UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

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

For the quarterly period ended December 31, 2012

OR

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

For the transition period from ______________ to ________________

Commission file number 0-14112

JACK HENRY & ASSOCIATES, INC.
(Exact name of registrant as specified in its charter)

Delaware	43-1128385
(State or Other Jurisdiction of Incorporation)	(I.R.S Employer Identification No.)

663 Highway 60, P.O. Box 807, Monett, MO 65708
(Address of Principle Executive Offices)
(Zip Code)

417-235-6652
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [X]		Accelerated filer [ ]
Non-accelerated filer [ ]	(Do not check if a smaller reporting company)	Smaller reporting company [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [X]

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of February 5, 2013, Registrant has 86,165,764 shares of common stock outstanding ($0.01 par value).

JACK HENRY & ASSOCIATES, INC.
CONTENTS

In this report, all references to “JHA”, the “Company”, “we”, “us”, and “our”, refer to Jack Henry & Associates, Inc., and its consolidated subsidiaries.

PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share and Per Share Data)
(Unaudited)

	December 31, 2012	June 30, 2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 192,854	$ 157,313
Receivables, net	129,462	218,305
Income tax receivable	2,688	8,476
Prepaid expenses and other	56,582	61,261
Prepaid cost of product	27,350	23,294
Total current assets	408,936	468,649
PROPERTY AND EQUIPMENT, net	286,420	276,730
OTHER ASSETS:		
Non-current prepaid cost of product	23,152	21,344
Computer software, net of amortization	122,622	115,785
Other non-current assets	29,589	30,523
Customer relationships, net of amortization	155,471	162,561
Trade names, net of amortization	10,027	10,380
Goodwill	533,291	533,520
Total other assets	874,152	874,113
Total assets	$ 1,569,508	$ 1,619,492
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 11,607	$ 16,317
Accrued expenses	51,462	58,260
Deferred income tax liability	23,596	26,256
Notes payable and current maturities of long term debt	30,376	25,503
Deferred revenues	182,715	275,907
Total current liabilities	299,756	402,243
LONG TERM LIABILITIES:		
Non-current deferred revenues	13,404	20,093
Non-current deferred income tax liability	106,525	100,932
Debt, net of current maturities	98,927	106,166
Other long-term liabilities	4,333	7,002
Total long term liabilities	223,189	234,193
Total liabilities	522,945	636,436
STOCKHOLDERS' EQUITY		
Preferred stock - $1 par value; 500,000 shares authorized, none issued	—	—
Common stock - $0.01 par value; 250,000,000 shares authorized; Shares issued at 12/31/12 were 101,830,658 Shares issued at 06/30/12 were 101,482,461	1,018	1,015
Additional paid-in capital	391,552	381,919
Retained earnings	1,007,246	944,078
Less treasury stock at cost 15,700,971 shares at 12/31/12, 15,452,064 shares at 06/30/12	(353,253)	(343,956)
Total stockholders' equity	1,046,563	983,056
Total liabilities and equity	$ 1,569,508	$ 1,619,492

See notes to condensed consolidated financial statements

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Data)
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2012	2011	**2012**	2011
REVENUE				
License	**$ 13,210**	$ 13,552	**$ 26,074**	$ 25,816
Support and service	**250,310**	225,609	**494,895**	445,879
Hardware	**15,174**	16,697	**28,727**	32,501
Total revenue	**278,694**	255,858	**549,696**	504,196
COST OF SALES				
Cost of license	**1,251**	1,115	**2,329**	2,242
Cost of support and service	**144,683**	135,833	**288,101**	266,956
Cost of hardware	**10,523**	11,501	**21,101**	23,162
Total cost of sales	**156,457**	148,449	**311,531**	292,360
GROSS PROFIT	**122,237**	107,409	**238,165**	211,836
OPERATING EXPENSES				
Selling and marketing	**19,937**	18,164	**40,126**	36,918
Research and development	**15,691**	15,075	**30,337**	30,011
General and administrative	**27,181**	13,382	**40,759**	26,322
Total operating expenses	**62,809**	46,621	**111,222**	93,251
OPERATING INCOME	**59,428**	60,788	**126,943**	118,585
INTEREST INCOME (EXPENSE)				
Interest income	**190**	106	**378**	234
Interest expense	**(1,261)**	(1,448)	**(2,602)**	(2,904)
Total interest income (expense)	**(1,071)**	(1,342)	**(2,224)**	(2,670)
INCOME BEFORE INCOME TAXES	**58,357**	59,446	**124,719**	115,915
PROVISION FOR INCOME TAXES	**17,852**	20,921	**41,738**	40,916
NET INCOME	**$ 40,505**	$ 38,525	**$ 82,981**	$ 74,999
Diluted earnings per share	**$ 0.47**	$ 0.44	**$ 0.96**	$ 0.86
Diluted weighted average shares outstanding	**86,639**	87,371	**86,622**	87,253
Basic earnings per share	**$ 0.47**	$ 0.45	**$ 0.96**	$ 0.87
Basic weighted average shares outstanding	**86,084**	86,572	**86,097**	86,488
Cash dividends paid per share	**$ 0.115**	$ 0.105	**$ 0.230**	$ 0.210

See notes to condensed consolidated financial statements

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Months Ended December 31, 2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	**$ 82,981**	$ 74,999
Adjustments to reconcile net income from operations to net cash from operating activities:		
Depreciation	**24,420**	22,076
Amortization	**24,037**	25,337
Change in deferred income taxes	**2,933**	3,910
Expense for stock-based compensation	**4,109**	3,014
(Gain)/loss on disposal of assets	**703**	(182)
Changes in operating assets and liabilities:		
Change in receivables	**89,193**	80,910
Change in prepaid expenses, prepaid cost of product and other	**(251)**	(17,195)
Change in accounts payable	**(4,710)**	(5,302)
Change in accrued expenses	**(7,456)**	(4,404)
Change in income taxes	**3,090**	16,882
Change in deferred revenues	**(99,881)**	(103,784)
Net cash from operating activities	**119,168**	96,261
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	**(18,957)**	(18,913)
Proceeds from sale of assets	**265**	2,641
Customer contracts acquired	**(186)**	(670)
Computer software developed	**(23,826)**	(15,695)
Proceeds from investments	**—**	2,000
Purchase of investments	**—**	(2,000)
Net cash from investing activities	**(42,704)**	(32,637)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments on credit facilities	**(17,336)**	(18,047)
Purchase of treasury stock	**(9,297)**	—
Dividends paid	**(19,813)**	(18,167)
Excess tax benefits from stock-based compensation	**2,354**	980
Proceeds from issuance of common stock upon exercise of stock options	**4,296**	3,761
Minimum tax withholding payments related to share based compensation	**(2,799)**	(1,626)
Proceeds from sale of common stock, net	**1,672**	1,552
Net cash from financing activities	**(40,923)**	(31,547)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**$ 35,541**	$ 32,077
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**$ 157,313**	$ 63,125
CASH AND CASH EQUIVALENTS, END OF PERIOD	**$ 192,854**	$ 95,202

Net cash paid for income taxes was $33,361 for the three months ended December 31, 2012, compared to $19,145 net cash received for the same period last year. The Company paid interest of $1,953 and $1,873 for the three months ended December 31, 2012 and 2011, respectively. Capital expenditures exclude property and equipment additions totaling $15,661 and $14,261 that were in accrued liabilities or were acquired via capital lease during the three months ended December 31, 2012 and 2011, respectively.

See notes to condensed consolidated financial statements

JACK HENRY & ASSOCIATES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In Thousands, Except Per Share Amounts)
(Unaudited)

NOTE 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the company

Jack Henry & Associates, Inc. and Subsidiaries ("JHA" or the "Company") is a provider of integrated computer systems and services that has developed and acquired a number of banking and credit union software systems. The Company's revenues are predominately earned by marketing those systems to financial institutions nationwide together with computer equipment (hardware), by providing the conversion and software implementation services for financial institutions to utilize JHA software systems, and by providing other related services. JHA also provides continuing support and services to customers using in-house or outsourced systems.

Consolidation

The consolidated financial statements include the accounts of JHA and all of its subsidiaries, which are wholly-owned, and all intercompany accounts and transactions have been eliminated.

Fair value of financial instruments

For cash equivalents, amounts receivable or payable and short-term borrowings, fair values approximate carrying value, based on the short-term nature of the assets and liabilities. The fair value of long term debt also approximates carrying value as estimated using discounted cash flows based on the Company's current incremental borrowing rates or quoted prices in active markets.

The Company's estimates of the fair value for financial assets and financial liabilities are based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets, and requires that observable inputs be used in the valuations when available. The three levels of the hierarchy are as follows:

Level 1: observable inputs such as quoted prices in active markets

Level 2: inputs other than the quoted prices in active markets that are observable either directly or indirectly

Level 3: unobservable inputs in which there is little or no market data, which requires the Company to develop its own assumptions

Fair value of financial assets, included in cash and cash equivalents, is as follows:

	Estimated Fair Value Measurements			
	Quoted Prices in Active Markets (Level 1)	Significant Observable Other Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
December 31, 2012				
Financial Assets:				
Money market funds	**$ 154,352**	**$ —**	**$ —**	**$ 154,352**
June 30, 2012				
Financial Assets:				
Money market funds	**$ 116,013**	**$ —**	**$ —**	**$ 116,013**

Comprehensive income

Comprehensive income for the three and six-month periods ended December 31, 2012 and 2011 equals the Company's net income.

Interim financial statements

The accompanying condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q of the Securities and Exchange Commission and in accordance with accounting principles generally accepted in the United States of America applicable to interim condensed consolidated financial statements, and do not include all of the information and footnotes required by accounting principles generally accepted in the the

United States of America for complete consolidated financial statements. The condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and accompanying notes, which are included in its Annual Report on Form 10-K ("Form 10-K") for the year ended June 30, 2012. The accounting policies followed by the Company are set forth in Note 1 to the Company's consolidated financial statements included in its Form 10-K for the fiscal year ended June 30, 2012.

In the opinion of the management of the Company, the accompanying unaudited condensed consolidated financial statements reflect all adjustments necessary (consisting of normal recurring adjustments) to present fairly the financial position of the Company as of December 31, 2012, the results of its operations for the three and six-month periods ended December 31, 2012 and 2011, and its cash flows for the six-month periods ended December 31, 2012 and 2011.

The results of operations for the period ended December 31, 2012 are not necessarily indicative of the results to be expected for the entire year.

NOTE 2. ADDITIONAL INTERIM FOOTNOTE INFORMATION

The following additional information is provided to update the notes to the Company's annual consolidated financial statements for developments during the period ended December 31, 2012.

Common stock

The Board of Directors has authorized the Company to repurchase shares of its common stock. Under this authorization, the Company may finance its share repurchases with available cash reserves or short-term borrowings on its existing credit facilities. The share repurchase program does not include specific price targets or timetables and may be suspended at any time. At December 31, 2012, there were 15,701 shares in treasury stock and the Company had the remaining authority to repurchase up to 4,290 additional shares. The total cost of treasury shares at December 31, 2012 is $353,253. During fiscal 2013, the Company repurchased 249 treasury shares for $9,297. At June 30, 2012, there were 15,452 shares in treasury stock and the Company had authority to repurchase up to 4,539 additional shares.

Impact of Hurricane Sandy

Included within general & administrative operating expenses are $13,686 of expenses, including $1,450 of contingent liabilities, related to the impact of widespread flooding caused by Hurricane Sandy on our Lyndhurst, New Jersey item processing center. Other than the contingent amounts, we expect no further significant costs related to this in future periods. Insurance claims are being made by JHA to recover the above expenses. These claims have not been finalized and no amounts have been recorded for these potential insurance recoveries in the financial results for the period ending December 31, 2012. The amount recovered may differ from the amount of the expense.

Commitments and contingencies

For fiscal 2013, the Board of Directors approved bonus plans for its executive officers and general managers. Under the plan, bonuses may be paid following the end of the current fiscal year based upon achievement of operating income and individually tailored performance targets. For general managers, one half of each manager's bonus is contingent upon meeting individual business unit objectives established by the executive officer to whom the general manager reports.

The Company has entered into agreements that provide its executive officers with compensation totaling two years' base salary and target bonus in the event the Company terminates the executive without cause within the period from 90 days before to two years after a change in control of the Company. The Company has also entered into agreements that provide its general managers with compensation totaling one year of base salary and target bonus under circumstances identical to those contained in the executive officer agreements.

NOTE 3. RECENT ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-05, Comprehensive Income in June 2011, which was effective for the Company beginning July 1, 2012. The updated guidance requires non-owner changes in stockholders' equity to be reported either in a single continuous statement of comprehensive income or in two separate but consecutive statements, rather than as part of the statement of changes in stockholders' equity. No changes in disclosure were required as a result of the update.

In September 2011, the FASB issued ASU No. 2011-08, Testing Goodwill for Impairment, which was effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The amendments in the update permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The provisions in this update were effective for the Company beginning July 1, 2012 and its adoption did not have any impact on the financial statements.

In July 2012, the FASB issued ASU No. 2012-02, Intangibles - Goodwill and Other. The amendments in the update permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test. The provisions in this update will be effective for the Company beginning July 1, 2013.

NOTE 4. DEBT

The Company’s outstanding long and short term debt is as follows:

	December 31, 2012	June 30, 2012
LONG TERM DEBT		
Term loan	**$ 116,250**	$ 127,500
Capital leases	**11,177**	3,518
Other borrowings	**205**	445
	127,632	131,463
Less current maturities	**28,705**	25,297
Debt, net of current maturities	**$ 98,927**	$ 106,166
SHORT TERM DEBT		
Capital leases	**$ 1,671**	$ 206
Current maturities of long-term debt	**28,705**	25,297
Notes payable and current maturities of long term debt	**$ 30,376**	$ 25,503

The Company has a bank credit facility agreement that includes a revolving credit facility and a term loan.

Revolving credit facility

The long term revolving loan allows for borrowings of up to $150,000, which may be increased by the Company at any time until maturity to $250,000. The revolving loan terminates June 4, 2015. At December 31, 2012, there was no outstanding revolving loan balance.

Term loan

The term loan had an original principal balance of $150,000, with quarterly principal payments of $5,625 that began on September 30, 2011. The remaining outstanding balance on June 4, 2015 is due and payable on that date. At December 31, 2012, the outstanding balance of $116,250 was bearing interest at a rate of 2.37%, and $22,500 will be maturing within the next twelve months.

Each of the above loans bear interest at a variable rate equal to (a) a rate based on LIBOR or (b) an alternate base rate (the greater of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate or (c) LIBOR plus 1.0%), plus an applicable percentage in each case determined by the Company's leverage ratio. The loans are secured by pledges of capital stock of certain subsidiaries of the Company. The loans are also guaranteed by certain subsidiaries of the Company. The credit facility is subject to various financial covenants that require the Company to maintain certain financial ratios as defined in the agreement. As of December 31, 2012, the Company was in compliance with all such covenants.

Capital leases

The Company has entered into various capital lease obligations for the use of certain computer equipment. Long term capital lease obligations were entered into of which $11,177 remains outstanding at December 31, 2012 and $6,060 will be maturing within the next twelve months. The Company also has short term capital lease obligations totaling $1,671 at December 31, 2012.

Other lines of credit

The Company renewed an unsecured bank credit line on April 29, 2012 which provides for funding of up to $5,000 and bears interest at the prime rate less 1% (2.25% at December 31, 2012). The credit line was renewed through April 29, 2014. At December 31, 2012, no amount was outstanding.

NOTE 5. INCOME TAXES

The effective tax rate of 30.6% of income before income taxes for the quarter ended December 31, 2012 is lower than 35.2% for the same quarter in fiscal 2012 primarily due to the release of $2,840 of previously unrecognized tax benefits during the current quarter subsequent to the close of an Internal Revenue Service audit of fiscal 2010 and 2011. The rate of income taxes for the six month period ending December 31, 2012 of 33.5% of income before income taxes compared to 35.3% as reported for the same period in fiscal 2012 also fluctuated due to the release of the previously unrecognized tax benefits noted above.

At December 31, 2012, the Company had $3,100 of gross unrecognized tax benefits, $2,129 of which, if recognized, would affect our effective tax rate. Our policy is to include interest and penalties related to unrecognized tax benefits in the provision for income taxes. As of December 31, 2012, we had accrued interest and penalties of $584 related to uncertain tax positions.

During the fiscal year ended June 30, 2012, the Internal Revenue Service initiated an examination of the Company's U.S. federal income tax returns for fiscal years ended June 30, 2010 and June 30, 2011. This audit was completed during the quarter ended December 31, 2012. The U.S. federal and state income tax returns for June 30, 2009 and all subsequent years remain subject to examination as of December 31, 2012 under statute of limitations rules. We anticipate potential changes resulting from the expiration of statutes of limitations will not significantly change the unrecognized tax benefits balance within twelve months of December 31, 2012.

NOTE 6. STOCK-BASED COMPENSATION

For the three months ended December 31, 2012 and 2011, there was $2,375 and $1,771, respectively, in compensation expense from equity-based awards. Pre-tax operating income for the first six months of fiscal 2013 and 2012 includes $4,109 and $3,014 of equity-based compensation costs respectively.

2005 NSOP and 1996 SOP

The Company previously issued options to employees under the 1996 Stock Option Plan ("1996 SOP") and to outside directors under the 2005 Non-Qualified Stock Option Plan ("2005 NSOP"). No stock options were issued under the 1996 SOP or the 2005 NSOP during the six months ended December 31, 2012.

Changes in stock options outstanding and exercisable are as follows:

2005 NSOP & 1996 SOP – Stock options

	Number of Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value
Outstanding July 1, 2012	464	$ 16.19	
Granted	—	—	
Forfeited	—	—	
Exercised	(213)	13.87	
Outstanding December 31, 2012	**251**	**$ 18.15**	**$ 5,297**
Vested December 31, 2012	**251**	**$ 18.15**	**$ 5,297**
Exercisable December 31, 2012	**251**	**$ 18.15**	**$ 5,297**

Compensation cost related to outstanding options has been fully recognized. The weighted-average remaining contractual term on options currently exercisable as of December 31, 2012 was 2.84 years.

Restricted Stock Plan

The Company issues both unit awards and share awards under the Restricted Stock Plan. The following table summarizes non-vested unit awards as of December 31, 2012, as well as activity for the six months then ended:

Unit awards	**Shares**	**Weighted Average Grant Date Fair Value**
Outstanding July 1, 2012	672	18.05
Granted	174	42.39
Vested	—	—
Forfeited	—	—
Outstanding December 31, 2012	**846**	**$ 23.05**

The weighted average assumptions used in this model to estimate fair value at the measurement date and resulting values are as follows:

Volatility	23.3%
Risk free interest rate	0.33%
Dividend yield	1.2%
Stock Beta	0.864

At December 31, 2012, there was $11,452 of compensation expense that has yet to be recognized related to non-vested restricted stock unit awards, which will be recognized over a weighted-average period of 1.56 years.

The following table summarizes non-vested share awards as of December 31, 2012, as well as activity for the six months then ended:

Share awards	**Shares**	**Weighted Average Grant Date Fair Value**
Outstanding July 1, 2012	332	$ 23.13
Granted	45	35.59
Vested	(117)	22.64
Forfeited	(2)	28.94
Outstanding December 31, 2012	**258**	**$ 25.41**

At December 31, 2012, there was $2,986 of compensation expense that has yet to be recognized related to non-vested restricted stock share awards, which will be recognized over a weighted-average period of 1.29 years.

NOTE 7. EARNINGS PER SHARE

The following table reflects the reconciliation between basic and diluted earnings per share:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2012	2011	**2012**	2011
Net Income	**$ 40,505**	$ 38,525	**$ 82,981**	$ 74,999
Common share information:				
Weighted average shares outstanding for basic earnings per share	**86,084**	86,572	**86,097**	86,488
Dilutive effect of stock options and restricted stock	**555**	799	**525**	765
Weighted average shares outstanding for diluted earnings per share	**86,639**	87,371	**86,622**	87,253
Basic earnings per share	**$ 0.47**	$ 0.45	**$ 0.96**	$ 0.87
Diluted earnings per share	**$ 0.47**	$ 0.44	**$ 0.96**	$ 0.86

Per share information is based on the weighted average number of common shares outstanding for the three and six-month periods ended December 31, 2012 and 2011. Stock options and restricted stock have been included in the calculation of earnings per share to the extent they are dilutive. There were no anti-dilutive stock options or restricted stock excluded for the three month periods ended December 31, 2012 and December 31, 2011. 149 anti-dilutive stock options and restricted stock were excluded from the computation of diluted earnings per share for the six-month period ended December 31, 2012 (241 shares were excluded from the computation for the six-month period ended December 31, 2011).

NOTE 8. BUSINESS SEGMENT INFORMATION

The Company is a provider of integrated computer systems that perform data processing (available for in-house installations or outsourced services) for banks and credit unions. The Company's operations are classified into two reportable segments: bank systems and services ("Bank") and credit union systems and services ("Credit Union"). The Company evaluates the performance of its segments and allocates resources to them based on various factors, including prospects for growth, return on investment, and return on revenue.

	Three Months Ended December 31, 2012			Three Months Ended December 31, 2011		
	Bank	**Credit Union**	**Total**	Bank	Credit Union	Total
REVENUE						
License	**$ 7,524**	**$ 5,686**	**$ 13,210**	$ 9,540	$ 4,012	$ 13,552
Support and service	**189,898**	**60,412**	**250,310**	173,189	52,420	225,609
Hardware	**10,712**	**4,462**	**15,174**	13,020	3,677	16,697
Total revenue	**208,134**	**70,560**	**278,694**	195,749	60,109	255,858
COST OF SALES						
Cost of license	**1,034**	**217**	**1,251**	933	182	1,115
Cost of support and service	**109,156**	**35,527**	**144,683**	103,422	32,411	135,833
Cost of hardware	**7,184**	**3,339**	**10,523**	8,663	2,838	11,501
Total cost of sales	**117,374**	**39,083**	**156,457**	113,018	35,431	148,449
GROSS PROFIT	**$ 90,760**	**$ 31,477**	**122,237**	$ 82,731	$ 24,678	107,409
OPERATING EXPENSES			**62,809**			46,621
INTEREST INCOME (EXPENSE)			**(1,071)**			(1,342)
INCOME BEFORE INCOME TAXES			**$ 58,357**			$ 59,446

	Six Months Ended December 31, 2012			Six Months Ended December 31, 2011		
	Bank	**Credit Union**	**Total**	Bank	Credit Union	Total
REVENUE						
License	**$ 14,804**	**$ 11,270**	**$ 26,074**	$ 17,214	$ 8,602	$ 25,816
Support and service	**375,963**	**118,932**	**494,895**	342,264	103,615	445,879
Hardware	**19,793**	**8,934**	**28,727**	23,379	9,122	32,501
Total revenue	**410,560**	**139,136**	**549,696**	382,857	121,339	504,196
COST OF SALES						
Cost of license	**1,721**	**608**	**2,329**	1,834	408	2,242
Cost of support and service	**217,878**	**70,223**	**288,101**	203,195	63,761	266,956
Cost of hardware	**14,395**	**6,706**	**21,101**	16,111	7,051	23,162
Total cost of sales	**233,994**	**77,537**	**311,531**	221,140	71,220	292,360
GROSS PROFIT	**$ 176,566**	**$ 61,599**	**238,165**	$ 161,717	$ 50,119	211,836
OPERATING EXPENSES			**111,222**			93,251
INTEREST INCOME (EXPENSE)			**(2,224)**			(2,670)
INCOME BEFORE INCOME TAXES			**$ 124,719**			$ 115,915

	December 31, 2012	June 30, 2012
Property and equipment, net		
Bank systems and services	**$ 256,964**	$ 245,069
Credit Union systems and services	**29,456**	31,661
Total	**$ 286,420**	$ 276,730
Intangible assets, net		
Bank systems and services	**$ 591,664**	$ 591,857
Credit Union systems and services	**229,747**	230,389
Total	**$ 821,411**	$ 822,246

The Company has not disclosed any additional asset information by segment, as the information is not produced internally and its preparation is impracticable.

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

This discussion and analysis should be read in conjunction with the condensed consolidated financial statements and the accompanying notes to the condensed consolidated financial statements included in this Form 10-Q.

RESULTS OF OPERATIONS

Background and Overview

Jack Henry & Associates, Inc. (JHA) is a leading provider of technology solutions and payment processing services primarily for financial services organizations. Our solutions are marketed and supported through three primary brands. Jack Henry Banking® supports banks ranging from community to mid-tier, multi-billion dollar institutions with information and transaction processing solutions. Symitar® is a leading provider of information and transaction processing solutions for credit unions of all sizes. ProfitStars® provides specialized products and services that enable financial institutions of every asset size and charter, and diverse corporate entities outside the financial services industry, to mitigate and control risks, optimize revenue and growth opportunities, and contain costs. JHA's integrated solutions are available for in-house installation and outsourced and hosted delivery.

The majority of our revenue is derived from recurring outsourcing fees and transaction processing fees that predominantly have contract terms of five years or greater. Support and service fees also include in-house maintenance fees on primarily annual contract terms. Less predictable software license fees and hardware sales complement our primary revenue sources. We continually seek opportunities to increase revenue while at the same time containing costs to expand margins.

In the second quarter of fiscal 2013, revenues increased 9% or $22,836 compared to the same period in the prior year, with strong growth continuing in our support & service revenue component, particularly in our electronic payment services. In the six months ending December 31, 2012, revenues increased 9% or $45,500 compared to the same six months last year, with strong growth continuing in all components of our support & service revenues. The growth in revenue and the Company's continued focus on cost management continued to drive gross margins up, for both the three and six month periods presented.

Operating expenses increased 35% for the quarter and 19% for the six month period ended December 31, 2012 mainly due to $13,686 expenses, including $1,450 of contingent liabilities, related to the impact of widespread flooding caused by Hurricane Sandy on our Lyndhurst, New Jersey item processing center. Other than the contingent amounts, we expect no further significant costs related to this in future periods. Insurance claims are being made by JHA to recover the Hurricane Sandy related expenses. These claims have not been finalized and no amounts have been recorded for these potential insurance recoveries in the financial results for the period ending December 31, 2012. The amount recovered may differ from the amount of the expense.

The increased operating expenses, partially offset by a reduced effective tax rate driven by the release of $2,840 of previously unrecognized tax benefits, resulted in a combined 5% increase in net income for the quarter and 11% for the year-to-date.

We continue into fiscal 2013 with cautious optimism following strong second quarter operating results. Significant portions of our business continue to come from recurring revenue and our healthy sales pipeline is also encouraging. Our customers continue to face regulatory and operational challenges which our products and services address, and in these times they have an even greater need for our solutions that directly address institutional profitability and efficiency. Our strong balance sheet, access to extensive lines of credit, the strength of our existing product line and an unwavering commitment to superior customer service position us well to address current and future opportunities to extend our customer base and produce returns for our stockholders.

A detailed discussion follows of the major components of the results of operations for the three and six-month periods ended December 31, 2012. All amounts are in thousands and discussions compare the current three and six-month periods ended December 31, 2012, to the prior year three and six-month periods ended ended December 31, 2011.

REVENUE

License Revenue	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	% Change	Six Months Ended December 31, 2012	Six Months Ended December 31, 2011	% Change
License	**$ 13,210**	$ 13,552	**(3)%**	**$ 26,074**	$ 25,816	**1%**
Percentage of total revenue	**5%**	5%		**5%**	5%	

License revenue for core products remained consistent with last year. Current quarter license revenue decreased only slightly compared to the same period last year and the revenues for the first six months of fiscal 2013 increased slightly.

While license fees will fluctuate, recent trends indicate that our customers are increasingly electing to contract for our products via outsourced delivery rather than a traditional license as our outsourced delivery does not require an up-front capital investment in license fees. We expect this trend to continue in the long term.

Support and Service Revenue	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2012	2011		**2012**	2011	
Support and service	**$ 250,310**	$ 225,609	**11%**	**$ 494,895**	$ 445,879	**11%**
Percentage of total revenue	**90%**	88%		**90%**	88%	

	Qtr over Qtr		Year over Year	
	$ Change	% Change	$ Change	% Change
In-House Support & Other Services	$ 2,863	4%	$ 7,629	5%
Electronic Payment Services	15,172	18%	27,439	16%
Outsourcing Services	5,047	11%	9,198	10%
Implementation Services	1,619	8%	4,750	13%
Total Increase	**$ 24,701**		**$ 49,016**	

There was growth in all support and service revenue components for the current quarter and year-to-date.

In-house support and other services revenue increased, both for the quarter and year-to-date, due to annual maintenance fee increases as our customers' assets grow. Revenue from our complementary products has also grown as the total number of supported in-house products has grown.

Electronic payment services continue to experience the largest growth. The quarterly and year-to-date revenue increases are attributable to strong performance across debit/credit card processing services, online bill payment services and ACH processing.

Outsourcing services for banks and credit unions continue to drive revenue growth as customers continue to show a preference for outsourced delivery of our solutions. We expect the trend towards outsourced product delivery to benefit outsourcing services revenue for the foreseeable future. Revenues from outsourcing services are typically earned under multi-year service contracts and therefore provide a long-term stream of recurring revenues.

Implementation services revenue increased for the quarter due mainly to increased implementations of our core banking platform products and related complementary products, coupled with higher merger conversion revenues from our core banking and credit union platform products.

Hardware Revenue	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2012	2011		**2012**	2011	
Hardware	**$ 15,174**	$ 16,697	**(9)%**	**$ 28,727**	$ 32,501	**(12)%**
Percentage of total revenue	**5%**	7%		**5%**	6%	

Hardware revenue continues to fluctuate from quarter to quarter. Revenue decreased for the three and six month periods due to a decrease in the number of third party hardware systems and components delivered. Although there will be continuing quarterly fluctuations, we expect there to be an overall decreasing trend in hardware sales due to the change in sales mix towards outsourcing contracts, which typically do not include hardware, and the general deflationary trend of computer prices.

BACKLOG

Our backlog of $452,239 ($89,796 in-house and $362,443 outsourcing) at December 31, 2012 increased 19% from $378,778 ($73,742 in-house and $305,036 outsourcing) at December 31, 2011. The current quarter backlog increased 7% from September 30, 2012, when backlog was $423,352 ($92,153 in-house and $331,199 outsourcing).

COST OF SALES AND GROSS PROFIT

	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	% Change	Six Months Ended December 31, 2012	Six Months Ended December 31, 2011	% Change
Cost of License	**$ 1,251**	$ 1,115	**12 %**	**$ 2,329**	$ 2,242	**4 %**
Percentage of total revenue	<1%	<1%		<1%	<1%	
License Gross Profit	**$ 11,959**	$ 12,437	**(4)%**	**$ 23,745**	$ 23,574	**1 %**
Gross Profit Margin	**91%**	92%		**91%**	91%	
Cost of support and service	**$ 144,683**	$ 135,833	**7 %**	**$ 288,101**	$ 266,956	**8 %**
Percentage of total revenue	**52%**	53%		**52%**	53%	
Support and Service Gross Profit	**$ 105,627**	$ 89,776	**18 %**	**$ 206,794**	$ 178,923	**16 %**
Gross Profit Margin	**42%**	40%		**42%**	40%	
Cost of hardware	**$ 10,523**	$ 11,501	**(9)%**	**$ 21,101**	$ 23,162	**(9)%**
Percentage of total revenue	**4%**	4%		**4%**	5%	
Hardware Gross Profit	**$ 4,651**	$ 5,196	**(10)%**	**$ 7,626**	$ 9,339	**(18)%**
Gross Profit Margin	**31%**	31%		**27%**	29%	
TOTAL COST OF SALES	**$ 156,457**	$ 148,449	**5 %**	**$ 311,531**	$ 292,360	**7 %**
Percentage of total revenue	**56%**	58%		**57%**	58%	
TOTAL GROSS PROFIT	**$ 122,237**	$ 107,409	**14 %**	**$ 238,165**	$ 211,836	**12 %**
Gross Profit Margin	**44%**	42%		**43%**	42%	

Cost of license depends greatly on third party reseller agreement software vendor costs. During the quarter, sales of these third party vendor licenses increased as a percentage of total license revenue leading to higher related costs and slightly decreased gross profit margins. Year-to-date gross profit margins remained consistent with the prior period.

Gross profit margins in support and service increased for the three and six month periods due to economies of scale realized from increased revenues, particularly in electronic payment services.

In general, changes in cost of hardware trend consistently with hardware revenue. For the current quarter, gross margins remain consistent with the prior year. Year-to-date margins have decreased slightly, being impacted by reduced sales of higher margin products related to hardware upgrades in the first quarter of the current year.

OPERATING EXPENSES

Selling and Marketing

	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	% Change	Six Months Ended December 31, 2012	Six Months Ended December 31, 2011	% Change
Selling and marketing	**$ 19,937**	$ 18,164	**10%**	**$ 40,126**	$ 36,918	**9%**
Percentage of total revenue	**7%**	7%		**7%**	7%	

Selling and marketing expenses for the quarter and year-to-date have increased mainly due to higher commission expenses. This is in line with increased sales volume of long term service contracts on which commissions are paid as a percentage of total revenue. Selling and Marketing costs remain consistent as a percentage of total revenue.

Research and Development

	Three Months Ended December 31, 2012	Three Months Ended December 31, 2011	% Change	Six Months Ended December 31, 2012	Six Months Ended December 31, 2011	% Change
Research and development	**$ 15,691**	$ 15,075	**4%**	**$ 30,337**	$ 30,011	**1%**
Percentage of total revenue	**6%**	6%		**6%**	6%	

Research and development expenses increased slightly for the three and six month periods ended December 31, 2012 primarily due to increased salary and contractor services costs.

General and Administrative	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2012	2011		**2012**	2011	
General and administrative	**$ 27,181**	$ 13,382	**103%**	**$ 40,759**	$ 26,322	**55%**
Percentage of total revenue	**10%**	5%		**7%**	5%	

General and administrative expenses for the quarter and year-to-date have increased compared to last year due mainly to $13,686 of expenses related to the impact of widespread flooding caused by Hurricane Sandy on our Lyndhurst, New Jersey item processing center.

Excluding these expenses, non-GAAP general and administrative expenses would have been $13,495 and $27,073 for the quarter and year-to-date current year periods, respectively, and the non-GAAP increase would have been $113, or 1% for the quarter and $751, or 3%, for the year-to-date compared to the prior year.

Insurance claims have been made by JHA to recover the Hurricane Sandy related expenses. These claims have not been finalized and no amounts have been recorded in relation to these gain contingencies in the financial results for the period ending December 31, 2012.

INTEREST INCOME AND EXPENSE

	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2012	2011		**2012**	2011	
Interest Income	**$ 190**	$ 106	**79 %**	**$ 378**	$ 234	**62 %**
Interest Expense	**$ (1,261)**	$ (1,448)	**(13)%**	**$ (2,602)**	$ (2,904)	**(10)%**

Interest income for the three and six-month periods ended December 31, 2012 fluctuated due to changes in invested balances and yields on invested balances. Interest expense decreased for the quarter and year-to-date due to the lower outstanding balance on our term loan compared to last year.

PROVISION FOR INCOME TAXES

The provision for income taxes was $17,852 and $41,738 for the three and six-month periods ended December 31, 2012 compared with $20,921 and $40,916 for the same periods last year. As of the end of the current quarter, the effective rate of income taxes is 30.6% and 33.5% of income before income taxes for the quarter and year-to-date respectively, compared to 35.2% and 35.3% as reported in fiscal 2012. The current year income tax rate was lower primarily due to the tax impact of the Lyndhurst, New Jersey expenses ($4,893) and the recognition of $2,840 of previously unrecognized tax benefits during the current quarter following the close of an Internal Revenue Service audit of fiscal years 2010 and 2011.

On January 1, 2013, the Research and Experimentation Credit was renewed, retroactive to January 1, 2012. No financial impact of this renewal is included in the current financial statements. The effect of this renewal, including the retrospective portion, will be included in our third quarter financial results.

NET INCOME

Net income increased 5% for the three months ended December 31, 2012. For the second quarter of fiscal 2013, it was $40,505 or $0.47 per diluted share compared to $38,525, or $0.44 per diluted share in the same period last year. Net income also increased for the six month period ended December 31, 2012 to $82,981 or $0.96 per diluted share compared to $74,999 or $0.86 per diluted share, for the same six month period last year.

Excluding the after-tax effect of the Lyndhurst, New Jersey expenses, non-GAAP net income would have increased 28% for the three months ended December 31, 2012. For the second quarter of fiscal 2013, net income would have been $49,298 or $0.57 per diluted share compared to $38,525, or $0.44 per diluted share in the same period last year.

	Three Months Ended December 31, 2012		
	GAAP	Lyndhurst, New Jersey Expenses	Non-GAAP
Gross Profit	$ 122,237	$ —	$ 122,237
Operating Expenses	62,809	(13,686)	49,123
Operating Income	59,428	13,686	73,114
Interest Income (Expense)	(1,071)	-	(1,071)
Income Before Income Taxes	58,357	13,686	72,043
Provision for Income Taxes	17,852	4,893	22,745
Net Income	40,505	8,793	49,298
Diluted weighted average shares outstanding	86,639	86,639	86,639
Diluted earnings per share	$ 0.47	$ 0.10	$ 0.57

The Company reports its financial results in accordance with U.S. GAAP. The Company believes that the non-GAAP financial measures discussed above allows management and investors to understand and compare the Company's results in a more consistent manner. The non-GAAP measures should be considered supplemental and not a substitute for the Company's results that were recorded in accordance with GAAP for the periods presented.

BUSINESS SEGMENT DISCUSSION

The Company is a provider of integrated computer systems that perform data processing (available for in-house installations or outsourced services) for banks and credit unions. The Company’s operations are classified into two reportable segments: bank systems and services (“Bank”) and credit union systems and services (“Credit Union”). The Company evaluates the performance of its segments and allocates resources to them based on various factors, including prospects for growth, return on investment, and return on revenue.

Bank Systems and Services

	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2012	2011		**2012**	2011	
Revenue	**$ 208,134**	$ 195,749	**6%**	**$ 410,560**	$ 382,857	**7%**
Gross Profit	**$ 90,760**	$ 82,731	**10%**	**$ 176,566**	$ 161,717	**9%**
Gross Profit Margin	**44%**	42%		**43%**	42%	

Revenue in the Bank segment increased 6% compared to the equivalent quarter last fiscal year. This was primarily due to growth in all areas of support and service revenue, particularly in electronic payment transaction processing services revenue which grew 17% over the same period last year.

Year-to-date revenue increased 7% for the six month period due mainly to a 10% increase in support and service revenue. Within support and service revenue, the increase was driven by 15% year-over-year growth in electronic payment services revenues from transaction processing.

Gross profit margins increases for both the quarter and year-to-date have been driven by increased margins in our support and service component of revenue mainly due to economies of scale realized in electronic payment services.

Credit Union Systems and Services

	Three Months Ended December 31,		% Change	Six Months Ended December 31, 2012		% Change
	2012	2011		**2012**	2011	
Revenue	**$ 70,560**	$ 60,109	**17%**	**$ 139,136**	$ 121,339	**15%**
Gross Profit	**$ 31,477**	$ 24,678	**28%**	**$ 61,599**	$ 50,119	**23%**
Gross Profit Margin	**45%**	41%		**44%**	41%	

Revenue in the Credit Union segment increased 17% from the same quarter last year mainly due to support & service revenue which grew 15%, coupled with an increase in complementary product license revenues. Support & service revenue increased due mainly to an 21% increase in electronic payment services from continuing growth of our online bill payment processing and debit/credit card processing services in the Credit Union segment.

Year-to-date revenue in the Credit Union segment has increased 15% over the prior year. Support & service revenues grew 15% through increases in electronic payment services (which grew 19%) due to the continuing growth of our transaction processing and debit/credit card processing services.

Gross profit margins for the Credit Union segment for the three and six month periods have increased mainly due to economies of scale realized in increased transaction volume in our payment processing services.

FINANCIAL CONDITION

Liquidity

The Company's cash and cash equivalents totaled $192,854 at December 31, 2012, increasing from $157,313 at June 30, 2012, and from $95,202 at December 31, 2011. The increase from June 30, 2012 is primarily due to continued receipts from our annual maintenance billings.

The following table summarizes net cash from operating activities in the statement of cash flows:

	Six Months Ended December 31,	
	2012	2011
Net income	**$ 82,981**	$ 74,999
Non-cash expenses	**56,202**	54,155
Change in receivables	**89,193**	80,910
Change in deferred revenue	**(99,881)**	(103,784)
Change in other assets and liabilities	**(9,327)**	(10,019)
Net cash provided by operating activities	**$ 119,168**	$ 96,261

Cash provided by operating activities for the fiscal year to date increased 24% compared to last year. Cash from operations is primarily used to repay debt, pay dividends and fund acquisitions and other capital expenditures. The increase compared to last year reflects increased earnings driven by continued strong revenue growth, ongoing cost control and decreased interest costs.

Cash used in investing activities for the current year totaled $42,704. The largest use of cash included $23,826 for the development of software and $18,957 capital expenditures on facilities and equipment, which includes spending on our online bill payment data center migration. Other uses of cash included $186 for the acquisition of customer contracts. These expenditures have been partially offset by proceeds of $265 from the sale of assets. In the first six months of fiscal 2012, cash used in investing activities totaled $32,637 which included capital expenditures for facilities and equipment of $18,913, including ongoing build-out of our Allen, TX facility, computer equipment and related purchased software, with other major uses of cash being $15,695 for the development of software and $670 for the acquisition of customer contracts. This expenditure has been partially offset by $2,641 proceeds from an aircraft sale.

Financing activities used cash of $40,923 during the current year. There were cash outflows to repay long and short term borrowings on our credit facilities of $17,336, dividends paid to stockholders of $19,813, and purchase of treasury shares of $9,297. Cash used was partially offset by $5,523 net proceeds from the issuance of stock and tax related to stock-based compensation. Net cash used by financing activities in the first six months of last year was $31,547 and includes $18,047 repayments on our credit facilities and $18,167 in dividend payments to shareholders, partially offset by $4,667 of net proceeds from the issuance of stock and tax related to stock-based compensation.

We have not experienced any significant issues with our current collection efforts. Furthermore, we believe that any future impact to our liquidity would be minimized by our access to available lines of credit.

Capital Requirements and Resources

The Company generally uses existing resources and funds generated from operations to meet its capital requirements. Capital expenditures totaling $18,957 and $18,913 for the six-month periods ended December 31, 2012 and 2011, respectively, were made primarily for additional equipment and the improvement of existing facilities. These additions were funded from cash generated by operations. Total consolidated capital expenditures for the Company for fiscal year 2013 are not expected to exceed $50,000 and will be funded from cash generated by operations.

The Board of Directors has authorized the Company to repurchase shares of its common stock. Under this authorization, the Company may finance its share repurchases with available cash reserves or short-term borrowings on its existing credit facilities. The share repurchase program does not include specific price targets or timetables and may be suspended at any time. At December 31, 2012, there were 15,701 shares in treasury stock and the Company had the remaining authority to repurchase up to 4,290 additional shares. The total cost of treasury shares at December 31, 2012 is $353,253. During fiscal 2013, the Company repurchased 249 treasury shares for $9,297. At June 30, 2012, there were 15,452 shares in treasury stock and the Company had the authority to repurchase up to 4,539 additional shares.

The Company has entered into a bank credit facility agreement that includes a revolving loan and a term loan.

Revolving credit facility

The long term revolving loan allows for borrowings of up to $150,000, which may be increased by the Company at any time until maturity to $250,000. The revolving loan terminates June 4, 2015. At December 31, 2012, there was no outstanding revolving loan balance.

Term loan

The term loan had an original principal balance of $150,000, with quarterly principal payments of $5,625 that began on September 30, 2011. The remaining outstanding balance on June 4, 2015 is due and payable on that date. At December 31, 2012, the outstanding balance of $116,250 was bearing interest at a rate of 2.37%, and $22,500 will be maturing within the next twelve months.

Each of the above loans bear interest at a variable rate equal to (a) a rate based on LIBOR or (b) an alternate base rate (the greater of (a) the Federal Funds Rate plus 0.5%, (b) the Prime Rate or (c) LIBOR plus 1.0%), plus an applicable percentage in each case determined by the Company's leverage ratio. The loans are secured by pledges of capital stock of certain subsidiaries of the Company. The loans are also guaranteed by certain subsidiaries of the Company. The credit facility is subject to various financial covenants that require the Company to maintain certain financial ratios as defined in the agreement. As of December 31, 2012, the Company was in compliance with all such covenants.

Capital leases

The Company has entered into various capital lease obligations for the use of certain computer equipment. Long term capital lease obligations were entered into of which $11,177 remains outstanding at December 31, 2012 and $6,060 will be maturing within the next twelve months. The Company also has short term capital lease obligations totaling $1,671 at December 31, 2012.

Other lines of credit

The Company renewed an unsecured bank credit line on April 29, 2012 which provides for funding of up to $5,000 and bears interest at the prime rate less 1% (2.25% at December 31, 2012). The credit line was renewed through April 29, 2014. At December 31, 2012, no amount was outstanding.

Critical Accounting Policies

The Company regularly reviews its selection and application of significant accounting policies and related financial disclosures. The application of these accounting policies requires that management make estimates and judgments. The estimates that affect the application of our most critical accounting policies and require our most significant judgments are outlined in Management’s Discussion and Analysis of Financial Condition and Results of Operations – “Critical Accounting Policies” – contained in our annual report on Form 10-K for the year ended June 30, 2012.

Forward Looking Statements

The Management's Discussion and Analysis of Results of Operations and Financial Condition and other portions of this report contain forward-looking statements within the meaning of federal securities laws. Actual results are subject to risks and uncertainties, including both those specific to the Company and those specific to the industry, which could cause results to differ materially from those contemplated. The risks and uncertainties include, but are not limited to, the matters detailed at Risk Factors in its Annual Report on Form 10-K for the fiscal year ended June 30, 2012. Undue reliance should not be placed on the forward-looking statements. The Company does not undertake any obligation to publicly update any forward-looking statements.

CONCLUSION

The Company’s results of operations and its financial position continue to be solid, with increased gross profit and net income for the three and six-month periods ended December 31, 2012, compared to the same period a year ago. We continue to be cautiously optimistic, as we maintain significant levels of recurring revenue and continue to see a strong backlog of contracts for products and services yet to be delivered. Our overall results reflect the continuing attitude of cooperation and commitment by each employee, management's ongoing cost control efforts and our commitment to continue delivering top quality products and superior services to all of our customers in the markets we serve. We believe that we are well positioned to address current and future opportunities which will arise to extend our customer base and produce returns for our stockholders.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk refers to the risk that a change in the level of one or more market prices, interest rates, indices, volatilities, correlations or other market factors such as liquidity, will result in losses for a certain financial instrument or group of financial instruments. We are currently exposed to credit risk on credit extended to customers and interest risk on outstanding debt. We do not currently use any derivative financial instruments. We actively monitor these risks through a variety of controlled procedures involving senior management.

Based on the controls in place and the credit worthiness of the customer base, we believe the credit risk associated with the extension of credit to our customers will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Based on our outstanding debt with variable interest rates as of December 31, 2012, a 1% increase in our borrowing rate would increase annual interest expense in fiscal 2013 by less than $1,200.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this Quarterly Report on Form 10-Q, an evaluation was carried out under the supervision and with the participation of our management, including our Company’s Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based upon that evaluation, the CEO and CFO concluded that our disclosure controls and procedures are effective to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms. For this purpose, disclosure controls and procedures include controls and procedures designed to ensure that information that is required to be disclosed under the Exchange Act is accumulated and communicated to the Company’s management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

There was no change in our internal control over financial reporting that occurred during the quarter ended December 31, 2012 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. RISK FACTORS

The Company's business and the results of its operations are affected by numerous factors and uncertainties, some of which are beyond our control. The following is a description of some of the important risks and uncertainties that may cause the actual results of the Company's operations in future periods to differ from those expected or desired. This discussion includes a number of forward-looking statements and you should refer to the qualifications and limitations on such statements in the paragraph headed “Forward Looking Statements” immediately preceding Part I of our Form 10-K for the year ended June 30, 2012. The risk factors have not changed materially from the date of our Form 10-K for the year ended June 30, 2012 other than changes to our descriptions of the risks of general market and economic conditions and risks of operational failure.

Our business may be adversely impacted by U.S. and global market and economic conditions. We derive most of our revenue from products and services we provide to the financial services industry. If the economic environment worsens, reduction in demand from current and potential clients for our products and services, which could have a material adverse effect on our business, results of operations and financial condition.

Changes in the banking and credit union industry could reduce demand for our products. Cyclical fluctuations in economic conditions affect profitability and revenue growth at commercial banks and credit unions. Unfavorable economic conditions negatively affect the spending of banks and credit unions, including spending on computer software and hardware. Such conditions could reduce both our sales to new customers and upgrade/complementary product sales to existing customers. The Company could also experience the loss of customers due to their financial failure.

Competition or general economic conditions may result in decreased demand or require price reductions or other concessions to customers which could result in lower margins and reduce income. We vigorously compete with a variety of software vendors in all of our major product lines. We compete on the basis of product quality, reliability, performance, ease of use, quality of support and services, integration with other products and pricing. Some of our competitors may have advantages over us due to their size, product lines, greater marketing resources, or exclusive intellectual property rights. If competitors offer more favorable pricing, payment or other contractual terms, warranties, or functionality, or if general economic conditions decline such that customers are less willing or able to pay the cost of our products and services, we may need to lower prices or offer favorable terms in order to successfully compete.

Security problems could damage our reputation and business. We rely on industry-standard encryption, network and Internet security systems, most of which we license from third parties, to provide the security and authentication necessary to effect secure transmission of data. Our services and infrastructure are increasingly reliant on the Internet. Computer networks and the Internet are vulnerable to unauthorized access, computer viruses and other disruptive problems such as denial of service attacks and other forms of cyber-terrorism. Individual personal computers can be stolen, and customer data media can be lost in shipment. Under state and proposed federal laws requiring consumer notification of security breaches, the costs to remediate security breaches can be substantial. Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may render our security measures inadequate. Security risks may result in liability to us and also may deter financial institutions from purchasing our products. We will continue to expend significant capital and other resources protecting against the threat of security breaches, and we may need to expend resources alleviating problems caused by breaches. Eliminating computer viruses and addressing other security problems may result in interruptions, delays or cessation of service to users, any of which could harm our business.

Failures associated with payment transactions could result in financial loss. The volume and dollar amount of payment transactions that we process is very large and continues to grow. We settle funds on behalf of financial institutions, other businesses and consumers and receive funds from clients, card issuers, payment networks and consumers on a daily basis for a variety of transaction types. Transactions facilitated by us include debit card, credit card, electronic bill payment transactions, Automated Clearing House (“ACH”) payments and check clearing that supports consumers, financial institutions and other businesses. If the continuity of operations, integrity of processing, or ability to detect or prevent fraudulent payments were compromised in connection with payments transactions, this could result in financial as well as reputational loss to us. In addition, we rely on various financial institutions to provide ACH services in support of funds settlement for certain of our products. If we are unable to obtain such ACH services in the future, that could have a material adverse effect on our business, financial position and results of operations. In addition, we may issue credit to consumers, financial institutions or other businesses as part of the funds settlement. A default on this credit by a counterparty could result in a financial loss to us.

Operational failure in our outsourcing facilities could expose us to damage claims, increase regulatory scrutiny and cause us to lose customers. Damage or destruction that interrupts our outsourcing operations could cause delays and failures in customer processing which could hurt our relationship with customers, expose us to damage claims, and cause us to incur substantial additional expense to relocate operations and repair or replace damaged equipment. Our back-up systems and procedures may not prevent disruption, such as a prolonged interruption of our transaction processing services. In the event that an interruption extends for more than several hours, we may experience data loss or a reduction in revenues by reason of such interruption. A significant interruption of service could have a negative impact on our reputation, could lead our present and potential customers to choose other service providers, and lead to increased regulatory scrutiny of the critical services we provide to financial institutions, with resulting increases in compliance burdens and costs.

If we fail to adapt our products and services to changes in technology, we could lose existing customers and be unable to attract new business. The markets for our software and hardware products and services are characterized by changing customer requirements and rapid technological changes. These factors and new product introductions by our existing competitors or by new market entrants could reduce the demand for our existing products and services and we may be required to develop or acquire new products and services. Our future success is dependent on our ability to enhance our existing products and services in a timely manner and to develop or acquire new products and services. If we are unable to develop or acquire new products and services as planned, or if we fail to sell our new or enhanced products and services, we may incur unanticipated expenses or fail to achieve anticipated revenues.

Consolidation and failures of financial institutions will continue to reduce the number of our customers and potential customers. Our primary market consists of approximately 7,300 commercial and savings banks and 7,300 credit unions. The number of commercial banks and credit unions has decreased because of failures over the last few years and mergers and acquisitions over the last several decades and is expected to continue to decrease as more consolidation occurs.

The services we provide to our customers are subject to government regulation that could hinder the development of portions of our business or impose constraints on the way we conduct our operations. The financial services industry is subject to extensive and complex federal and state regulation. As a supplier of services to financial institutions, portions of our operations are examined by the Office of the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the National Credit Union Association, among other regulatory agencies. These agencies regulate services we provide and the manner in which we operate, and we are required to comply with a broad range of applicable laws and regulations. In addition, existing laws, regulations, and policies could be amended or interpreted differently by regulators in a manner that has a negative impact on our existing operations or that limits our future growth or expansion. Our customers are also regulated entities, and actions by regulatory authorities could determine both the decisions they make concerning the purchase of data processing and other services and the timing and implementation of these decisions. Concerns are growing with respect to the use, confidentiality, and security of private customer information. Regulatory agencies, Congress and state legislatures are considering numerous regulatory and statutory proposals to protect the interests of consumers and to require compliance with standards and policies that have not been defined.

The software we provide to our customers is also affected by government regulation. We are generally obligated to our customers to provide software solutions that comply with applicable federal and state regulations. In particular, numerous new regulations have been proposed and are still being written to implement the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Substantial software research and development and other corporate resources have been and will continue to be applied to adapt our software products to this evolving, complex and often unpredictable regulatory environment. Our failure to provide compliant solutions could result in significant fines or consumer liability on our customers, for which we may bear ultimate liability.

Our growth may be affected if we are unable to find or complete suitable acquisitions. We have augmented the growth of our business with a number of acquisitions and we plan to continue to acquire appropriate businesses, products and services. This strategy depends on our ability to identify, negotiate and finance suitable acquisitions. Substantial recent merger and acquisition activity in our industry has affected the availability and pricing of such acquisitions. If we are unable to acquire suitable acquisition candidates, we may experience slower growth.

Acquisitions may be costly and difficult to integrate. We have acquired a number of businesses in the last several years and will continue to explore acquisitions in the future. We may not be able to successfully integrate acquired companies. We may encounter problems with the integration of new businesses including: financial control and computer system compatibility; unanticipated costs; unanticipated quality or customer problems with acquired products or services; differing regulatory and industry standards; diversion of management's attention; adverse effects on existing business relationships with suppliers and customers; loss of key employees; and significant amortization expenses related to acquired assets. To finance future acquisitions, we may have to increase our borrowing or sell equity or debt securities to the public. If we fail to integrate our acquisitions, our business, financial condition and results of operations could be materially and adversely affected. Failed acquisitions could also produce material and unpredictable impairment charges as we periodically review our acquired assets.

The loss of key employees could adversely affect our business. We depend on the contributions and abilities of our senior management. Our Company has grown significantly in recent years and our management remains concentrated in a small number of key employees. If we lose one or more of our key employees, we could suffer a loss of sales and delays in new product development, and management resources would have to be diverted from other activities to compensate for this loss. We do not have employment agreements with any of our executive officers.

If others claim that we have infringed their intellectual property rights, we could be liable for significant damages. We have agreed to indemnify many of our customers against claims that our products and services infringe on the proprietary rights of others. We anticipate that the number of infringement claims will increase as the number of our software solutions and services increases and the functionality of our products and services expands. Any such claims, whether with or without merit, could be time-consuming, result in costly litigation and may not be resolved on terms favorable to us.

We may not be able to manage growth. We have grown both internally and through acquisitions. Our expansion has and will continue to place significant demands on our administrative, operational, financial and management personnel and systems. We may not be able to enhance and expand our product lines, manage costs, adapt our infrastructure and modify our systems to accommodate future growth.

Expansion of services to non-traditional customers could expose us to new risks. Some of our recent acquisitions include business lines that are marketed outside our traditional, regulated, and litigation-averse base of financial institution customers. These non-regulated customers may entail greater operational, credit and litigation risks than we have faced before and could result in increases in bad debts and litigation costs.

Failure to achieve favorable renewals of service contracts could negatively affect our outsourcing business. Our contracts with our customers for outsourced data processing services generally run for a period of five or more years. Because of the rapid growth of our outsourcing business over the last five years, we will experience greater numbers of these contracts coming up for renewal over the next few years. Renewal time presents our customers with the opportunity to consider other providers or to renegotiate their contracts with us. If we are not successful in achieving high renewal rates upon favorable terms, our outsourcing revenues and profit margins will suffer.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) Issuer Purchases of Equity Securities

The following shares of the Company were repurchased during the quarter ended December 31, 2012:

	Total Number of Shares Purchased	Average Price of Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number of Shares that May Yet Be Purchased Under the Plans (1)
October 1 - October 31, 2012	120,710	$ 37.45	120,710	4,289,645
November 1 - November 30, 2012	—	—	—	4,289,645
December 1 - December 31, 2012	—	—	—	4,289,645
Total	**120,710**	**37.45**	**120,710**	**4,289,645**

(1) Purchases made under the stock repurchase authorization approved by the Company's Board of Directors on October 4, 2002 with respect to 3.0 million shares, increased by 2.0 million shares on April 29, 2005, by 5.0 million shares on August 28, 2006, by 5.0 million shares on February 4, 2008, and by 5.0 million shares on August 25, 2008. These authorizations have no specific dollar or share price targets and no expiration dates.

ITEM 6. EXHIBITS

10.1 Jack Henry & Associates, Inc. 2005 Non-Qualified Stock Option Plan

31.1 Certification of the Chief Executive Officer dated February 7, 2013

31.2 Certification of the Chief Financial Officer dated February 7, 2013

32.1 Written Statement of the Chief Executive Officer dated February 7, 2013

32.2 Written Statement of the Chief Financial Officer dated February 7, 2013

101.INS* XBRL Instance Document

101.SCH* XBRL Taxonomy Extension Schema Document

101.CAL* XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF* XBRL Taxonomy Extension Definition Linkbase Document

101.LAB* XBRL Taxonomy Extension Label Linkbase Document

101.PRE* XBRL Taxonomy Extension Presentation Linkbase Document

* Furnished with this quarterly report on Form 10-Q are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets at December 31, 2012 and June 30, 2012, (ii) the Condensed Consolidated Statements of Income for the three and six-month periods ended December 31, 2012 and 2011, (iii) the Condensed Consolidated Statements of Cash Flows for the six months ended December 31, 2012 and 2011, and (iv) Notes to Condensed Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this quarterly report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

JACK HENRY & ASSOCIATES, INC.

Date: February 7, 2013	/s/ John F. Prim John F. Prim Chief Executive Officer and Chairman
Date: February 7, 2013	/s/ Kevin D. Williams Kevin D. Williams Chief Financial Officer and Treasurer

EXHIBIT 10.1

JACK HENRY & ASSOCIATES, INC.
2005 NON-QUALIFIED STOCK OPTION PLAN

Adopted by the Stockholders November 1, 2005
(Amended and Restated May 9, 2008, Amended Aug 20, 2010)

Jack Henry & Associates, Inc. (the “Company”), a Delaware corporation, hereby formulates and adopts the following 2005 Non-Qualified Stock Option Plan (the “Plan”) for non-employee directors of the Company.

1. Purpose. The purpose of the Plan is to obtain for the Company the benefits of the additional incentive inherent in the ownership of Common Stock, $.01 par value per share, of the Company (“Common Stock”), by selected non-employee directors of the Company who are important to the success and the growth of the business of the Company, to help the Company retain the services of such persons, and to compensate such persons for their service on the Board of Directors.

2. Stock Option Committee. The Board of Directors of the Company shall appoint from among its members a Non-Qualified Stock Option Committee (the “Committee”), consisting of no fewer than two directors, none of whom shall be eligible to participate under the Plan. The Committee shall select one of its members as Chairman and shall adopt such rules and regulations as it shall deem appropriate concerning the holding of its meetings and the transaction of its business. A majority of the whole Committee shall constitute a quorum, and the act of a majority of the members of the Committee shall be the act of the Committee. Any member of the Committee may be removed at any time either with or without cause by resolution adopted by the Board of Directors of the Company; and any vacancy on the Committee may at any time be filled by resolution adopted by the Board of Directors.

3. Stock Subject to Options. Subject to the provisions of paragraph 13, the number of shares of Common Stock subject at any one time to options granted under the Plan plus the number of such shares then outstanding pursuant to exercises of options granted under the Plan shall not exceed an aggregate of 700,000 shares. If and to the extent that options granted under the Plan terminate or expire in accordance with paragraph 8 without having been exercised, new options may be granted with respect to the shares covered by such terminated or expired options, provided that the granting and terms of such new options shall in all respects comply with the provisions of the Plan.

There shall be reserved at all times for sale under the Plan a number of shares of Common Stock (either authorized and unissued shares or shares held in the Company's treasury, or both) equal to the maximum number of shares which may be purchased pursuant to options granted or that may be granted under the Plan.

Shares transferred by the Company upon the exercise of any option granted under the Plan may be shares of authorized and unissued Common Stock, shares of issued Common Stock held in the Company's treasury, or both.

4. Administration. The Committee shall have the authority and responsibility, within the limitations of the Plan, as amended or modified from time to time, to calculate the “fair market value” of shares subject to grant in accordance with paragraph 7, the terms and provisions of the respective Option Agreements (which need not be identical), and to make all other determinations necessary or advisable for administering the Plan.

Any or all powers and functions of the Committee may at any time and from time to time be exercised by the Board of Directors or the Executive Committee thereof; provided, however, that such powers and functions of the Committee may be exercised by the Board of Directors or the Executive Committee, as the case may be, only if, at the time of such exercise, a majority of the members of the entire Board of Directors or the Executive Committee, as the case may be, and a majority of the directors acting in the particular matter, are not eligible to participate under the Plan.

5. Eligible Participants. Options may be granted under the Plan only to non-employee directors of the Company. A "non-employee director" shall mean a director who is not at the time of the grant to him of any

option under the Plan, or at any time within one year prior thereto, an employee of the Company or its subsidiaries. A non-employee director receiving any option under the Plan is hereinafter referred to as an “Optionee”.

6. Grant of Options.

(a) [Deleted]

(b) Grant Limitation. Notwithstanding any other provision of this Plan, no non-employee director may be granted options to purchase more than 100,000 shares of Common Stock pursuant to the Plan.

7. Price.

(a) The option price of each share of Common Stock purchasable under any option granted under the Plan shall be 100% of the “fair market value” thereof at the time the option is granted.

(b) The option price shall become immediately due upon exercise of the option and shall be payable in one of the alternative forms specified below: (1) full payment by certified check payable to the Company; (2) full payment in shares of Common Stock having a fair market value on the Exercise Date (as such term is defined below) equal to the option price, which shares shall have been held for more than six months by the individual; (3) any combination of certified check payable to the Company and/or shares of Common Stock valued at fair market value on the Exercise Date, equal in the aggregate to the option price; or (4) by a "net exercise" arrangement pursuant to which the Company will not require a payment of the option price but will reduce the number of shares of common stock issued upon the exercise by the largest number of whole shares that has a fair market value on the Exercise Date that does not exceed the aggregate option price. With respect to any remaining balance of the aggregate option price, the Company will accept a cash payment from the Optionee. For purposes of this subsection (b), the Exercise Date shall be the date on which written notice of the exercise of the option is delivered to the Company, together with payment of the option price for the purchased shares.

(c) The “fair market value” of a share on a particular date shall be: (1) if shares of Common Stock are listed on such date on one or more national securities exchanges, the last reported sale price of a share on such date as recorded on the composite tape system or if such system does not cover the Common Stock, the last reported sale price of a share on such date on the principal national securities exchange on which shares of the Common Stick are listed, or if no sale of Common Stock took place on such date, the last reported sale price of a share on the most recent day on which a sale of a share took place as recorded by such exchange, as the case may be; or (2) if Common Stock is not listed on such date on any national securities exchange, the mean between the last closing bid and asked quotations of a share of Common Stock on such date (or if none, on the most recent date on which there were bid and asked quotations of a share), as reported by the OTC Bulletin Board, or other similar service selected by the Board of Directors or the Committee.

8. Exercisability, Vesting and Duration of Options. No option granted under the Plan shall be exercisable until six months after the date of grant. Subject to the foregoing, all options granted under the Plan shall be fully vested and exercisable after the fourth anniversary of the date of the director's first election or appointment to the Board of Directors of the Company (the “Initial Service Date”). For directors who have served less than four continuous years, and subject to the first sentence of this paragraph 8, options granted under the Plan shall vest and become exercisable as follows:

(a) with respect to 25% of the shares subject to option, after the expiration of one year from the Initial Service Date;

(b) with respect to 50% of the shares subject to option, after the expiration of two years from the Initial Service Date;

(c) with respect to 75% of the shares subject to option, after the expiration of three years from the Initial Service Date.

Provided, however, that any option granted under the Plan shall become exercisable in its entirety upon the Optionee's death, illness, disability or retirement as determined by the Committee; and provided further that no portion of any option not theretofore exercisable shall become exercisable following the removal or termination of the Optionee as a director of the Company, for any reason other than his or her death, illness, disability or retirement as determined by the Committee.

The unexercised portion of any vested option granted under the Plan shall automatically and without notice terminate and become null and void at the time of the earliest to occur of the following: (i) the expiration of ten years from the date on which such option was granted; (ii) the expiration of one year following the issuance of letters testamentary or letters of administration to the executor or administrator of a deceased Optionee or Permitted Transferee (as defined in paragraph 10); or (iii) the surrender by the Optionee or Permitted Transferee to the Company of any such option (whether or not in exchange for any other option).

9. Exercise of Options. Options granted under the Plan shall be exercised by the Optionee (or by his executors or administrators, or Permitted Transferee, as provided in paragraph 10) as to all or part of the shares covered thereby, by the giving of written notice of the exercise thereof to the Company at its principal business office, specifying the number of shares to be purchased, specifying a business day, not less than 10 days nor more than 15 days from the date such notice is given, for the payment of the purchase price against delivery of the shares being purchased and specifying the method of payment of such purchase price. Upon any exercise of an Option, the Optionee shall make appropriate arrangements with the Company to provide for the minimum amount of additional withholding required by applicable federal and state income tax and payroll laws, including payment of such taxes through delivery of Common Stock or by withholding Common Stock to be issued under the Option, as provided in Section 17 hereof.

Subject to the provisions of paragraph 18, the Company shall cause certificates for the shares so purchased to be delivered to the Optionee or his executors or administrators or Permitted Transferee at its principal business office, against payment of the full purchase price, on the date specified in the notice of exercise.

10. Non-Transferability of Options. For the first six months after the date of grant, no option granted under the Plan shall be transferable by the Optionee other than by will, or if the Optionee dies intestate by the laws of descent and distribution. In the event of the Optionee's death, options held by him at death shall thereafter be exercisable, as provided in subparagraph 8(ii), by such person(s) entitled to do so under the will of the Optionee or, if the Optionee shall fail to make testamentary disposition of the stock option or shall die intestate, by the legal representative of the Optionee.

Options may be transferred, following the first six months after the date of grant and during the lifetime of an Optionee, to any “Permitted Transferee”. Any such options shall remain subject to all of the terms and conditions of this Plan, including but not limited to the provisions on vesting and exercisability set forth in paragraph 8. “Permitted Transferee” shall include members of the immediate family of the Optionee, any trust established for the benefit of the Optionee or the Optionee's immediate family members, or any charity qualified under §501(c)(3) of the Internal Revenue Code. For this purpose, “immediate family member” shall mean the Optionee's spouse, children, step-children, grandchildren and step-grandchildren, and any partnership, corporation, limited liability company or other entity, all the beneficial interests in which are held by the Optionee or immediate family members. Permitted Transferees may only transfer options to other Permitted Transferees of the Optionee. The Company may disregard any transfer of an option which has not been properly registered with the Company or its agents. In the event of the death of a Permitted Transferee who held options at death, such options shall thereafter be exercisable, as provided in subparagraph 8(ii), by such person(s) entitled to do so under the will of the Permitted Transferee, or if such holder shall fail to make testamentary disposition of the stock option or shall die intestate, by the legal representative of the Permitted Transferee.

11. Rights of Optionee. Neither the Optionee nor his Permitted Transferees, executors or administrators shall have any of the rights of a stockholder of the Company with respect to the shares subject to an option granted under the Plan until certificates for such shares shall have been issued upon the exercise of such option.

12. Right to Terminate. Nothing in the Plan or in any option granted under the Plan shall confer upon any Optionee the right to continue as a director of the Company or affect the right of the stockholders of the Company to terminate the Optionee as a director at any time, or the right of the Board of Directors to elect or remove directors, subject, however, to the provisions of Delaware law.

13. Adjustment of Shares. If any change is made in the shares subject to the Plan or subject to any option granted under the Plan (through merger, consolidation, reorganization, recapitalization, stock dividend, split-up, combination of shares, exchange of shares, issuance of rights to subscribe, or change in capital structure), appropriate adjustments or substitutions shall be made by the Committee in or for such shares (including adjustments in the maximum number of shares subject to the Plan and the number of such shares and price per share subject to the Plan and the number of such shares and price per shares subject to outstanding options) as the Committee in its sole discretion shall deem equitable to prevent dilution or enlargement of option rights; provided, however, that in the case of any transaction (or series of transactions carried out within a period of twelve consecutive months) in which the Company is consolidated or merged with another corporation (other than a subsidiary or other affiliated company of the Company), or in which substantially all of the properties or assets of the Company are acquired by another person, firm or corporation (other than one or more subsidiaries or other affiliated companies of the Company), and in which the stockholders of the Company receive, either directly or indirectly, as consideration, cash and/or non-equity securities or a package which does not include an amount of equity securities (as defined in Section 3(a)(11) of the Exchange Act) equal to more than 20% of the aggregate value of such package as conclusively determined by the Committee, the Committee shall, alternatively, have the right to terminate all then outstanding options (in which event such options shall not be subject to the above described adjustments) by causing written notice of such termination to be given to each Optionee not less than 30 days prior to the date on which such consolidation, merger or acquisition is expected to become effective and, if applicable, the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such consolidation, merger or acquisition. In providing such notice, the Board of Directors may, in its discretion, with respect to options, waive the restrictions on exercise pursuant to paragraph 8 and permit such option or options to become immediately exercisable. Such notice shall be deemed duly given when delivered personally, or mailed first-class postage prepaid, to each Optionee at his address appearing in the records of the Company, and failure to give such notice to any Optionee, or any defect therein, shall not affect the termination of an option held by any other Optionee.

14. Amendment of the Plan. The Board may, from time to time, amend or modify the Plan in all respects, except that without stockholder approval no such amendment or modification may (a) increase the total number of shares reserved for options thereunder (other than an increase merely reflecting an adjustment as described in paragraph 13), (b) change the option price from 100% of the “fair market value” on the date of grant, (c) change the class of non-employee directors eligible to receive options, or (d) extend the period of exercise beyond ten years from the date of grant. Rights and obligations under any option previously granted under the Plan may not be altered or impaired by any such amendment or modification of the Plan except upon consent of the person to whom such option was granted.

15. Termination or Suspension of the Plan. The Board of Directors may at any time suspend or terminate the Plan. The Plan, unless sooner terminated, shall terminate at the close of business on November 30, 2015. An option may not be granted while the Plan is suspended or after it is terminated. Rights and obligations under any option granted while the Plan is in effect shall not be altered or impaired by suspension or termination of the Plan, except upon the consent of the person to whom such option and right were granted.

16. Form of Agreements with Optionees. Subject to the limitations of the Plan as amended or modified from time to time, every option granted under the Plan shall be in such form and shall contain such terms and conditions (which need not be identical) as the Committee, in its discretion, may determine. The rights and obligations under any such form of option granted under the Plan shall not be altered or impaired, except upon consent of the person to whom such option and right were granted.

17. Withholding.

(a) The Company's obligations to deliver shares of Common Stock upon the exercise of an Option shall be subject to the Optionee's satisfaction of all applicable federal, state and local income and other tax withholding requirements.

(b) The Optionee may pay all minimum required amounts of tax withholding, or any part thereof, by electing to transfer to the Company, or to have the Company withhold from the Common Stock otherwise issuable to the Optionee, Common Stock having a value not greater than the minimum amount required to be withheld under federal, state or local law or such lesser amount as may be elected by the Optionee. The Committee may require that any shares transferred to the Company have been held or owned by the Optionee for a minimum period of time. The value of Common Stock to be withheld shall be based on the Fair Market Value of the Common Stock on the date that the amount of tax to be withheld is to be determined (the "Tax Date"), as determined by the Committee. Any such elections by Optionee to have Shares withheld for this purpose must be made prior to the Tax Date, and shall be irrevocable.

18. Purchase for Investment. If the Committee in its discretion determines that as a matter of law such procedure is or may be desirable, it may require the Optionee, upon any exercise of an option granted hereunder or any portion thereof and as a condition to the Company's obligation to deliver certificates representing the shares subject to exercise, to execute and deliver to the Company a written statement, in form satisfactory to legal counsel for the Company, representing and warranting that his purchase or receipt of shares of Common Stock upon exercise thereof shall be for his own account, for investment and not with a view to the resale or distribution thereof and that any subsequent offer for sale or sale of any such shares shall be made either pursuant to (a) a Registration Statement on an appropriate form under the Securities Act of 1933, as amended (the “Securities Act”), which Registration Statement has become effective and is current with respect to the shares being offered and sold or (b) a specific exemption from the registration requirements of the Securities Act, but in claiming such exemption the Optionee shall, prior to any offer for sale or sale of such shares, obtain a favorable written opinion from counsel for or approved by the Company as to the availability of such exemption.

The Company may endorse an appropriate legend referring to the foregoing restriction upon the certificate or certificates representing any shares issued or transferred to the Optionee upon exercise of any option granted under the Plan and may issue "stop transfer" instructions to its transfer agent in respect of such shares.

19. Listing of Shares and Related Matters. If at any time the Board of Directors shall determine, in its sole discretion, that the listing, registration or qualification of the shares covered by the Plan upon any national securities exchange or market system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the sale or purchase of shares under the plan, no shares will be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Board of Directors.

20. Governing Law. The Plan and all options which may be granted under the Plan shall be governed by, and construed in accordance with, the laws of the State of Delaware from time to time obtaining, without regard to the principles of conflicts of laws which might otherwise apply.

18. Gender. Unless the context of the Plan otherwise requires, the masculine, feminine or neuter gender each shall include the other genders and the singular shall include the plural.

19. Effective Date of Plan. The Plan shall become effective upon approval by the affirmative vote of the holders of a majority of the Common Stock present in person or by proxy and entitled to vote at a duly called and convened meeting of such holders.

The foregoing Plan was initially approved and adopted by the Board of Directors on August 26, 2005, and was amended and restated effective May 9, 2008, and was again amended August 20, 2010.

EXHIBIT 31.1

CERTIFICATION

I, John F. Prim, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jack Henry & Associates, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter, (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information ; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 7, 2013

/s/ John F. Prim

John F. Prim

Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Kevin D. Williams, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Jack Henry & Associates, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter, (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information ; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: February 7, 2013

/s/ Kevin D. Williams

Kevin D. Williams

Chief Financial Officer

EXHIBIT 32.1

Written Statement of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Chief Executive Officer of Jack Henry & Associates, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the six-month period ended December 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 7, 2013

*/s/ John F. Prim
John F. Prim
Chief Executive Officer

*A signed original of this written statement required by Section 906 has been provided to Jack Henry & Associates, Inc. and will be retained by Jack Henry & Associates, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

Written Statement of the Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. Section 1350, I, the undersigned Chief Financial Officer of Jack Henry & Associates, Inc. (the "Company"), hereby certify that the Quarterly Report on Form 10-Q of the Company for the six month period ended December 31, 2012 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 7, 2013

*/s/ Kevin D. Williams
Kevin D. Williams
Chief Financial Officer

*A signed original of this written statement required by Section 906 has been provided to Jack Henry & Associates, Inc. and will be retained by Jack Henry & Associates, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.