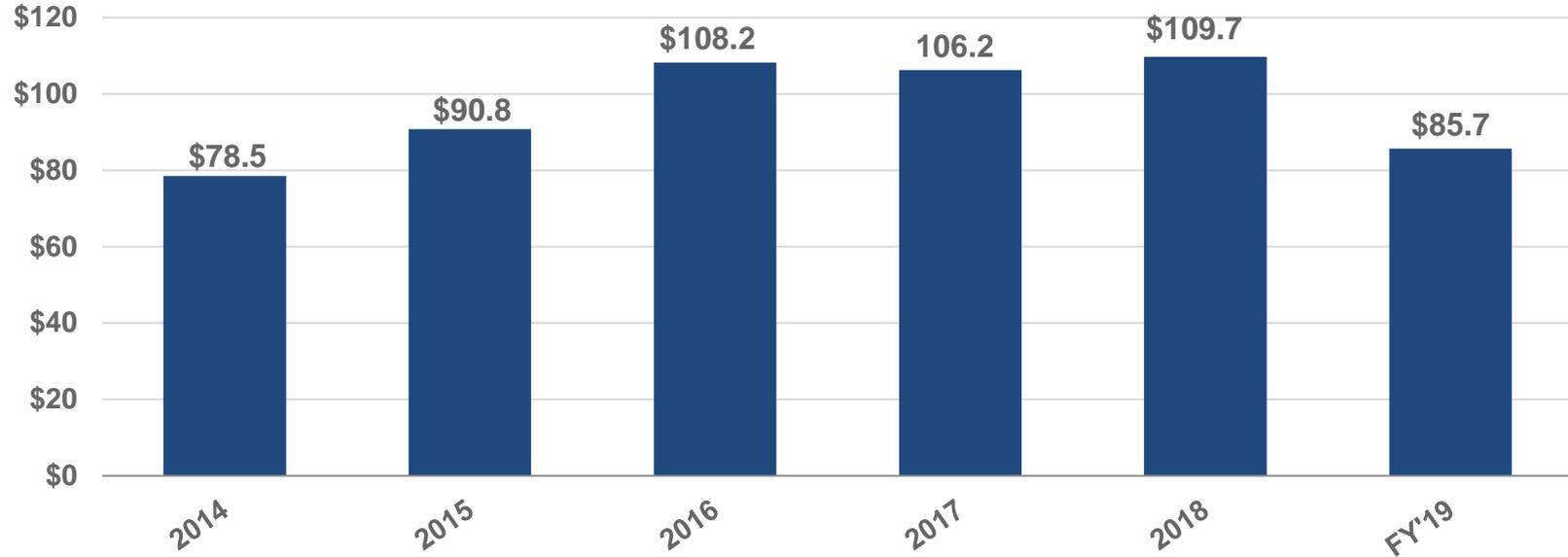
Capital Expenditures

(in millions)



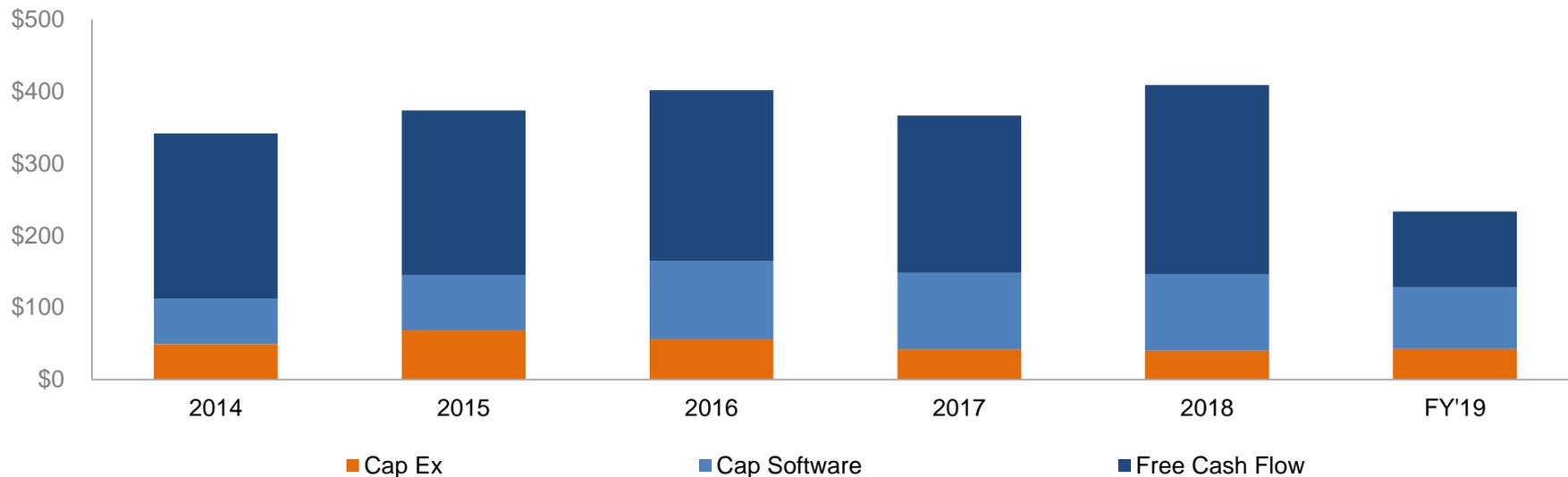
Capitalized Software

(in millions)



Operating Cash Flow Components

(\$ in millions)

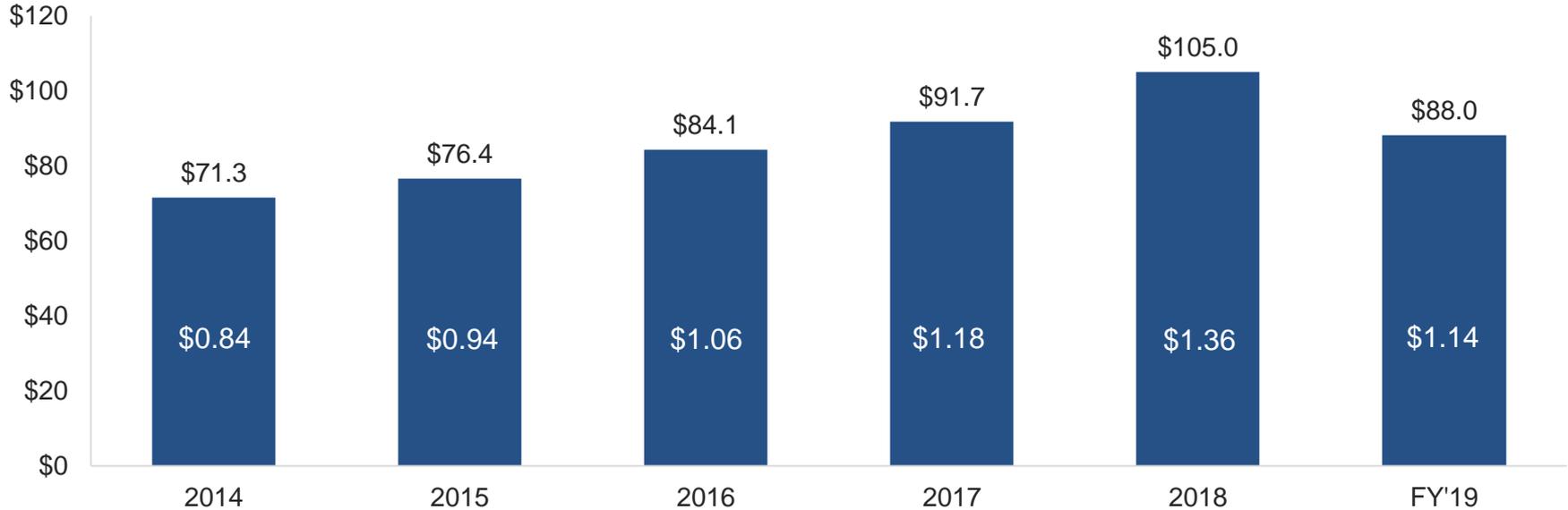


Returning Value to Shareholders



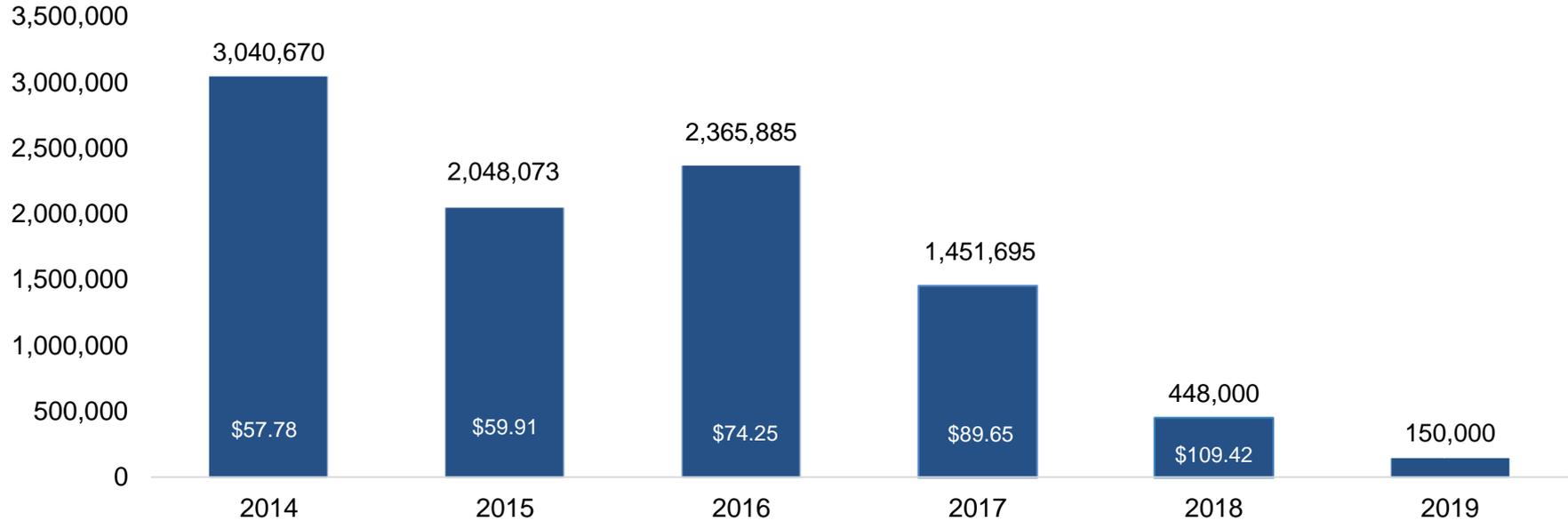
Dividends Paid

(in millions except per share amount)



Share Repurchases

(Number of Shares and Average Price Per Share)



Aggregate Share Repurchased: 26,258,212 for \$1.08 billion, average price of \$41.00

Recent Acquisitions

- Completed the following acquisitions:
 - Agiletics – 10/1/18
 - Deposit Escrow Sub Accounting (DESA) solution
 - Bolts Technologies – 10/8/18
 - Digital Account Opening

Select Financial Metrics

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>FY'19</u>
Current Ratio	.87	1.11	.97	1.10	.96	1.17
Return on Avg. Assets TTM	11%	12%	14%	13%	13%*	14.4%
Return on Equity TTM	19%	22%	25%	24%	23%*	21%

* Adjusted for TCJA

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Technology Strategy

Mark Forbis

Executive Vice President and Chief Technology Officer

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Topics

- JHA Open Banking
- Enterprise Integration
- Bots, Artificial Intelligence, Robotic Process Automation
- Digital Transformation
- Questions

JHA Open Banking

- jXchange™, SymXchange™
 - Openness – past, present, future
 - Vendor Integration Program
 - 100s – third parties (300+), (full service) APIs
 - 1,000,000,000+ – monthly transactions (hosted)
 - Hosting and on-premise co-exist
 - B2B (enterprise), C2B (digital)
 - Secure

Enterprise Integration

- jXchange™, SymXchange™ – internal/external
- Enterprise Architecture, Enterprise Integration
- Frameworks – UI/UX, Events, Notifications, Workflow
 - Integration = efficiency, flexibility
 - Interoperability
 - Security
- Data-driven decision making

Bots, AI, RPA

- Proof of Concept complete
- *jha*Call Center™ offering – focus on Bot integration
- Conversations (Banno™) – next
- Enterprise approach to Bots/AI – must be omni-channel aware
- Robotic Process Automation – enterprise workflow opportunities

Digital Transformation

- Our customers, our customers' customers, and members
- Ourselves
- Customer Experience/User Experience
 - Design-first principles
- Account opening – Buy button
- Impact of cloud/mobile – everything
- Focus on small business

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Jack Henry Banking® Update

Stacey Zengel

*Vice President of Jack Henry & Associates
President of Jack Henry Banking*

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Jack Henry Banking



1,000
BANKS

Primary technology partner for approximately 1,000 banks ranging from community banks to multi-billion-dollar banks and multi-bank holding companies



20%
MULTI-BILLION

Supports approximately 20% of multi-billion-dollar banks with assets up to \$50 billion



140
SOLUTIONS

Three functionally distinct core systems and more than 140 fully-integrated complementary solutions.



**DELIVERY
OPTIONS**

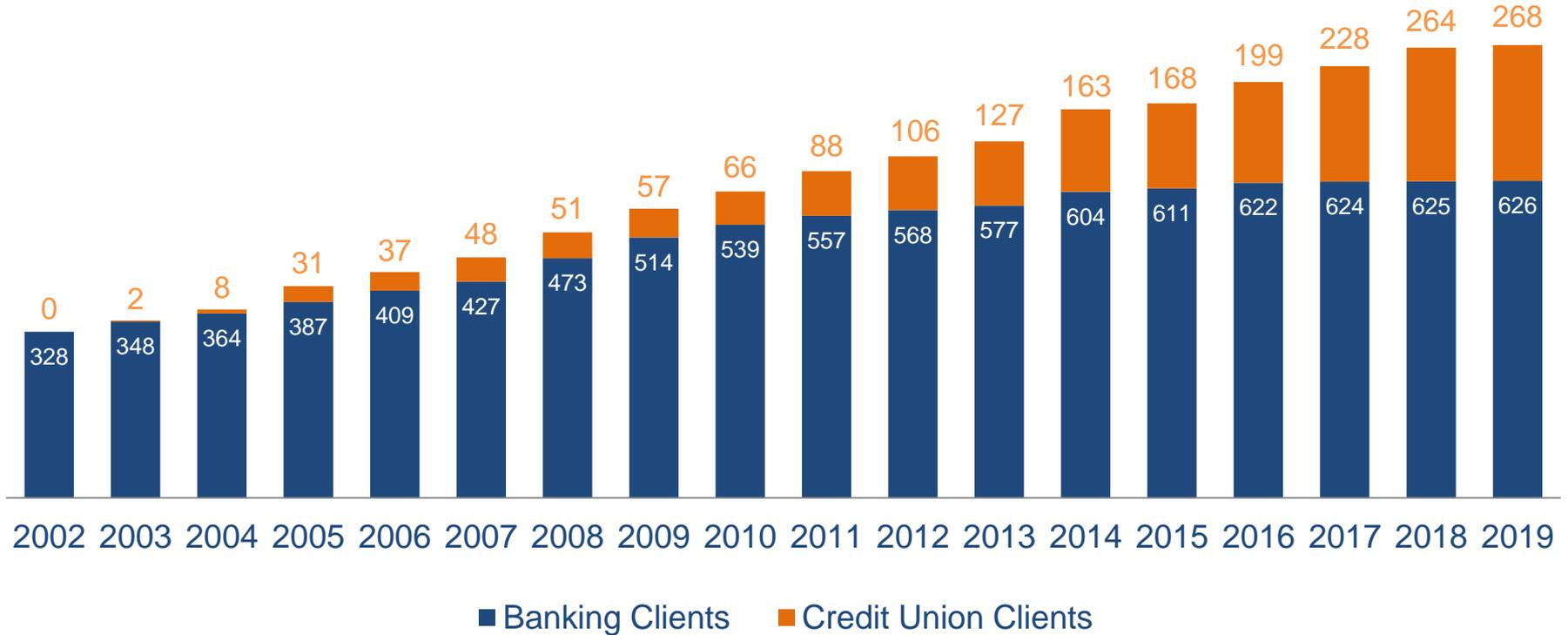
*In-House and
Outsourced*



**COMPETITIVE CORE
SYSTEMS**

We've replaced every major competitive alternative marketed today.

Private Cloud Growth



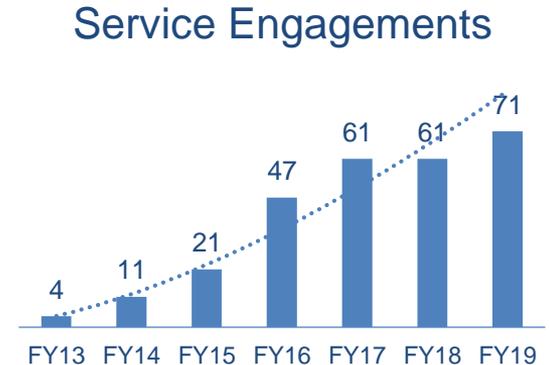
Agiletics Acquisition



- Acquired October of 2018
- Deposit Escrow Sub-Accounting (DESA) solution
- Jack Henry Banking® and ProfitStars®
- Integrated into our new technologies framework
 - Testing now
 - Integration will enhance Jack Henry Banking adoption
- Building sales pipeline in Jack Henry Banking now

Jack Henry Call Center

- Fully hosted services and software in-house alternatives
 - Centers in Springfield and Monett
 - Competitive differentiator
- Recovery site in Branson
- Unique branding and servicing for each client
- Premier call quality monitoring



What's on a Banker's Mind These Days?

- Buying, selling, and/or growing organically
- Digital
- Faster payments
- “Open Banking”
- Attracting core deposits
- Finding fee income
- Reducing efficiency ratios
- Attracting banking talent
- Security, compliance, and risk

Other Banking Industry Trends

- M&A activity continuing
- De novo banks
- Fintechs and fintech charters
- Reduced regulation?
- Core modernization

Key Initiatives

- Agiletics integration
- Completing our new technologies roll-out
- Consulting business expansion
- Open banking and fintech messaging
- “Fireside chats”
- Efficiency
- Call Center growth and expansion
- Disaster avoidance updates

Summary

- Continued success in a competitive market
- Continued expansion into the important multi-billion-dollar segment
- Outsourcing, including call center, continues to be a high growth areas for Jack Henry
- Our initiatives that are underway will enhance our customers' capabilities and help us drive new business

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Symitar® Update

Ted Bilke

*Vice President of Jack Henry & Associates
President of Symitar*

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Agenda

- Credit Union Platform Landscape
- Client Acquisition and Trends
- Focus and Key Initiatives
- Questions



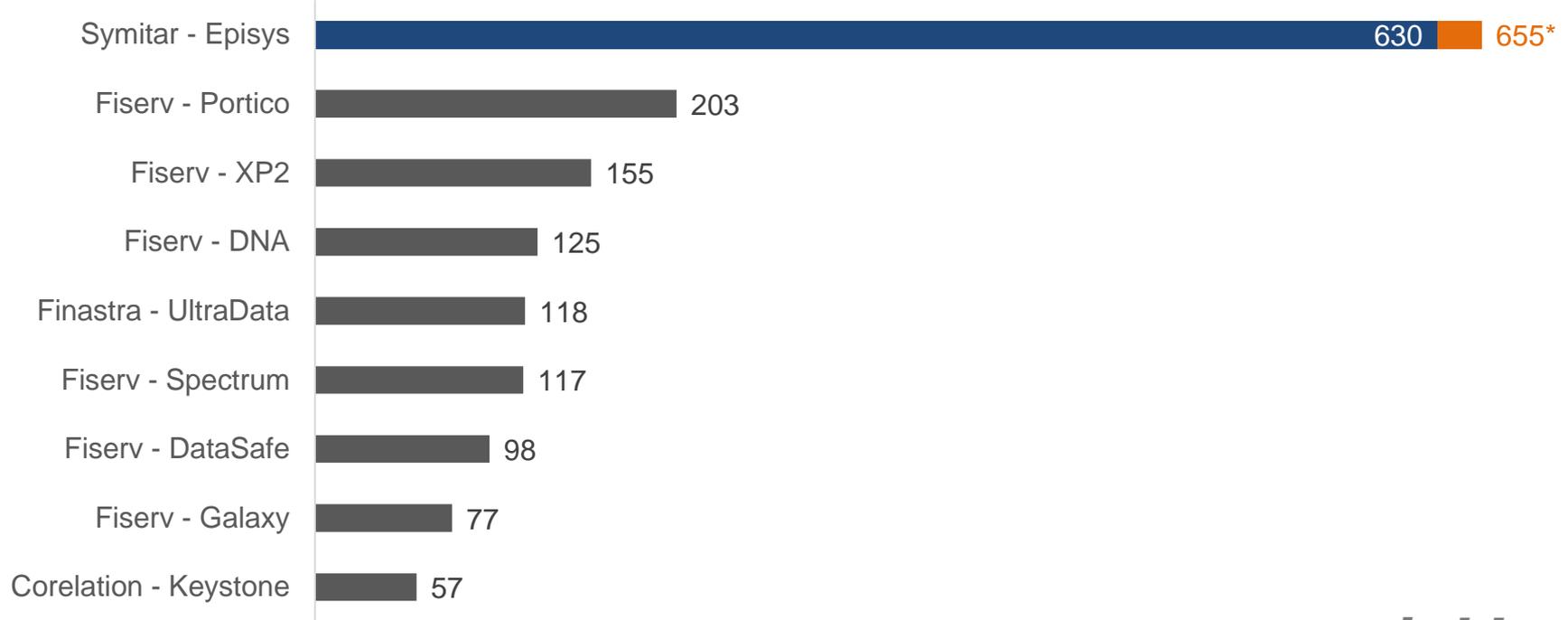
Credit Union Platform Landscape

Industry Consolidation

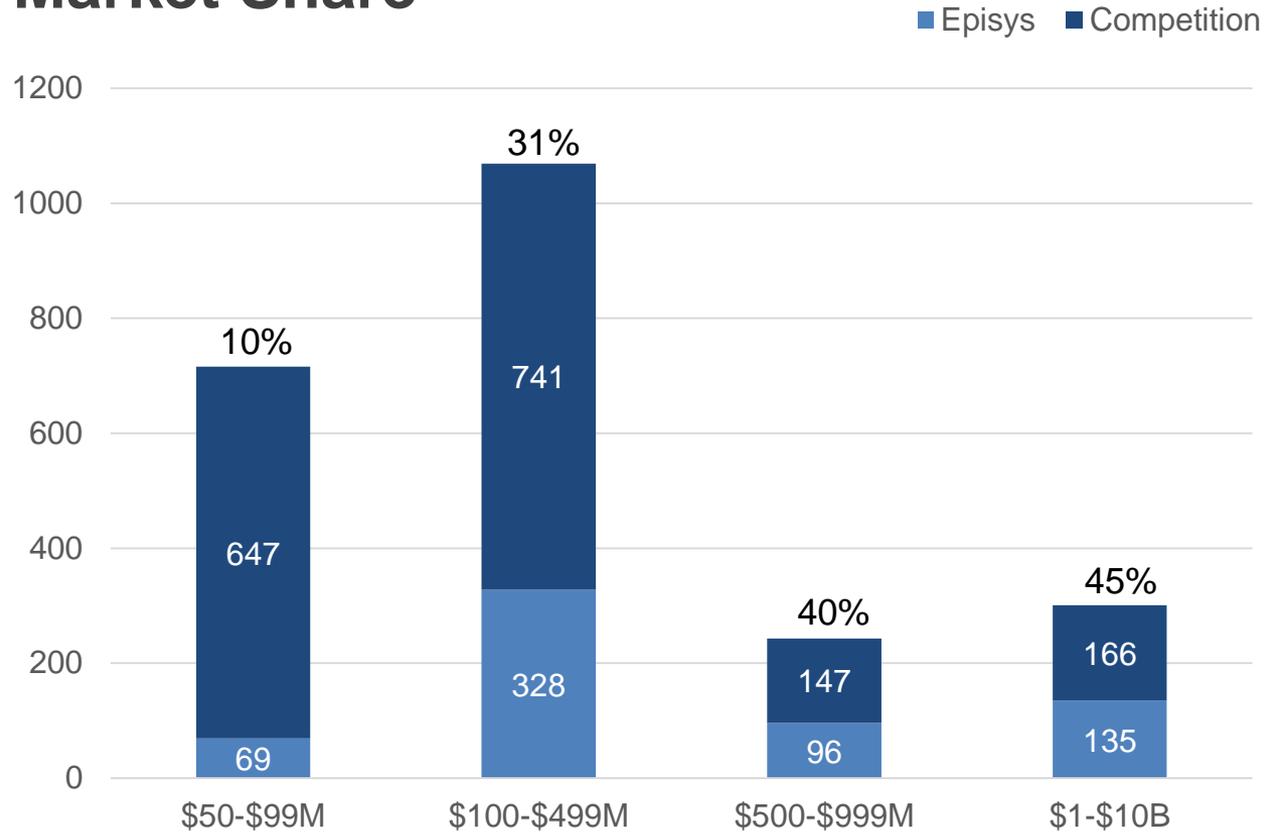
Assets	2019	2018	Change	%
\$0 to 49M	3,152	3,500	-132	-4%
\$50 to 99M	717	754	-22	-3%
\$100 to 499M	1,069	1,078	-4	0%
\$500 to 999M	243	246	-10	-4%
\$1.0 to 10B	302	275	14	5%
Over \$10B	9	6	3	50%
Total	5,646	5,859	-213	-4%

Top Core Platform Landscape

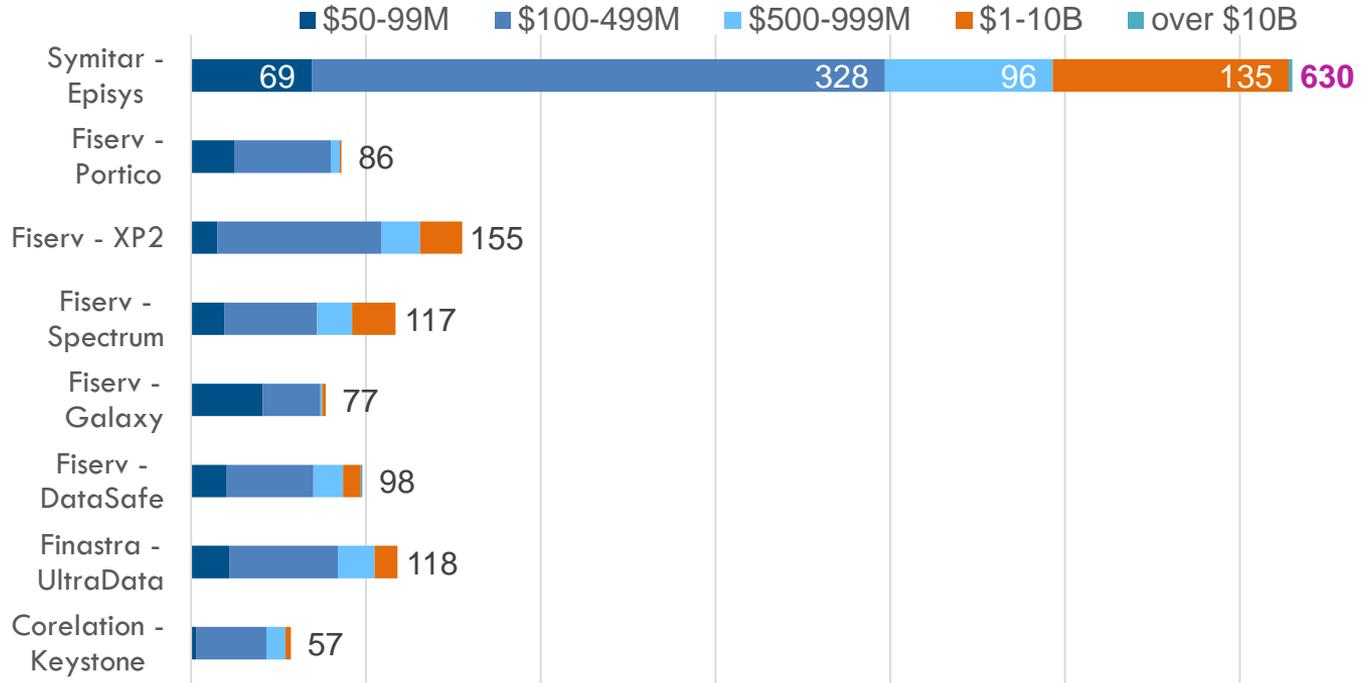
- Credit unions larger than \$50M



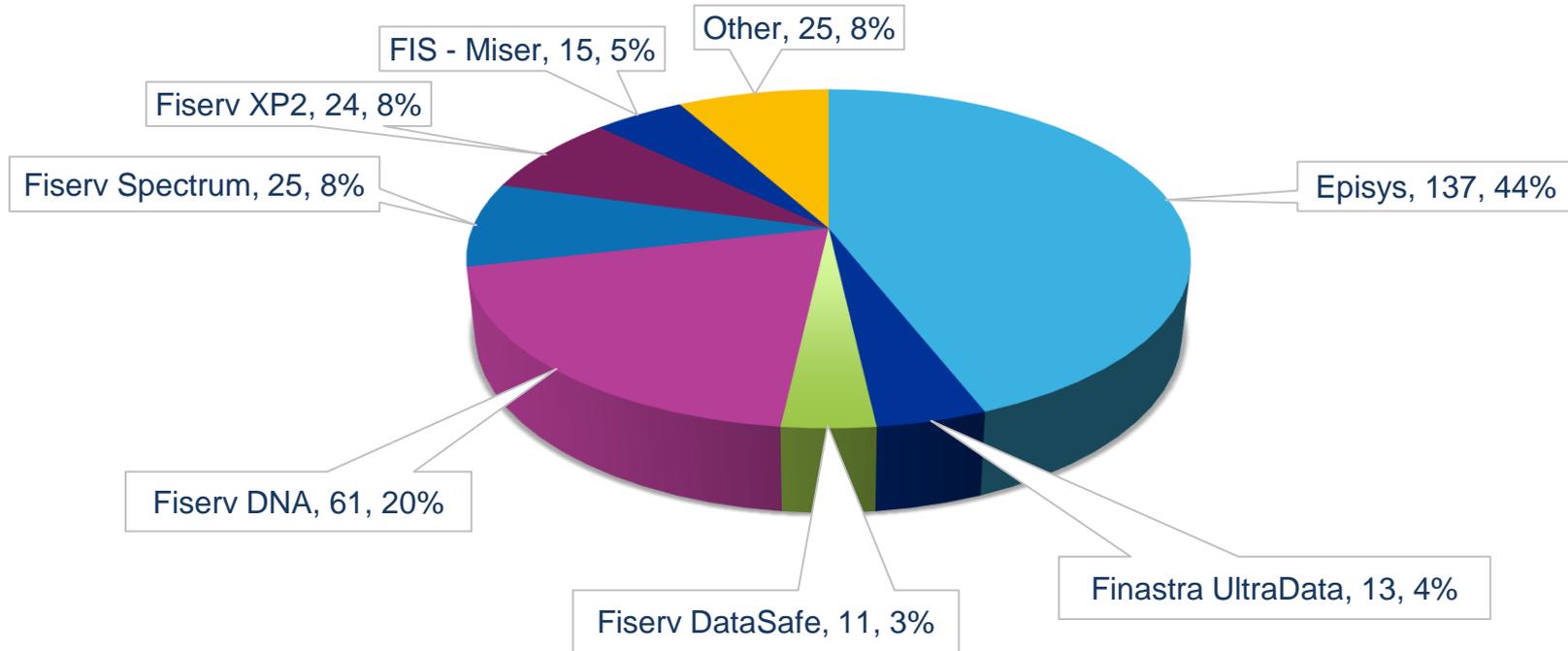
Episys[®] Market Share



Top Core Platform Landscape by Asset Size (Credit unions larger than \$50M)

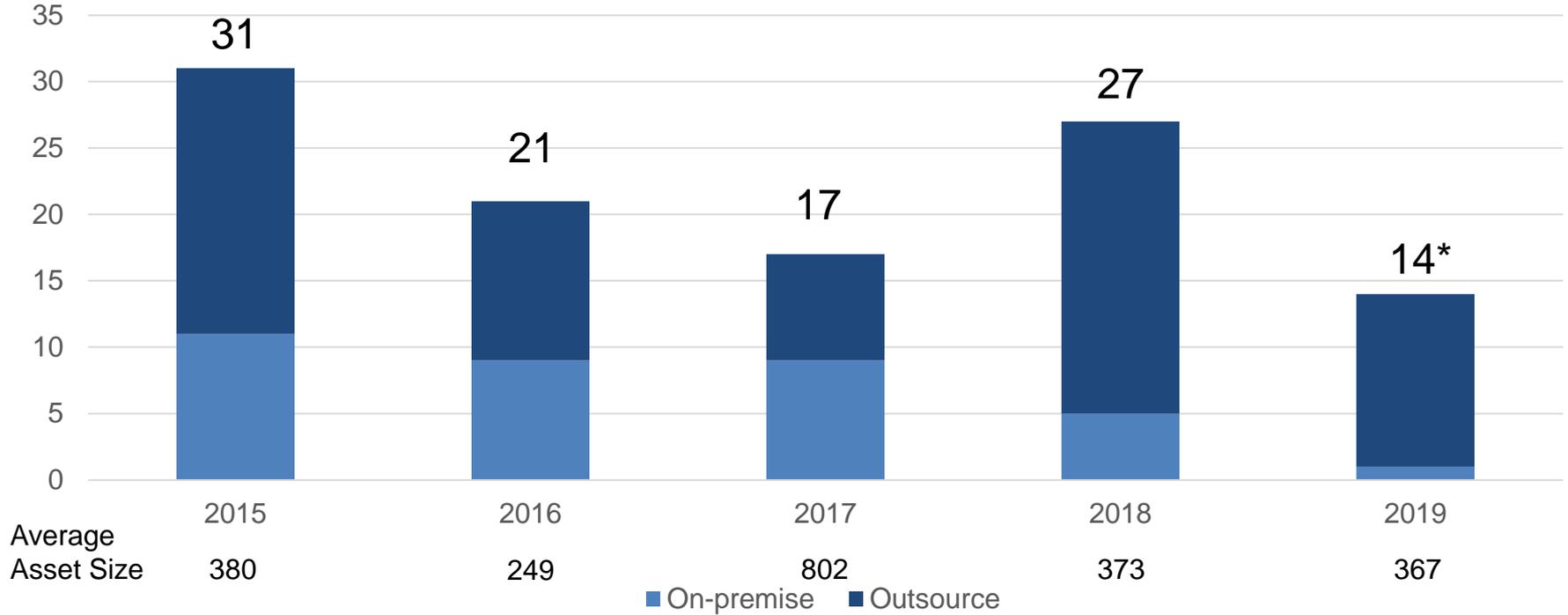


The Billion-Dollar Credit Union Market

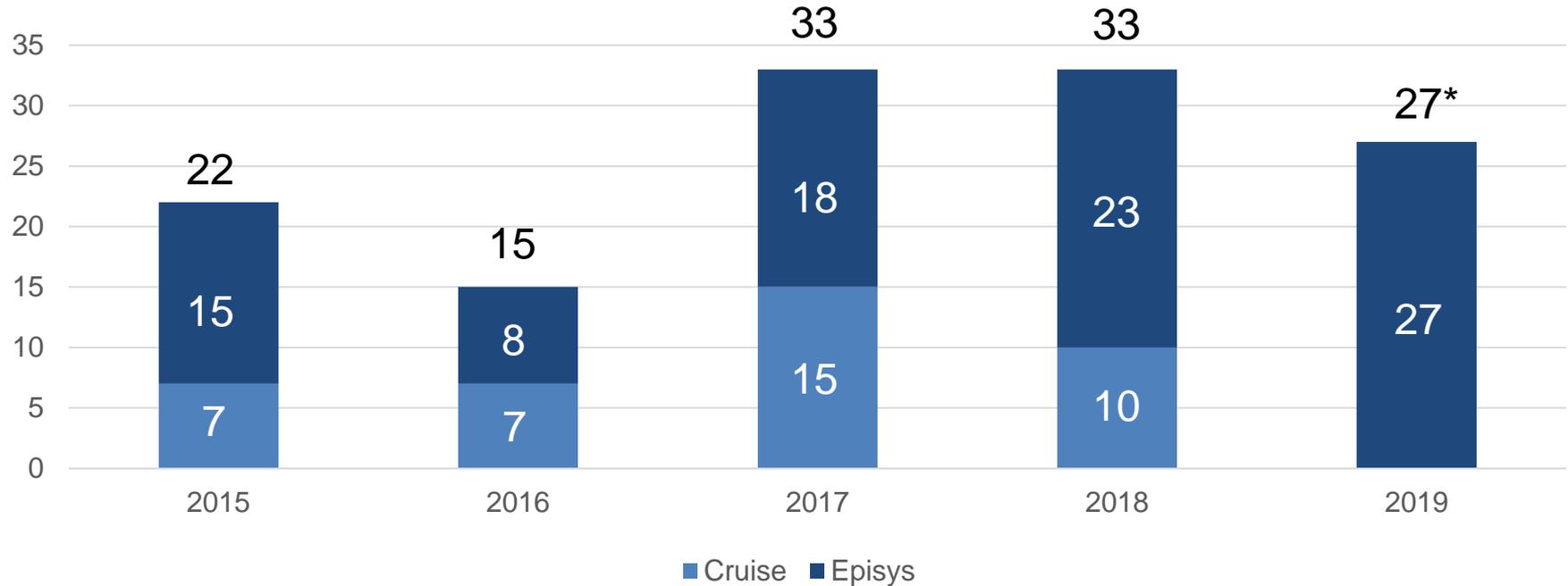


Client Acquisition and Trends

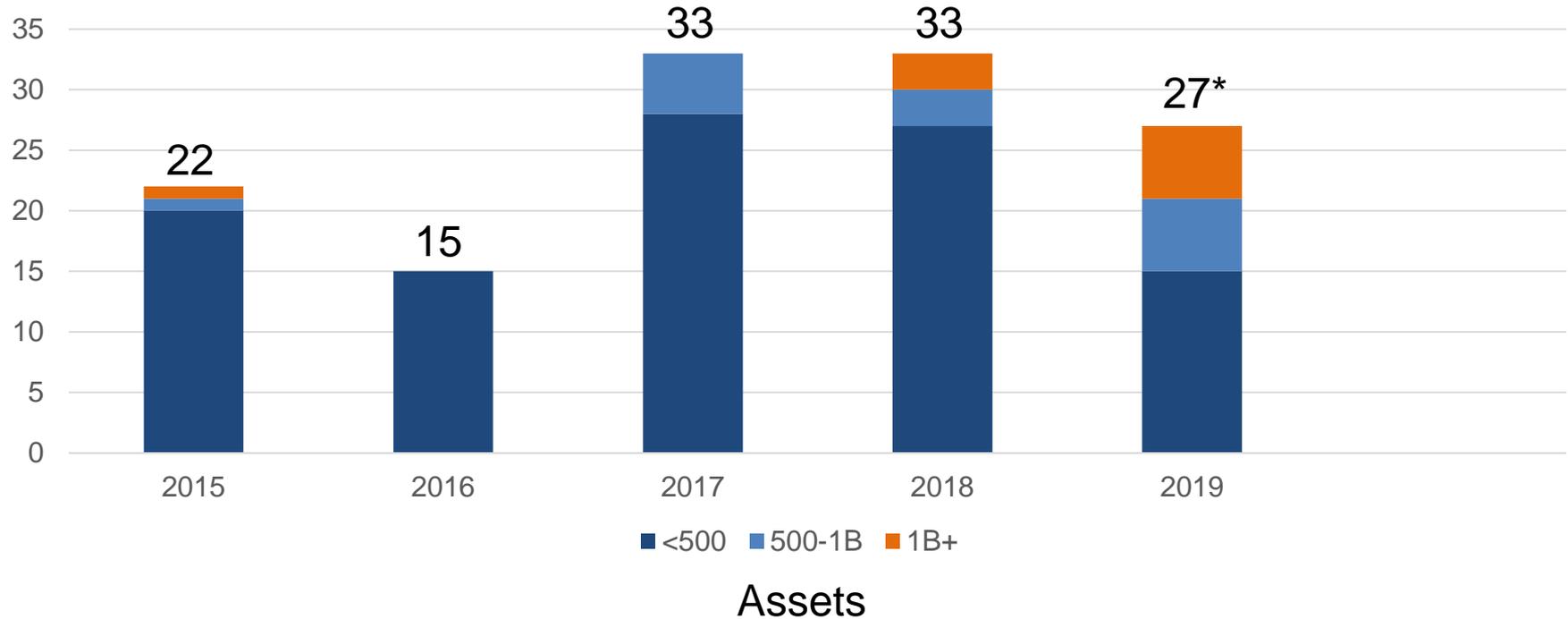
New Core Sales



In-House to Outsourcing Migrations



In-House to Outsourcing Migrations



Focus and Key Initiatives

Focus

1. Client retention
2. New core acquisition
3. Add-on products

Episys[®] Technology Vision

- Workflow-driven and device-agnostic user interface
- Services architecture with open modern API
- Multiple database options
- Self-service tools customization and speed-to-market
- Scalable, secure, and always available
- Non-disruptive adoption by our customers

Open API

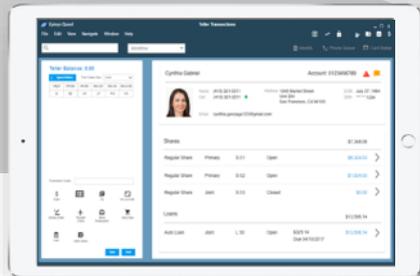
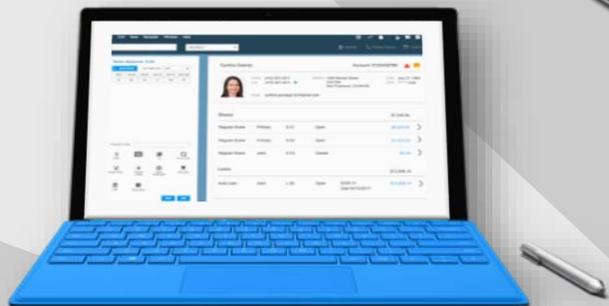
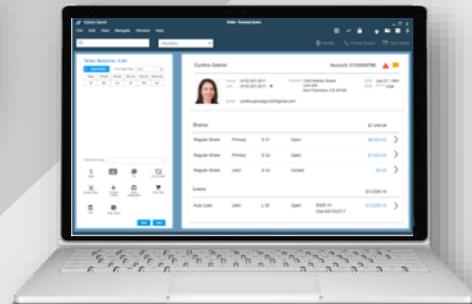
- Hundreds of vendors connected via APIs
- Web services released in 2014
- Enterprise licensing with unlimited consumption
- 40+ vendors connected via web services today
- Dozens of client reference implementations

Multiple Database Options

- New database functionally complete
- Moving into operational adoption
- 15+ credit unions running 100% in production on new Symitar Enterprise Database
- Early-adopters running Microsoft SQL in test and production
- Significant customer adoption over next 2–3 years

Self-Service Tools

- Modern java-based self-service tools
- Available to internal team, customers and vendors
- Reusable solutions shared via JHA Marketplace[®]
- Enterprise licensing supports broad adoption by community



Episys Quest™

Symtar
Application
Server

SymXchange™

Core

Checklist for an Open System Platform

- ✓ Services architecture with open APIs
- ✓ Multiple database options
- ✓ Modern self-service tools
- ✓ Scalable and secure
- ✓ Extended by community
- ✓ Device agnostic user interface

QUESTIONS?

BREAK

10 minutes

Co-opetition
Co

Singular
Sg

Fun
Fn

2019

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Solutions
Sl

Core
Cr

Value
Vl

JHA Payment Solutions™ Update

Greg Adelson

*Vice President of Jack Henry & Associates
General Manager of JHA Payment Solutions*

Fun
Fn

Driven
Dy

jack henry
& ASSOCIATES, INC.®

JHA Payment Solutions™ | Overview



950+

Card Processing Solutions™ (CPS)

- ▶ ATM, debit, and credit card transaction processing solutions
- ▶ Fraud mitigation, cardholder awards, card optimization programs



2,900+

Enterprise Payment Solutions™ (EPS)

- ▶ Complete payments platform: remote deposit capture, ACH, card, alternative payments, risk management tools and sophisticated reporting capabilities
- ▶ Sold through channel sales teams and through VARs



3,500+

iPay Solutions™

- ▶ Consumer and small business bill payment solutions inclusive of P2P, A2A, and Tier 1 call center support
- ▶ Available in fully hosted or API/back-end operational support



JHA PayCenter™

- ▶ Single point of access to new faster payment networks: Zelle® by Early Warning, RTP® by The Clearing House®
- ▶ Launched in 2019

JHA Payment Solutions™

IMPACT AT JHA

18% of JHA
employee base

35%
of Q2 FY19
JHA revenue

13%

annual same-FI
transaction growth

~6,700
FI clients

\$132B+ monthly
processed volume

695M+ monthly
transactions

jha

JHA Payment Solutions

Strategic Goals



JHA Payment Solutions | Product Vision



FORESIGHT

Focusing on the future, to keep you at the forefront of payments.



INNOVATION

We are investing in industry-leading solutions to help you compete.



REVENUE

A complete array of services to support and amplify your success.



SIMPLIFY

Enhancing the user experience by removing friction for you and your customers.



THREAT MITIGATION

Strong, cost-effective tools that help fight fraud and manage risk.

JHA Card Processing Solutions™ (CPS)

CPS Platform Migration Update

321

Debit
Migrations

37 Debit
Net New
Clients

New Platform Update
as of April 29, 2019

Full-Service
Credit Clients 6

jha

2019 CPS Roadmap Highlights



MyCardRules™/Ondot API
June General Availability



Ethoca ecommerce fraud
and disputes elimination
(fulfillment)
July beta



Digital Issuance
In discovery



Dual interface “contactless”
chip cards
October beta

New rewards platform
August beta



3D Secure 2.0 (Visa)
October beta



Full-Service Dispute
Processing
October beta



ATM managed services
In discovery



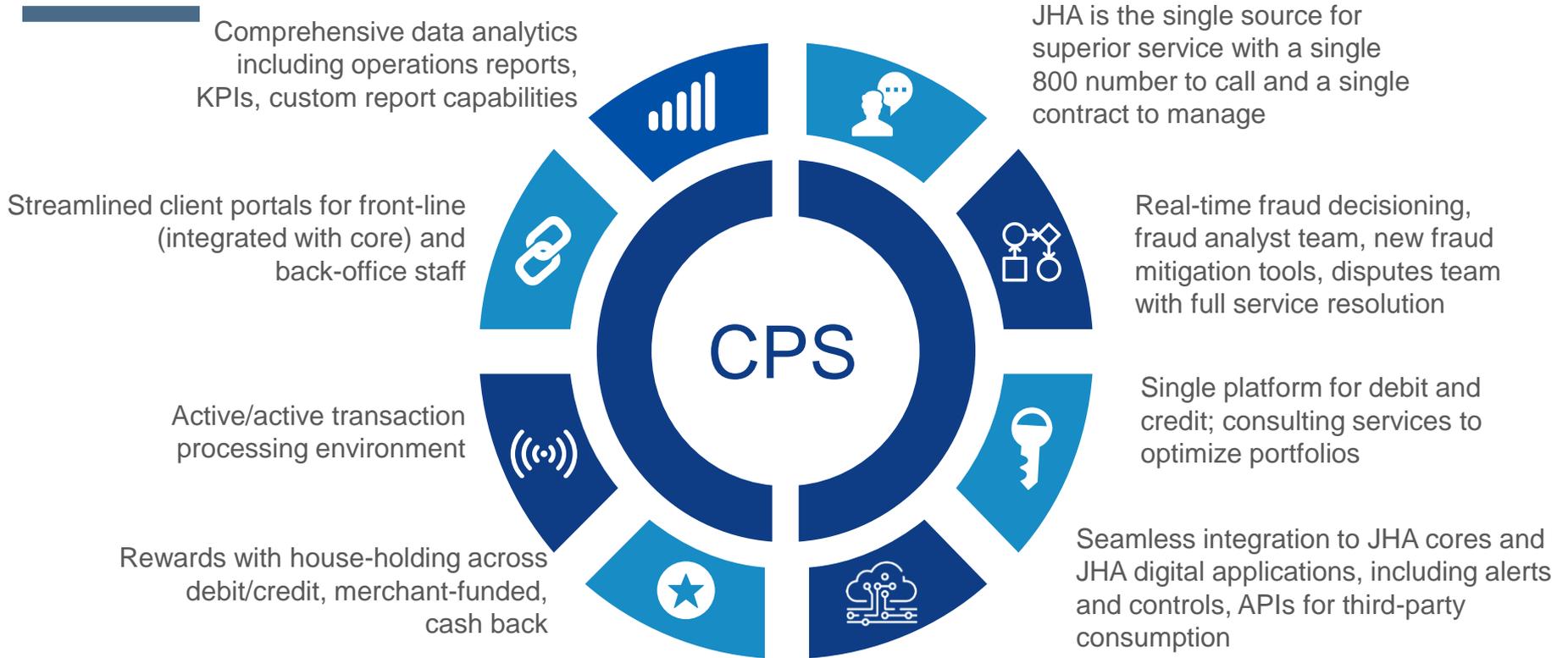
Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.



CPS Full-Service Credit Cards

- Bolster net income and attract new customers, expand share of wallet.
- Integrated tools provide ability to manage credit accounts at the system of record while within the core.
- Consistent UI, access and tooling enables management of both credit and debit portfolios.
- Suite of currently-available APIs to integrate with JHA digital solutions.

CPS Platform | Why CPS?



JHA iPay Solutions™

JHA iPay Solutions™ | Current Deliverables

iPay QuickPaySM



- Integration to Amazon's Alexa to provide a voice-driven experience for consumer bill pay
- Users can make a payment, review payment history, and check pending payments
- 405 FIs live; 65% who are set up in bill pay have enabled Alexa skill

iPay CardPaySM



- New service provides bill pay users with the ability to pay bills for certain payees using a debit or credit card
- FIs will have the option to restrict to only their issued cards
- Beta currently and general availability in CY Q3 2019

Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.

JHA Enterprise Payment Solutions™ (EPS)



Enterprise Payment Solutions + Ensenta

- Successful integration of team and products in first year
- Strategy underway to maintain both product lines and integrate all solutions into single platform

JHA PayCenter™

JHA PayCenter™



CORE

Transaction,
reporting and data
management



PAYMENTS HUB

Turnkey payments solution
for real-time payments
enablement



MOBILE

Streamlined mobile
solutions for
outstanding customer
experiences



ANCILLARY

Connectivity for a
variety of
complementary
products



REGULATORY

Management of
ongoing regulatory
requirements and
network rules

zelle
R | T | P®

JHA PayCenter™ Progress

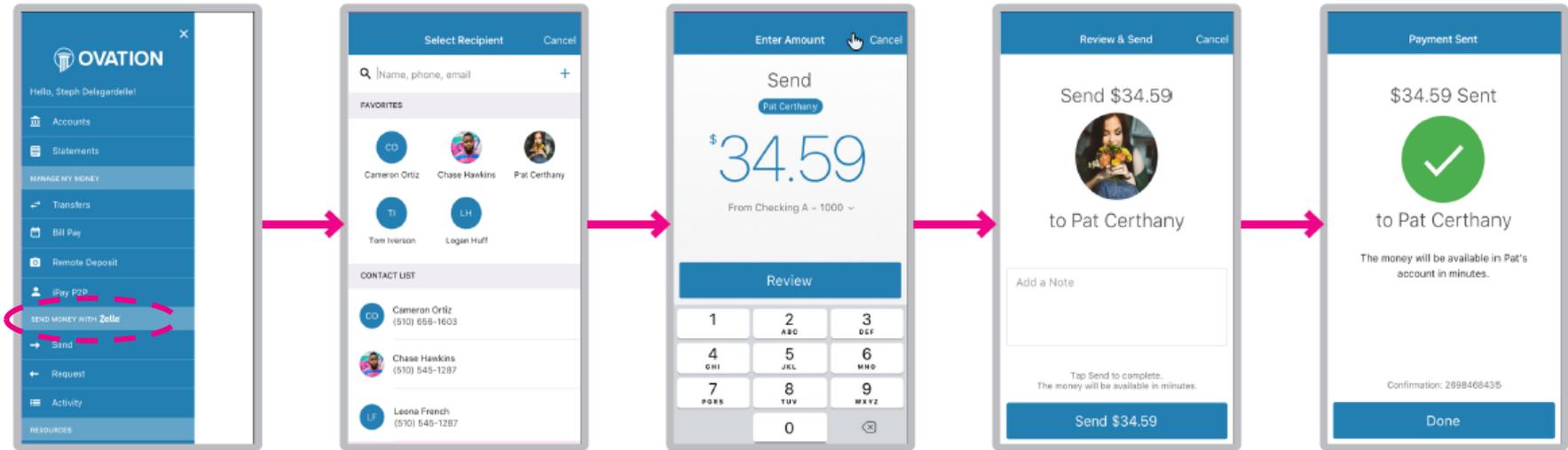
- Certification testing with Zelle® began on time, late February 2019
- Target completion is June 1, 2019
- goDough® and Banno™ UI both Zelle certified
- Zelle settlement and reconciliation testing completed
- Data contribution certification completed
- Visa/Mastercard integration complete and testing in process
- Production BETA following certification; target is July 2019
- RTP Certification to begin in late Q4 2019/Q1 2020

Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.

Access to Zelle® Experience from Mobile App

Your Mobile Banking App

Certified White Label Zelle Experience from JHA



QUESTIONS?

Co-opetition

Co

Singular

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ProfitStars®

Russ Bernthal

*Vice President of Jack Henry & Associates
President of ProfitStars*

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Dy

jack henry
& ASSOCIATES, INC.®

any core processing system | all asset sizes



FIVE PRODUCT SUITES

Enhance and support customer performance

Serve diverse corporate entities



HIGH CUSTOMER SATISFACTION

Maintain a high level of customer service



SALES AND PARTNERSHIPS

Use an independent sales team

Reseller partnerships



STRATEGIC ACQUISITIONS

Seek out and absorb additional acquired companies

ProfitStars®

~980

Jack Henry Banking®
core clients

~800

Symitar®
core clients

~9,000*
clients

35 of the top 100
banks are
PS clients

80+ core
processing
systems

100+
products
and services

22+
acquisitions

Range of
Industries
Government
Property Management
Utilities

~470
\$1 Billion+ Banks ~270
\$1 Billion+ Credit Unions

3.3 products per
non-core customer

* Includes core customers

5 Major Suites of Products



5 Major Suites of Products



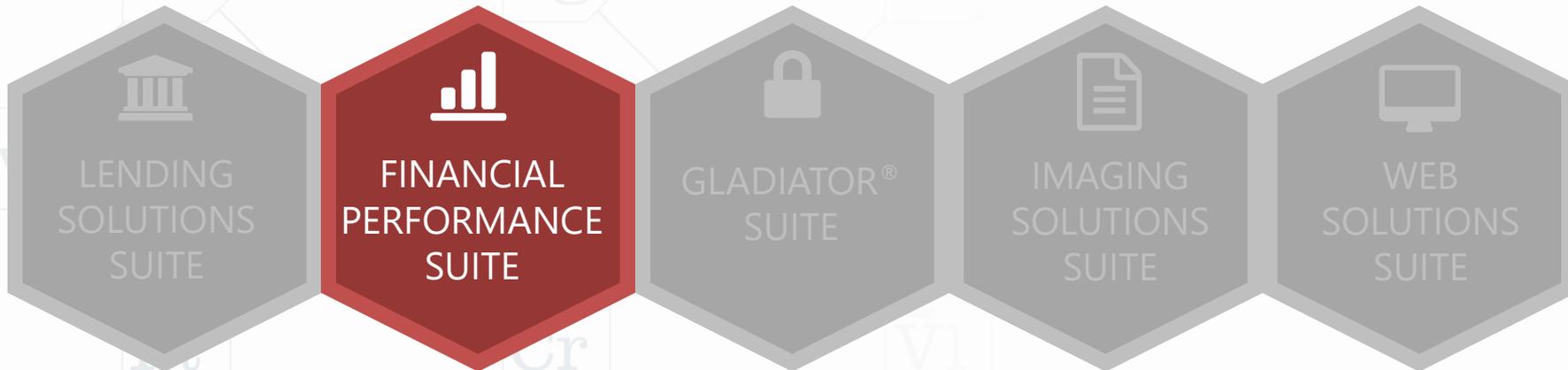
Digital
End-to-Endless
Process

Loan
spreading &
underwriting

Automated
Loan Approval

Asset-Based Lending,
Factoring & AR Financing

5 Major Suites of Products



Asset/Liability Management

Budgeting & Financial Reporting

Profitability & Pricing

Current Expected Credit Loss (CECL)

5 Major Suites of Products



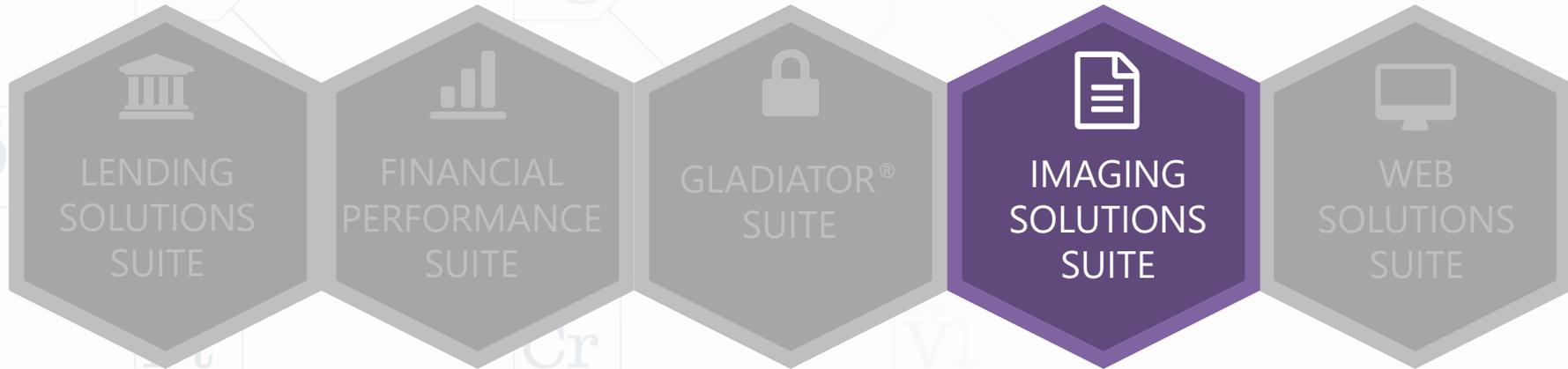
Hosted Network Solutions

Managed IT Services

Enterprise Security Monitoring

Business Continuity & Disaster Recovery

5 Major Suites of Products



Document Imaging

Check Imaging

Remittance Solutions

Enterprise Conversion Services

5 Major Suites of Products



Website Design

Website Hosting

Mobile Websites

Digital Marketing Services

ProfitStars[®] Updates

Commercial Lending Center Suite™



Complete digital lending lifecycle management system



Integrates with all JHA cores and many others



Improves user and lender experience



Automates decisioning for smaller loans



Ongoing customer relationship



Document image, remittance, and Financial Performance Suite loan pricing integration



494

FIs using suite



BEST BUSINESS LENDING PLATFORM

Commercial Lending Center Suite™

“Best Business Lending Platform”

- World-wide competition
- ~3,500 entries

Current Expected Credit Loss (CECL)

➤ Regulatory requirement affecting all banks/CUs

➤ Helps FIs set aside reserves at loan origination time

➤ Required 2020-2022 depending on FI type

➤ Built on ProfitStars Financial Performance Suite platform

➤ CECL DataStore & Validation
CECL Analysis & Reporting

➤ 44% of FIs still need to purchase a solution



200+
Customers

Gladiator Hosted Network Solutions™



Cloud-based
infrastructure-as-a-solution



Focus IT on strategic
initiatives



Minimize on-premise
hardware



Add-on Services:

- Gladiator Managed IT Services™
- Gladiator CoreDEFENSE Managed Security Services™
- Microsoft O365



Transfer responsibilities
to ProfitStars



~2,200
Servers running
on HNS

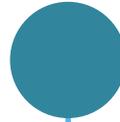


~4,200
Virtual desktops
running in HNS

ProfitStars® New Offerings

Commercial Lending Center Suite™

Automated Renewal Technology



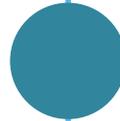
Available Now

Agriculture Lending Module



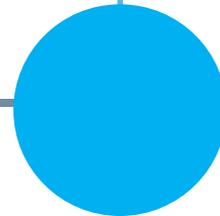
Available Summer 2019
(estimated)

LendingNetwork® Marketplace



Available Summer 2019
(estimated)

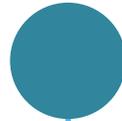
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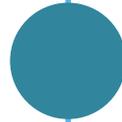
Gladiator Hosted Network Solutions™ 2.0

Self-provisioning of HNS servers by customers

Enables enhanced automation and provisioning for implementation



Higher/faster throughput from implementation teams



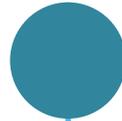
Better customer experience

Available
Fall 2019
(estimated)

Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.

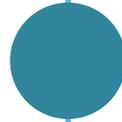
Financial Performance Suite – Forecasting and Financial Reporting

Budgeting, forecasting,
and variance reporting



Ad-hoc report writing capability,
includes PROFITstar ad-hoc
reports

Instrument level detail
providing accurate cash flows



Built on ProfitStars Financial
Performance SuiteSM platform

Available
Now

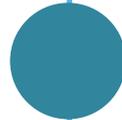
Financial Performance Suite – Performance Scorecard

Incentive-based tool for enabling “pay for performance” based on financial targets

Solves significant challenges in most incentive compensation systems operating today



Important tool in a tight labor market



Built on ProfitStars Financial Performance SuiteSM platform



Available
Fall 2019
(estimated)

Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.

Synergy Web Client/Synergy Cloud

New Synergy hosted document imaging for capture, search, and print



Application server fail-over and session-based load-balancing

New/updated API to increase ability to integrate with third-party systems



New web administration client designed to streamline management of the environment

Available
Spring 2020
(estimated)

Dates are provided as estimates only and can be changed at any time at the sole discretion of JHA.

What's Important to ProfitStars® Going Forward?



Grow add-on sales by expanding adjacent product offerings.



Drive additional sales and customers outside the JHA base.



Expand fintech relationships for rapid integration of new technologies.



Increase ProfitStars products through acquisitions and partnerships.



Grow the ProfitStars brand.



Enhance uniformity in software development, implementation, and support.



Cultivate, develop, and empower employees.

QUESTIONS?

Co-opetition
Co

Singular
Sg

Fun
Fn

2019

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Digital Update

Ron Moses

Vice President of Jack Henry & Associates

General Manager of Consumer and Commercial Solutions

Fun
Fn

Driven
Dy

jack henry
& ASSOCIATES, INC.®

Banno™ Digital Platform

A JHA solution resulting from BUYING ...

Beliefs

- **Industry** – The very strength and force that community financial institutions have is that they are built on operational excellence, service, trust and personal relationships.
- **Customer** – People are seeking meaning, context and connection. This is most commonly found in authentic connections between real people.
- **Tech** – There is no material distinction between online and mobile: there's just digital. And digital just is.



Timeline: Approaches to Digital Strategy





Fully Native and Progressive Web App Experience

Banno Mobile™

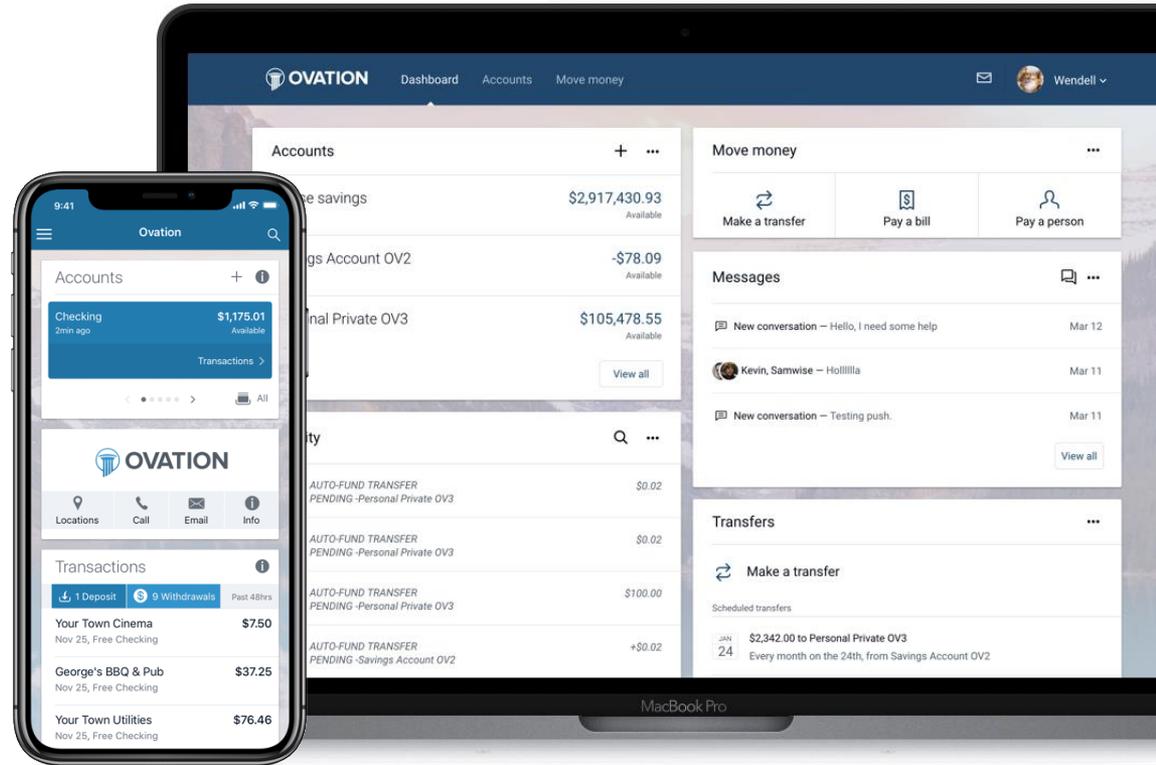
195 Live

Banno Platform™

34 Live (127 in the queue)

Monthly Active Users

850,000+



Banno PeopleSM

The screenshot displays the Banno People mobile application interface. At the top, there is a purple navigation bar with the text "Banno People" and "Ovation Financial". Below the navigation bar, there are tabs for "OVERVIEW", "ACCOUNTS", "ACTIVITY", "NOTIFICATIONS", and "PERMISSIONS". A search bar is located on the right side of the navigation bar.

The main content area is divided into several sections:

- User Profile:** Features a profile picture of Veronica Nelson, her name, and contact information including address (49 Water Valley Road, Foxworth, MS 394830000), phone number (1 (228) 555-7645), and date of birth (November 1, 1982).
- Map:** A map showing the location of Foxworth, MS, with a red pin and a yellow line indicating a route.
- Demographics:** A section with fields for Account Type (No), Branch (Troy Branch), Gender (Female), and Description (Individual).
- Accounts:** A table listing accounts with their balances:

Account Type	Balance
Mortgage (Ovation Financial)	\$233,862.50 total
Checking	\$15,524.44
- Permissions:** A section with toggle switches for RDC, Bill Pay, P2P Transfers, and Card Management, all of which are currently turned on.
- Recent transactions:** A section showing a list of transactions, including scheduled transfers and electronic transfers, with their respective amounts and statuses (Pending).



Branch-like service



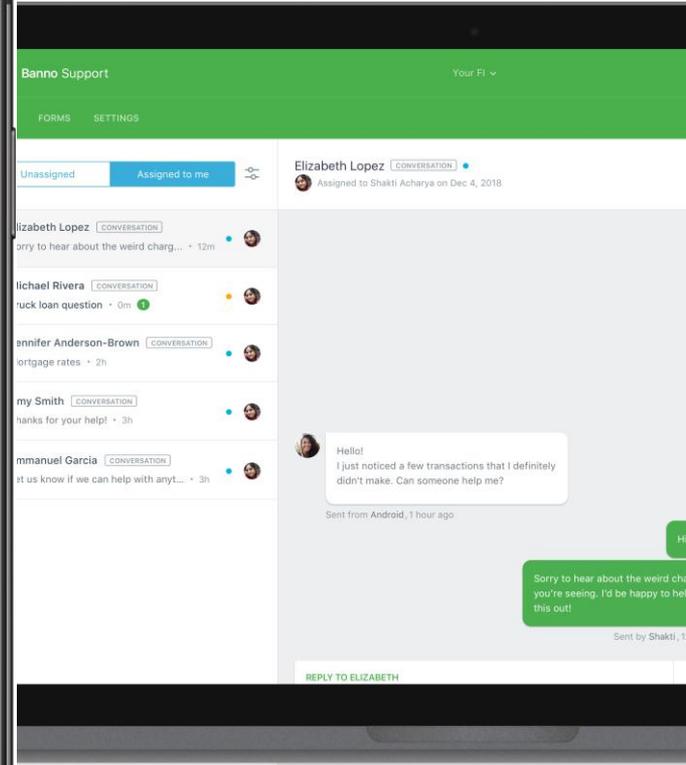
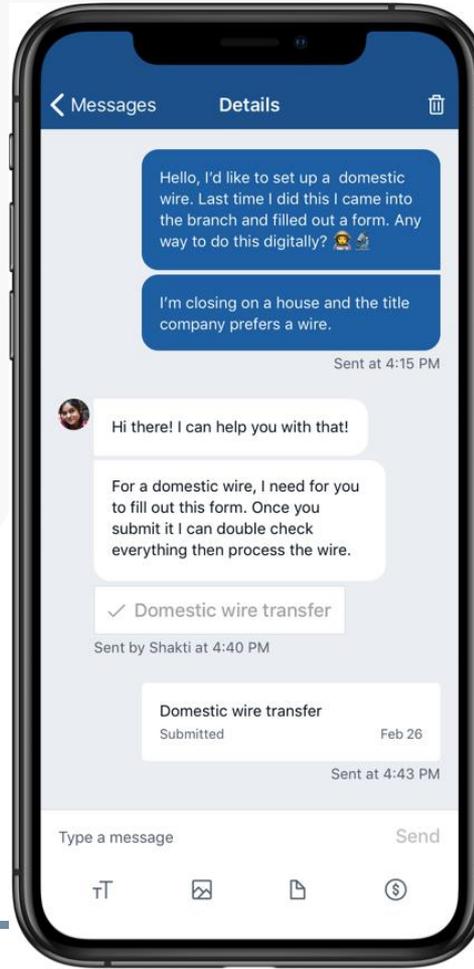
Centralized user information



Responsive design

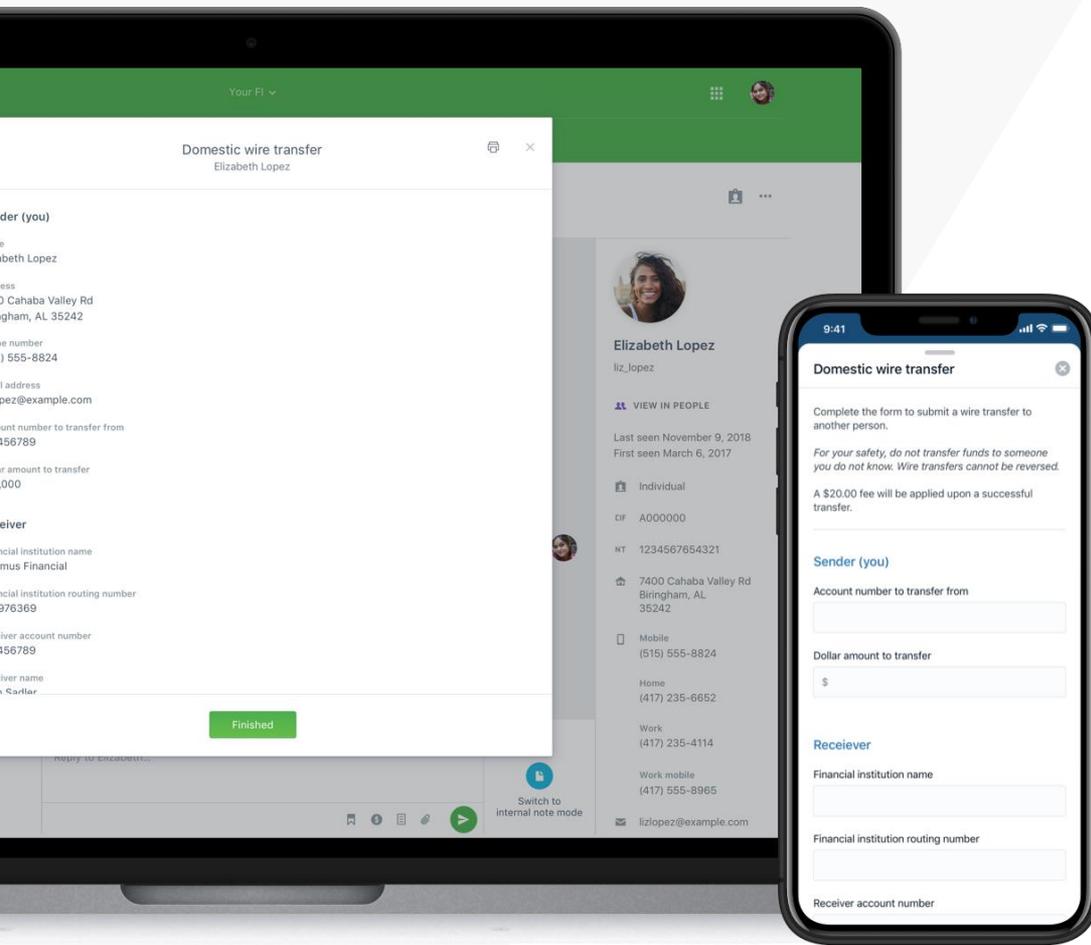
Conversations

- ✔ Provide a natural dialogue experience
- ✔ Secure and core-connected
- ✔ Easier audits with stored conversations



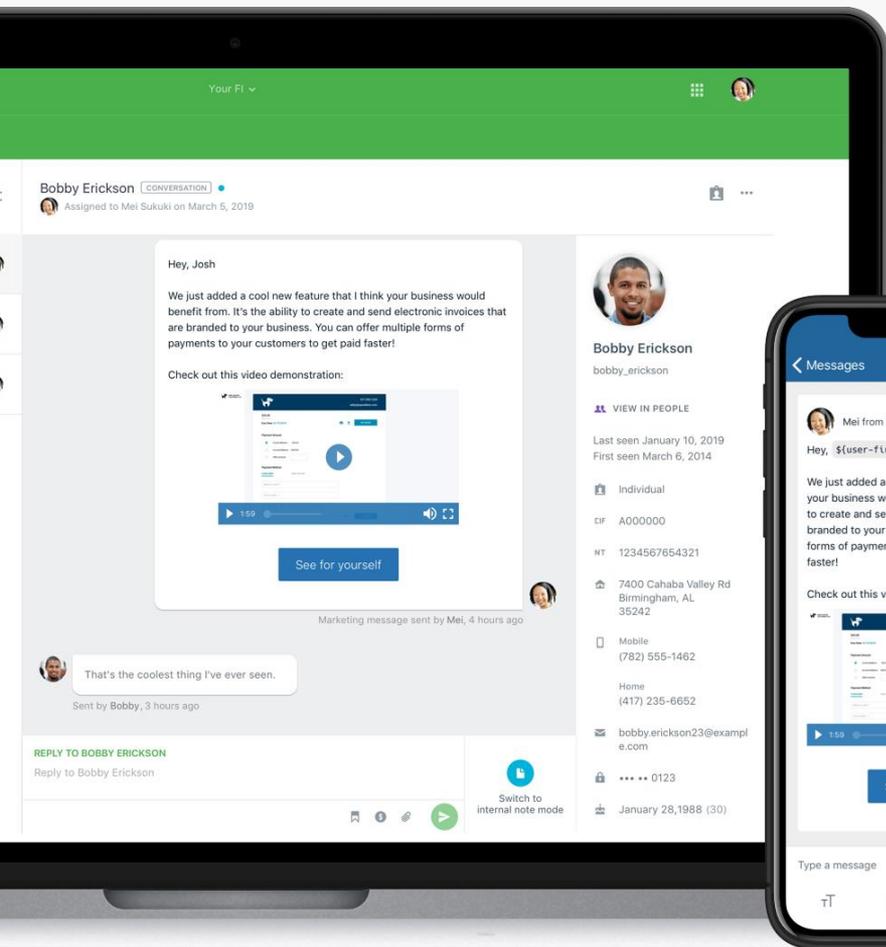
Deliver Content with a Personal Touch





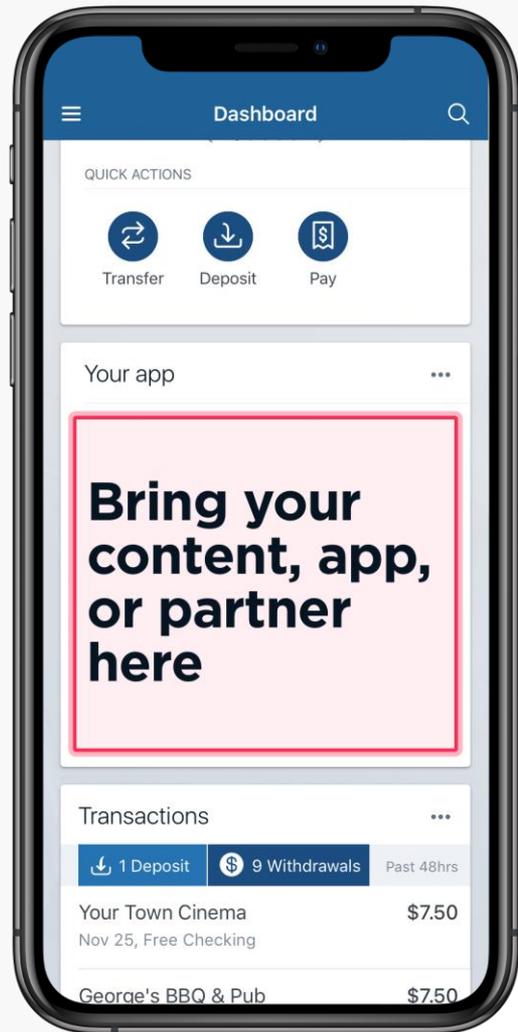
Digital Forms

- ✔ Send digital forms via conversations
- ✔ Submissions start back office workflows
- ✔ Encrypted and authenticated



Conversational Marketing

- ✔ Market with a personal touch
- ✔ Push notifications drive engagement
- ✔ Replies make marketing conversational



API

SSO

UX

Innovate on Your Own with Cards in Banno™

- ✓ Opening up the Banno card framework to feature a financial institution's content or mini applications
- ✓ Open Application Programming Interface (API) coming soon
- ✓ Single Sign On (SSO) for authentication handshake
- ✓ Combined inline with the Banno User Experience (UX)

JHA Treasury Management™

A JHA solution resulting from BUILDING ...

JHA Treasury Management™

- Strong sales since October 2017 general availability
 - 37 contracts
 - 23 banks with assets < \$1 billion (including 6 de novos)
 - 7 banks with assets between \$1 billion and \$4 billion
 - 7 banks with assets > \$4 billion
- 23 banks installed in various adoption stages
 - 2,000+ active companies
 - 4,600+ active users

JHA Treasury Management™

- TM mobile app launched October 2018
 - Key features
 - Balance and transaction detail
 - Payment approvals
 - Positive Pay decisioning
 - Mobile deposit (5/31/2019)
 - Notifications

The screenshot shows the mobile app interface for JHA Treasury Management. At the top, the time is 10:14 and the title is 'My Dashboard'. A welcome message indicates the last login was on 01/24/2019 at 10:03 AM, EST. The main section is titled 'Accounts' and lists three categories: 'MyAccounts (5)', 'WatchList (5)', and 'Savings (2)'. Each category shows an 'Available Balance' and a 'Current Balance' with a right-pointing arrow. Below this is a 'Pending Approvals' section with four categories: '3 ACH', '3 TRANSFERS', '14 WIRES', and '3 USERS'. The next section is 'Positive Pay Decisions' with '4 ACH EXCEPTIONS' and '5 CHECK EXCEPTIONS'. At the bottom, there are sections for 'Cut-Off Times (All EST)' and 'Recent Notifications'.

Accounts	Available Balance	Current Balance
MyAccounts (5)	\$2,707.39	\$2,949.24
WatchList (5)	\$1,909.09	\$3,536.86
Savings (2)	\$685.93	\$511.76

Pending Approvals			
3 ACH	3 TRANSFERS	14 WIRES	3 USERS

Positive Pay Decisions	
4 ACH EXCEPTIONS	5 CHECK EXCEPTIONS

Cut-Off Times	(All EST)
---------------	-----------

Recent Notifications

JHA Treasury Management™ Reviews

- 2018 Aite Report: The Leading Providers of U.S. Cash Management, October 2018
 - *“Jack Henry fared considerably well in this analysis considering it is the newest player in this space. Its solution provides a great user experience.”*
- 2018 Gonzo Banker Awards, December 2018
 - *“.. it was refreshing to see JHA’s new Treasury platform come out of beta with a focus on meeting the needs of its mid-size SilverLake banks. We need more competitive Treasury Services offerings, and JHA has thrown a well-conceived salvo into the market.”*

JHA Enterprise Risk Mitigation Solutions™ (ERMS)

A JHA solution resulting from PARTNERING ...

JHA Enterprise Risk Mitigation Solutions™

- Partnership formed with SAS Institute, Inc.
- Working together to build a state of the art fraud solution
- Hosting the ERMS application in the cloud to JHA core customers
- JHA has exclusive rights from SAS to offer the ERMS solution in the cloud to any financial institution \$30 billion or less outside of the JHA core customer base

JHA Enterprise Risk Mitigation Solutions™

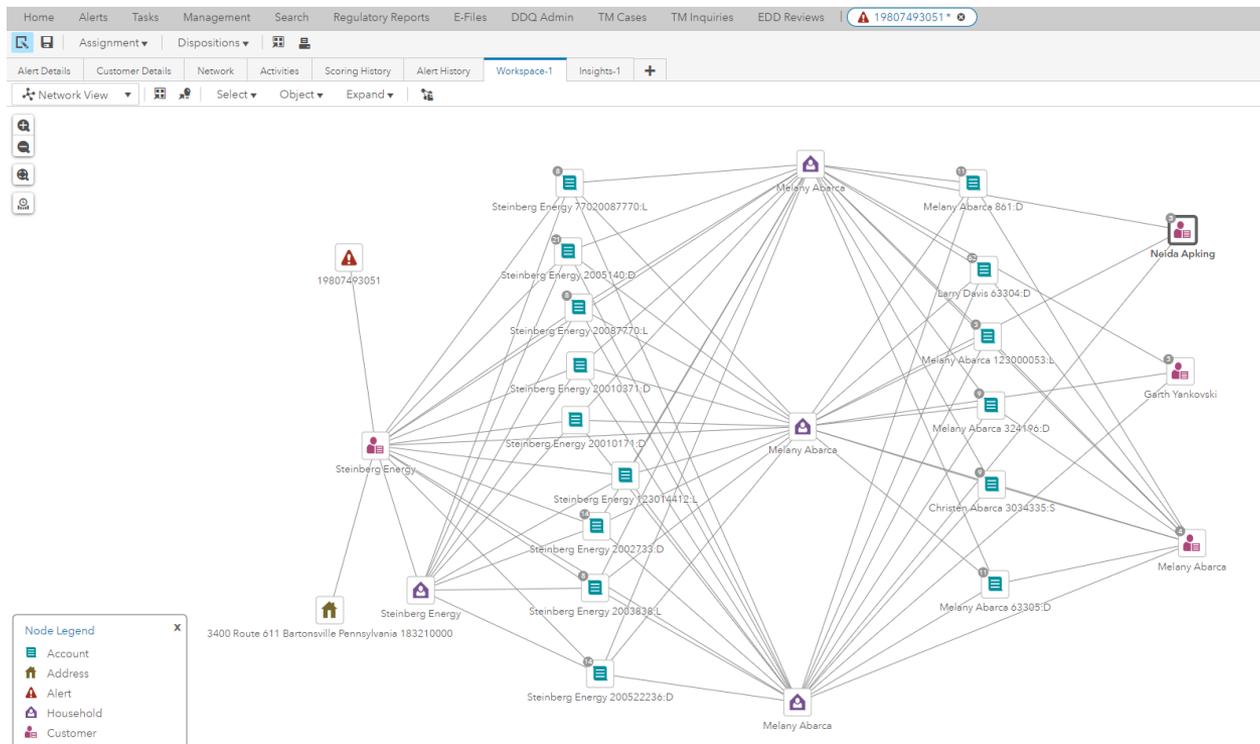
- Strong Anti-Money Laundering (AML) sales
 - 26 AML contracts
 - 16 banks/credit unions installed
 - 10 banks/credit unions in the backlog
- Strong pre-sales of ACH and wire modules
 - Beta is scheduled for this summer
 - 7 signed contracts

JHA Enterprise Risk Mitigation Solutions™

- 2019 Celent Report: Anti-Money Laundering Solutions for Smaller Firms 2019 ABCD Report
 - *“The solution delivers industry-leading SAS analytics in a package and at a price point tailored to fit the needs of smaller banks. Advanced features include highly configurable rule building, supported by a Jack Henry-built interface, and link analysis visualization.”*

JHA Enterprise Risk Mitigation Solutions™

- Link Analysis Visualization touted by Celent in the report



QUESTIONS?

Co-opetition
Co

Singular
Sg

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Cr

Value
V1

Sales and Marketing Update

Steve Tomson

General Manager of Sales and Marketing

Fun
Fn

Driven
Dy

jack henry
& ASSOCIATES, INC.®

Priorities

- Oversee our strongest Sales and Marketing leadership team ever
- Drive new business and more wallet share of existing customers
- Lead the industry in de novo core wins
- Leverage our digital environment, Ensenta, JHA OpenAnywhere™ (BOLTS), Agiletics, JHA Enterprise Risk Mitigation Solutions™, JHA Card Processing Solutions™
- Upgrade our field force – measured expectations, tools, external hires, thinning the herd
- Tighten up our Marketing and Sales alignment – interlocked together as one entity
- Improve our productivity and operating results through sales process refinement
- Strengthen our communications and collaboration with the financial sector consultants
- Exploit market disruption and vulnerabilities created by our competitors
- Achieve all with the highest degree of integrity

Marketing's Magnificent 7

Acquire new
Core
business

Continue
driving our
Digital
Environment
across the
JHA client
base

Increase
card sales
across all
brands with
our base as
the priority

Cross-Sell
payments
suite to all
customers
all brands.
Includes
bill pay and
remote
capture

Promote
our broad
range of
JHA
hosted
delivery
offerings in
all core
deals.

Cross-Sell
Commercial
lending to all
base and
non-core
clients

Promote
ProfitStars
as a means
to drive
business
outside our
core base

Performance

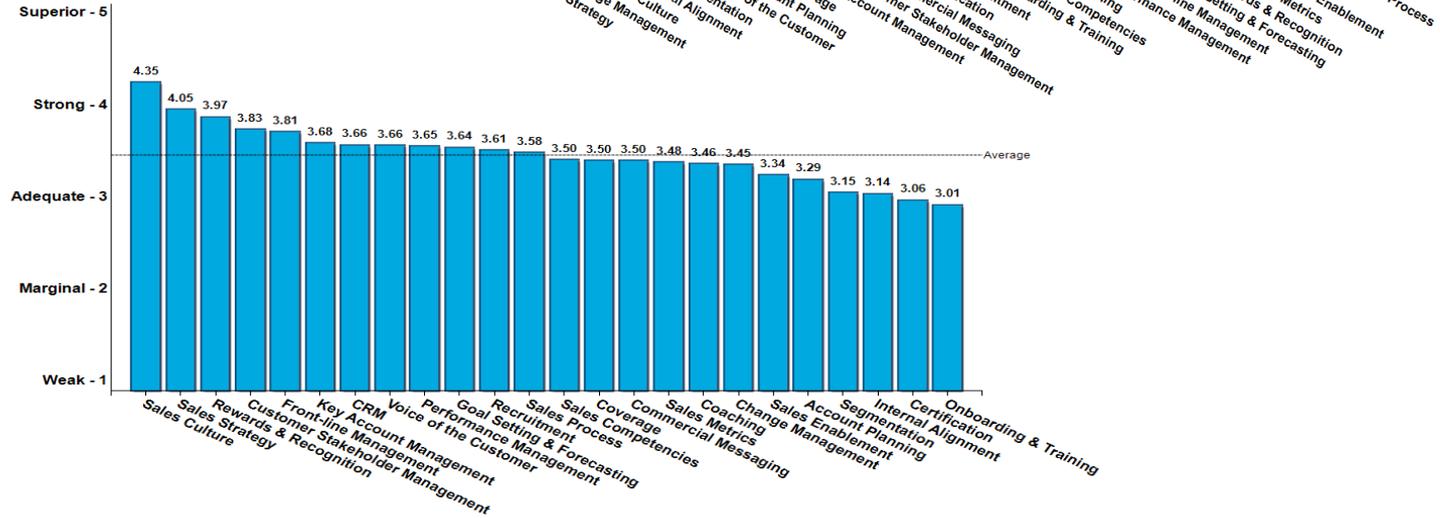
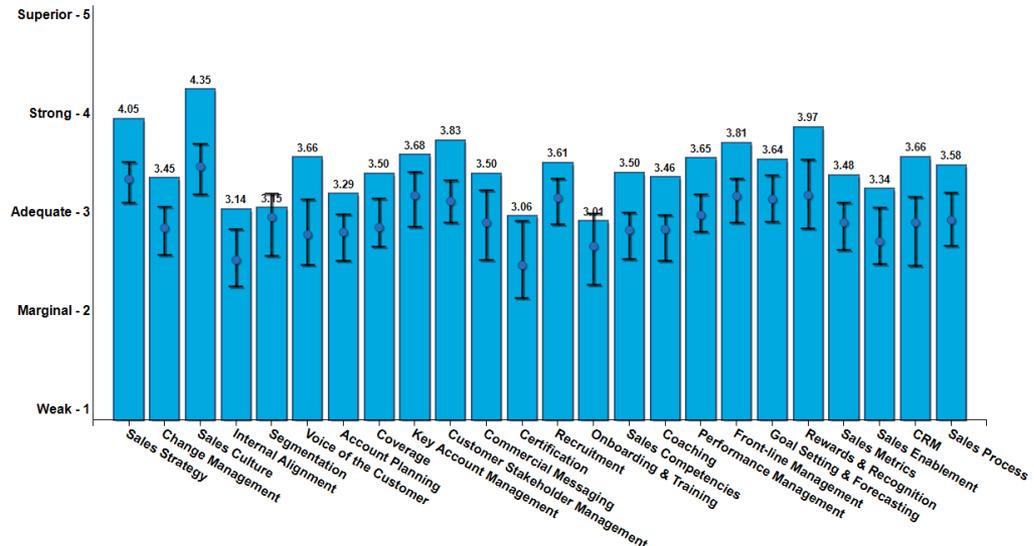
- Driving at least 10 new core wins per quarter – competitive displacements not migrations
- Closing over half of all de novo banks
- Adding double digit growth YoY in new JHA clients through our ProfitStars® channel
- Growing new recurring revenue's proportional contribution as a percentage of sales
- Transitioning in-house users to long term outsourcing contracts
- Building our overall sales pipeline larger in spite of record sales success
- Cross and upselling more solutions to existing ProfitStars customers
- Increasing client/prospect attendance at all JHA educational and executive events
- Pressing all three brands to exceed their respective quotas
- Leading all three brands to grow their contributions YoY

Positioning

- “Fusion” – unified, interdependent, collaborative
- Public accountability through scoreboarding
- Honest, transparent, open awareness and communications
- Create, encourage and celebrate mutual successes across LOB
- Tenured professionals – know our markets, our offerings, our competition
- Consistent, predictable, managed expectations and results
- Ongoing investments in skills development
- Bold Leadership – of others and of one’s self
- Exceptional, focused coverage model

Gartner/JHA Sales Top 10

1. Sales Culture
2. Sales Strategy
3. Rewards and Recognition
4. Customer Stakeholder Management
5. Front Line Management
6. Key Account Management
7. CRM
8. Voice of the Customer
9. Performance Management
10. Goal Setting and Forecasting



QUESTIONS?

Wrap-Up & Q&A

Thank You

Join us at the reception

**Maple Room
6 p.m.**

- **Heavy hors d'oeuvres**
- **Mini Technology Showcase**

Solutions Featured:

JHA Card Processing Solutions™

Commercial Lending Center Suite™

Banno™

JHA Treasury Management™ and JHA
Commercial Cash Management™

JHA Enterprise Risk Mitigation Solutions™