

WELCOME TO DENVER FOR THE 2017 JACK HENRY & ASSOCIATES, INC.® ANALYST DAY EVENT

Jack Henry & Associates, Inc.®

2017 Analyst Day

Kevin Williams, CFO and Treasurer

May 8th, 2017

Welcome and Introductions

Forward-Looking Statement

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

Legal Disclaimer

Dates contained in this presentation or given as answers to questions during the day, are provided as estimates only and can be changed at any time at the sole discretion of Jack Henry & Associates, Inc.®

Agenda

1:00 – 1:05	Welcome	Kevin Williams, CFO
1:05 – 1:30	State of the Business	David Foss, President & CEO
1:30 – 1:55	Financial Review	Kevin Williams, CFO
1:55 – 2:20	Technology Update	Mark Forbis, CTO
2:20 – 2:45	JHA Banking	Stacey Zengel, President – Jack Henry Banking
2:45 – 3:10	Credit Union	Ted Bilke, President – Symitar
3:10 – 3:25	Break	

Agenda

3:25 – 3:50	ProfitStars	Russ Bernthal, President – ProfitStars
3:50 – 4:15	Payments	Greg Adelson, GM Payment Solutions
4:15 – 5:00	Sales & Marketing Update	Steve Tomson, GM Jack Henry Sales & Marketing
	<ul style="list-style-type: none">• Symitar	Fran Kester, Director of Sales
	<ul style="list-style-type: none">• Jack Henry Banking	Leo Mallamaci, Director of Sales
	<ul style="list-style-type: none">• ProfitStars	Bruce Krajewski, Director of Sales – Payments
	<ul style="list-style-type: none">• ProfitStars	Brian Otte, Director of Sales – Solutions
5:00 – 5:30	Final Q&A	
5:30 – 8:00	Reception and Mini Tech Fair	

CONGRATULATIONS!

Stanley J. Viner

Retiring July 1st, 2017

27 Years selling for Jack Henry & Associates, Inc.®

Detailed Product Information

www.jackhenrybanking.com

www.profitstars.com

www.symitar.com

Introduction of Associates Representing Jack Henry & Associates, Inc.®

Jack Henry & Associates, Inc.®

State of the Business

David Foss, President & CEO

May 8th, 2017

Agenda

- Recap of 2016
- Strategic Direction
- JHA Today
- Solution Overview
- Sales Performance
- FY17 Outlook
- Q&A

Company Successes in 2016

- Continued solid financial performance
 - Record revenue and earnings
 - Fortress balance sheet
- Exceptionally high customer satisfaction ratings
- Strong employee engagement ratings
- Delivered several new solutions
- Successful Corporate Leadership Transition
- Celebrated our 40th Anniversary
 - Culture Book & Special Events
 - NASDAQ Bell Ringing

jack henry

ASSOCIATES INC[®]



 Nasdaq

JKHY

NasdaqListed

Strategic Direction

- Provide core processing systems to financial institutions
- Cross sell additional solutions to these financial institutions
- Offer stand-alone solutions to banks and credit unions using competing core systems, and to selected non-financial industry organizations
- Focus on payments and online/digital channels
- Emphasize integration and superior customer service
- Make acquisitions that support the above strategies
- Pay dividends and execute share repurchases to return value to shareholders

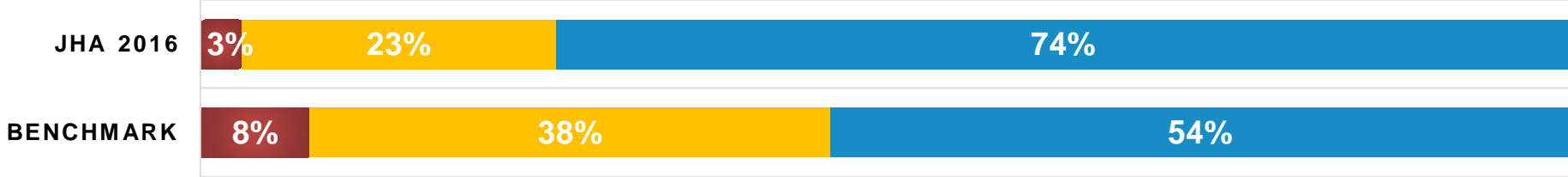
Pillars of Success

- Associates
- Customers
- Shareholders

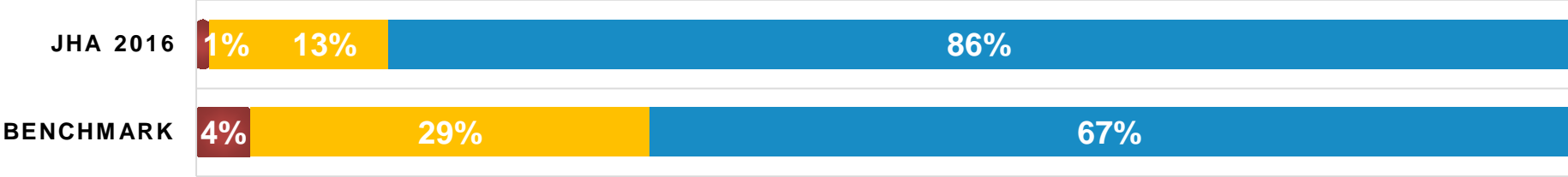


2016 Employee Engagement Survey

I am confident about the future performance of my organization.



I believe in my organization's values.



■ Bottom 2 Score
 ■ Middle 3 Score
 ■ Top 2 Score

Best Places To Work JHA 2016



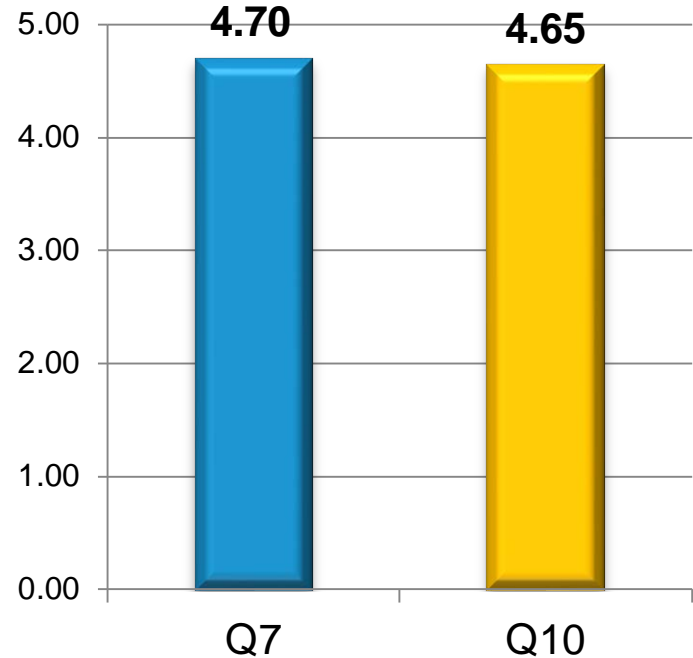
Daily Customer Satisfaction Surveys



Q7
overall rating of customer
service representative



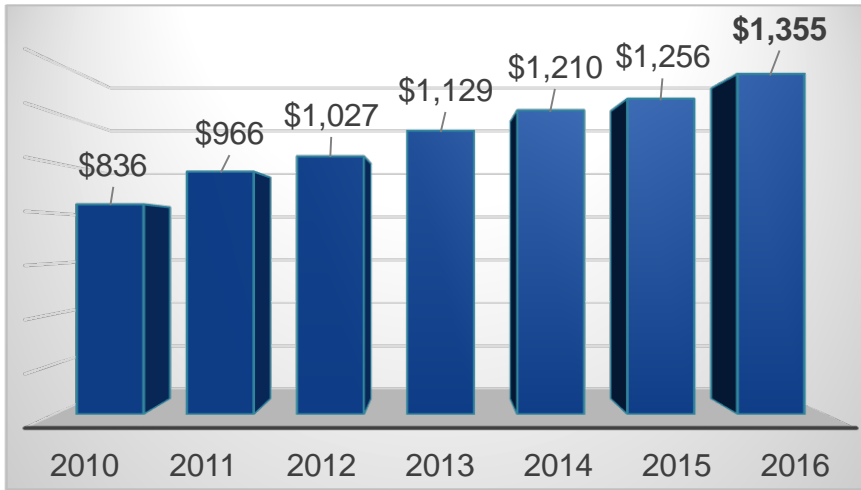
Q10
overall customer service
experience



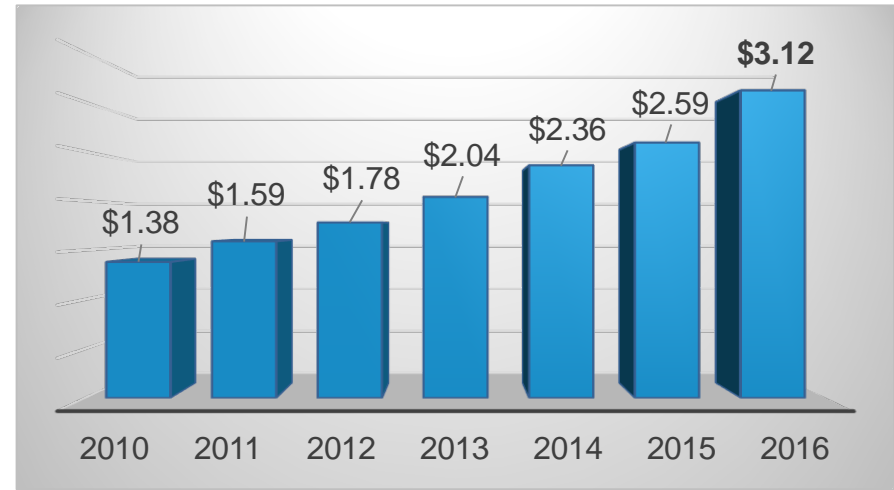
Rating Scale: 1) Unacceptable, 2) Needs improvement, 3) Met Expectations, 4) Exceeded expectations, 5) Far exceeded expectations

Revenue and EPS Comparison

Fiscal Year Ended June 30
Diluted EPS from Operations
(in millions, except for per share data)



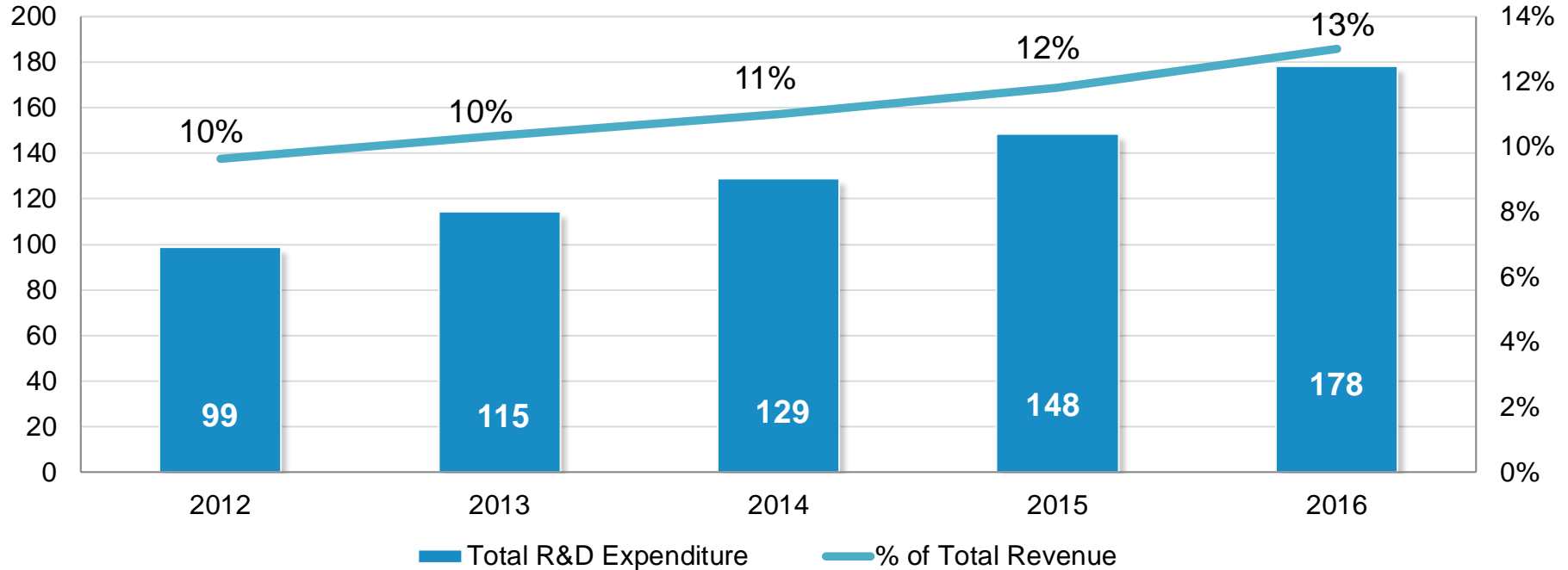
REVENUE



EPS

Investment in Technology

R&D Expenditure (in millions and as a % of total revenue)



JHA Today

~6,000
employees

~10,000
clients

38 *offices*
nationwide

5 *core*
processing
systems

JHA Payment Solutions™ processes more than
403+ million
monthly transactions representing over
\$108+ billion
per month

300+
products
and services

50+
acquisitions

51% *of our core*
clients use the
outsourced delivery model

\$1.35 billion
in revenue

jha

40
years in business

Sales Highlights Year-to-Date

- JHA Banking®
 - 22 New Core Clients - includes a couple of denovos and 20 competitive displacements of established banks
 - 36 Competitive Core wins since 1/1/16 including 6 mid-tier and 4 denovo banks
 - Our card processing solutions business is robust - on plan for Debit, Switch and Renewals
- Symitar®
 - 14 New Core Clients, all of which are competitive displacements
 - Record number of new credit unions with greater than \$1 Billion in assets
 - Our Episys in-house to outsourced migrations have easily exceeded our goal for the entire year
- ProfitStars®
 - ProfitStars® serves two audiences – JHA Banking®/Symitar® and All Others
 - ProfitStars® has added 40 new customers to JHA - never before contracted with us
 - The number of ProfitStars® solutions in our non-core ProfitStars® clients averages 2.9, up from 2.7 last year

Jack Henry Banking®

- Mergers & acquisitions continue at a steady pace
- Continued success with our “Win-a-Merger” strategy
- We are continuing to roll out our Xperience framework as a new release to all JHA core customers
- New Treasury Management Solution in beta
- Call Center Services Suite Growing
- Several new solutions live
- Great recognition for JHA strategy by analysts

Core Banking Target Market Stability

Assets	2016	2015	Change	%
\$0 - 49M	570	633	-63	-10%
\$50 - 99M	972	1,135	-163	-14%
\$100 - 500M	2,975	3,226	-251	-8%
\$500 - 999M	663	674	-11	-2%
\$1.0 – 10B	627	601	+26	+4%
\$10B – 50B	74	67	+7	+10%
Total	5,881	6,336	-455	-7%

FDIC 12.31.15 to 12.31.16

Symitar[®]

- Set a new record with 6 competitive takeaways over \$1 billion in assets in a single year
- Continue to grow market share in the >\$1 billion asset market
 - Last year reported 40% of CUs over \$1B, edged over 42% this year
 - Market share 40% of all credit unions over \$250 million in assets
- Crossing major delivery milestones with several components of the Episys Technology Evolution strategy
- Continued record add-on sales of our complementary products into the Symitar[®] base

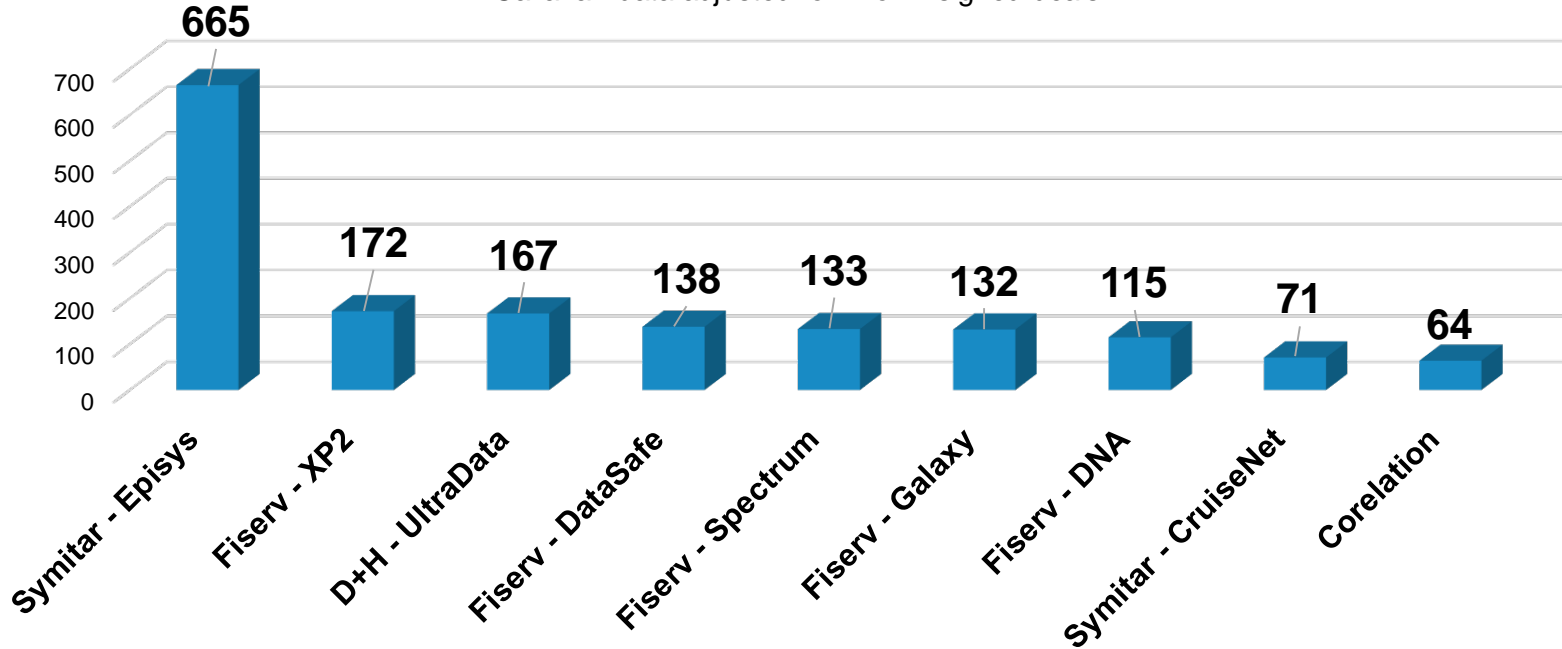
Core Credit Union Target Market Stability

Assets	2016	2015	Change	%
\$0-\$49M	3,578	3,849	-271	-7%
\$50-\$99M	746	745	1	0%
\$100-\$499M	1,074	1,062	12	1%
\$500-\$999M	236	238	-2	-1%
\$1.0-\$10B	269	248	21	8%
\$10B +	6	5	1	20%
Total	5,909	6,147	-238	-4%

Source: Callahan 12-31-15 to 12-31-16

Credit Union Platform Landscape

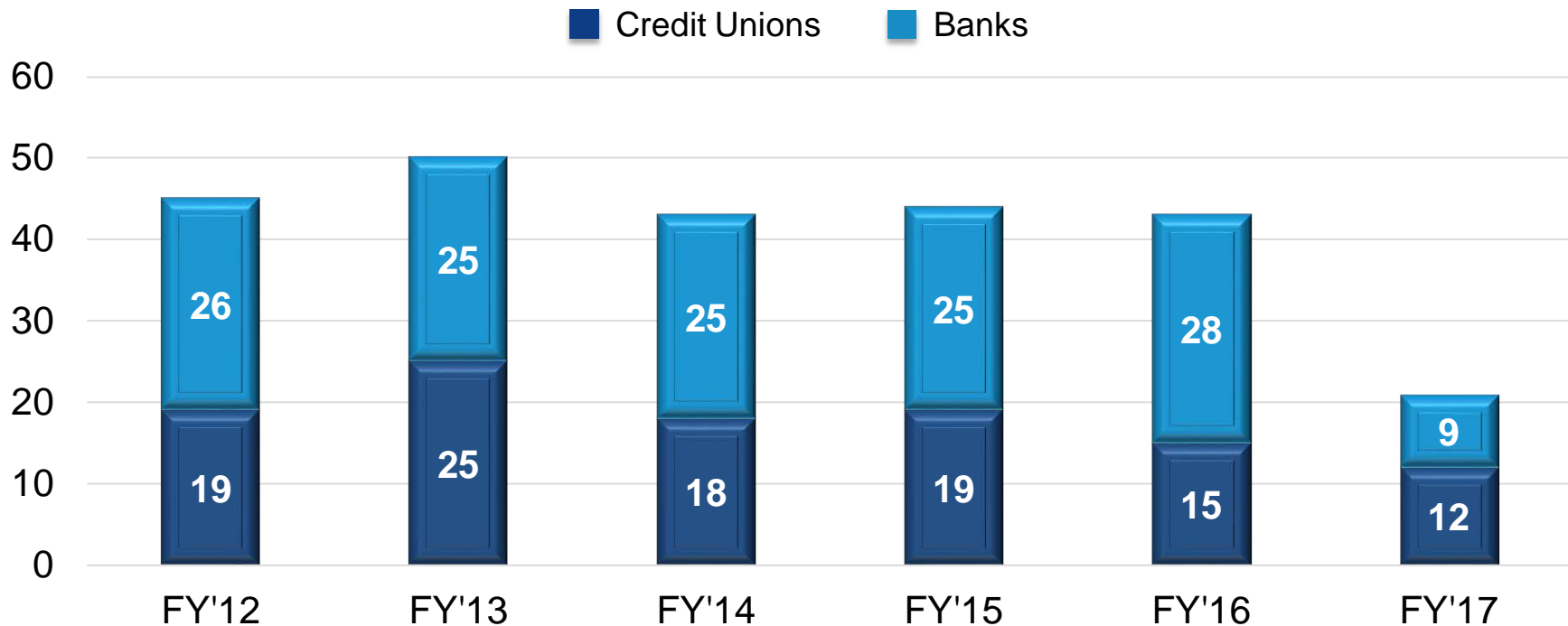
Credit Unions larger than \$20M
Callahan data adjusted for known signed deals



As of 12/31/2016; Source: Callahan as currently reported by the NCUA



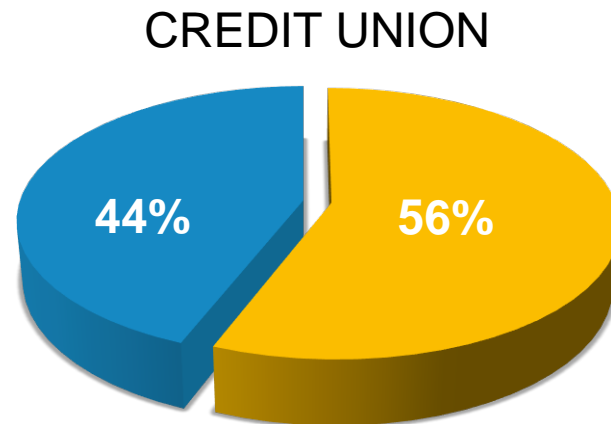
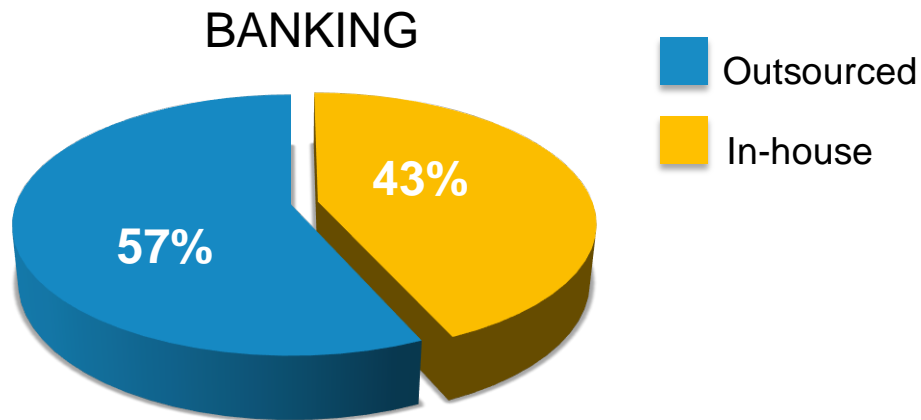
In-to-Out Sales



(As of March 2016)



In-to-out Opportunity



Increase total revenue



Increase recurring revenue



Multi-year contracts



JHA Payment Solutions™

17% of JHA
employee base

34% of
*YTD FY17
JHA revenue*

10.5%

*annual same-store
transaction growth*

5,700+
FI clients

\$108B+
*monthly
processed volume*

403M+ *monthly
transactions*

jha

Key Payments Initiatives

- **JHA Payments Hub** - Provide payment functionality as the central switch between client FIs and the faster payments networks.
 - B2B, P2P, and C2B are initial use cases through The Clearing House and ZelleSM networks
 - Goals include having at least one active use case by Q1 CY2018
- **Faster P2P Settlement** – Developing and executing on strategies to enhance and expedite P2P payments.
 - Added Visa and MC debit card option for recipient to receive funds directly on card
 - Developing integration with ZelleSM network to provide near real-time capabilities
- **Card Processing Platform Consolidation** – Immediate ability to include credit processing for banks and sell card services outside JHA core base.
 - Partnership agreements signed and public announcement made
 - Plan calls for new client implementations to commence in Q1 CY2018






Mobile/Digital Strategy

- Banno Digital Platform
 - Acquired Banno in March, 2014
 - Industry leading mobile/digital solution
 - Solution for online and mobile channels, marketing and managing customers/members via the tools in the platform
 - Complete solution can also include the FI's website and the digital content shared across the web
 - 187 total installs (130 outside of our core base)
 - 54 installed so far in FY17

Hosted Network Solutions (HNS)

- Progressing as planned...
 - 57 customers signed and 37 live
 - Continuing to see about half of our customers add additional servers post-implementation
 - \$7.8MM Annual Recurring Revenue

FY'18 Outlook

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

NASDAQ: JKHY



NASDAQ: JKHY

Thank you.

Jack Henry & Associates, Inc.®

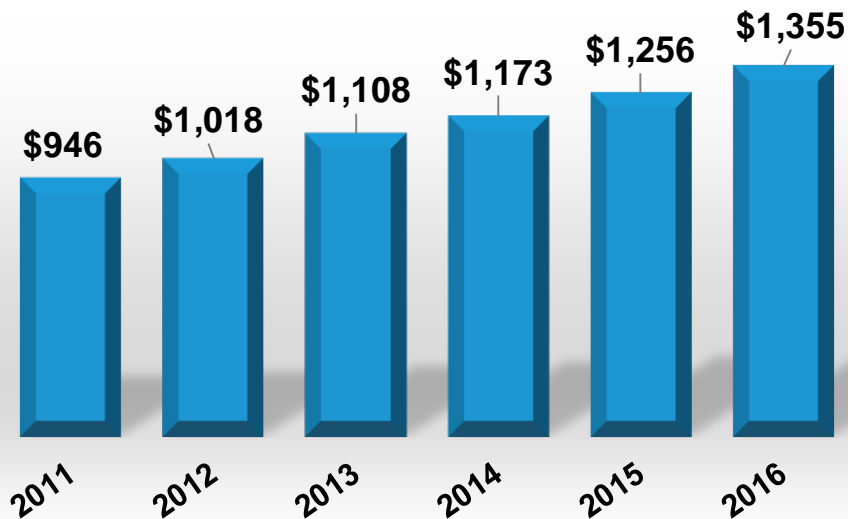
2017 Analyst Day

Kevin D. Williams, CFO and Treasurer

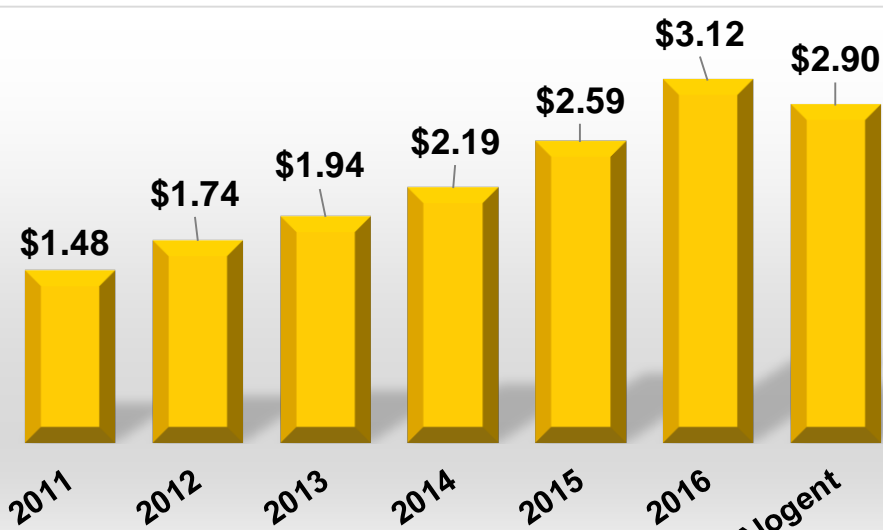
Revenue and EPS Comparison

(in millions, except per share data)

FISCAL YEAR ENDED JUNE 30



REVENUE

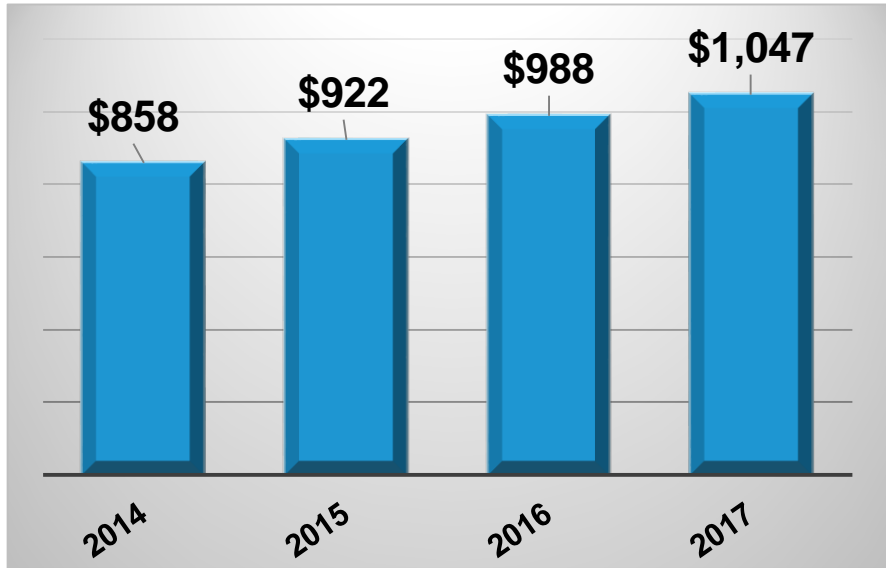


EPS

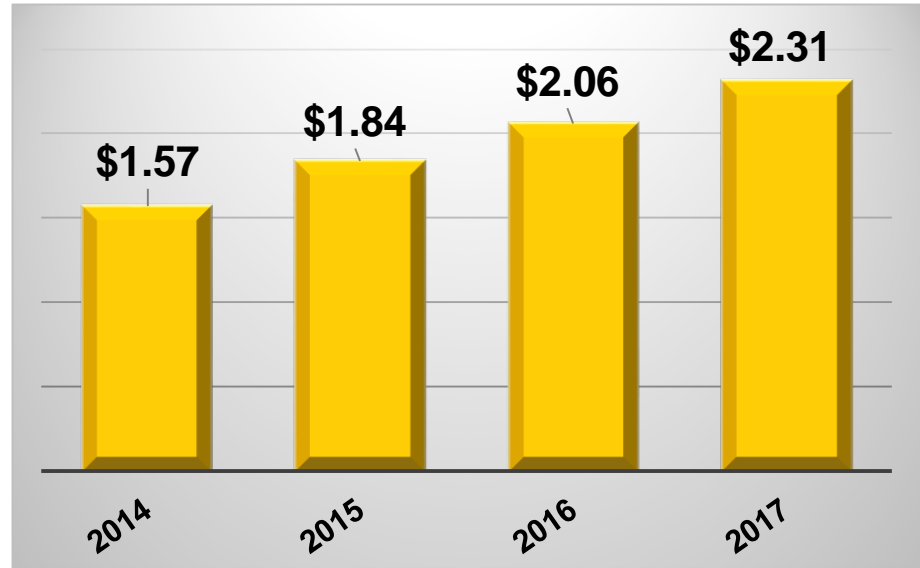
Revenue and EPS Comparison

(in millions, except per share data)

Year to Date March 31



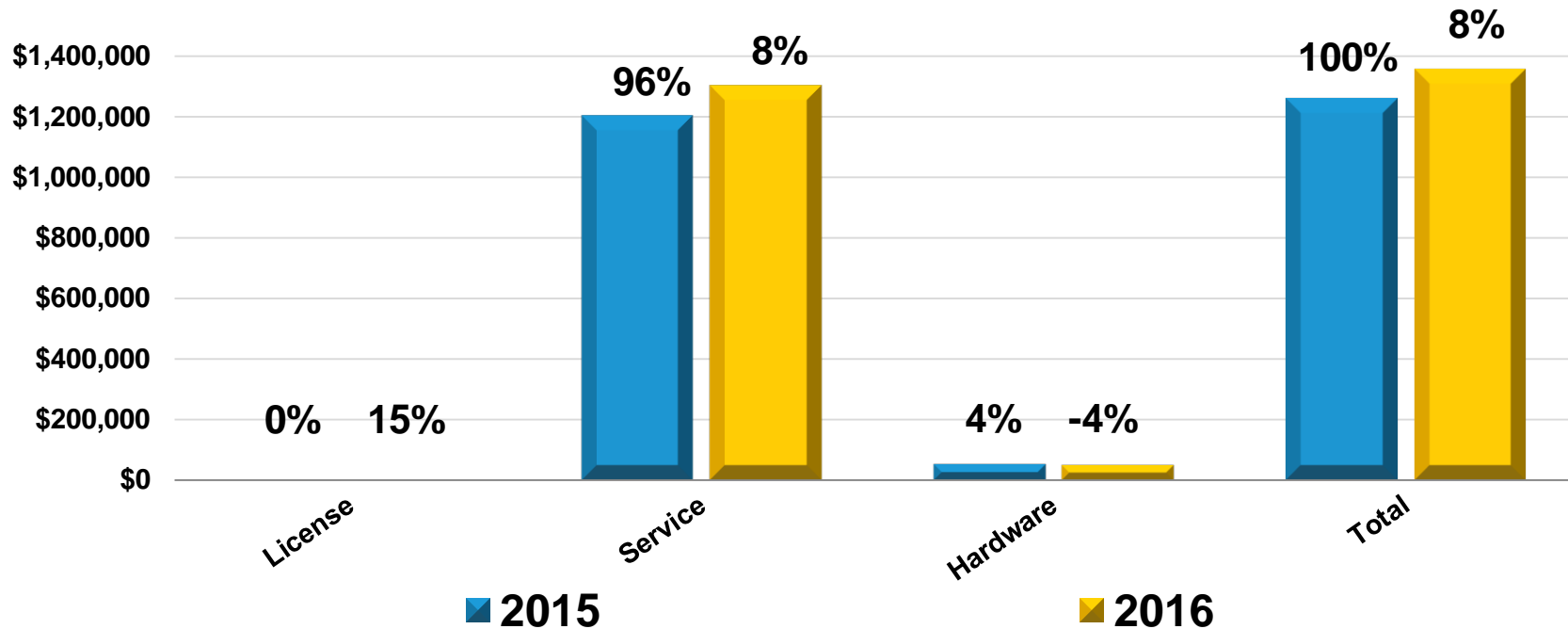
REVENUE



EPS

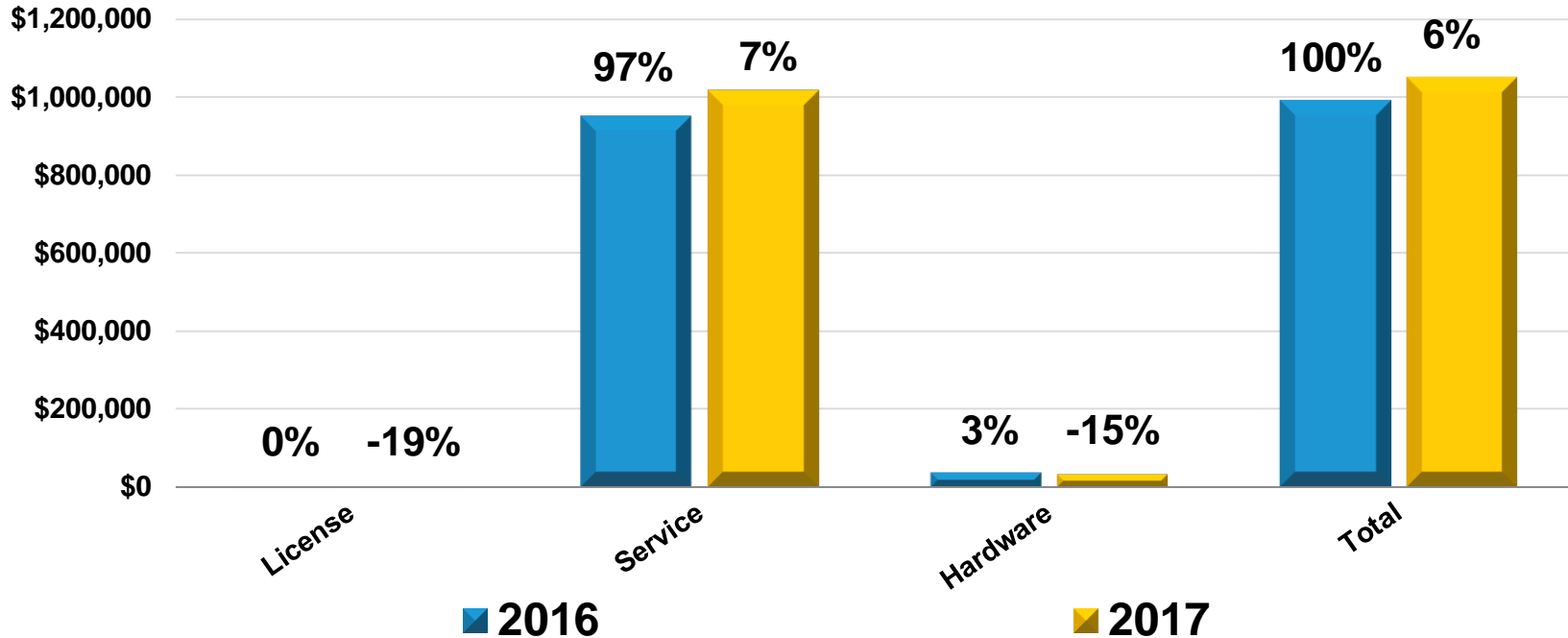
Total Revenue Fiscal 2016

(Percentage of Total Revenue; Year over Year Growth)
(in thousands)



Total Revenue YTD 2017

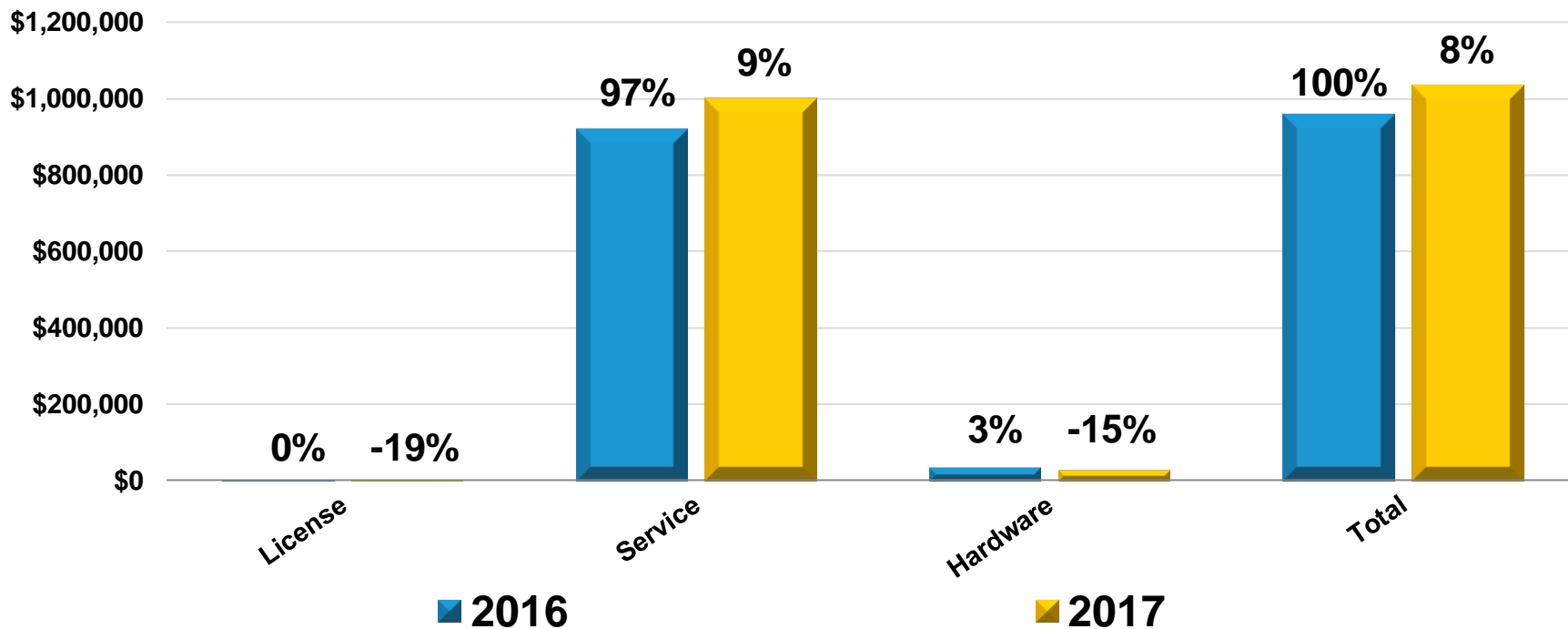
(Percentage of Total Revenue; Year over Year Growth)
(in thousands)



Revenue YTD 2017 Net of Deconversion and Alogent

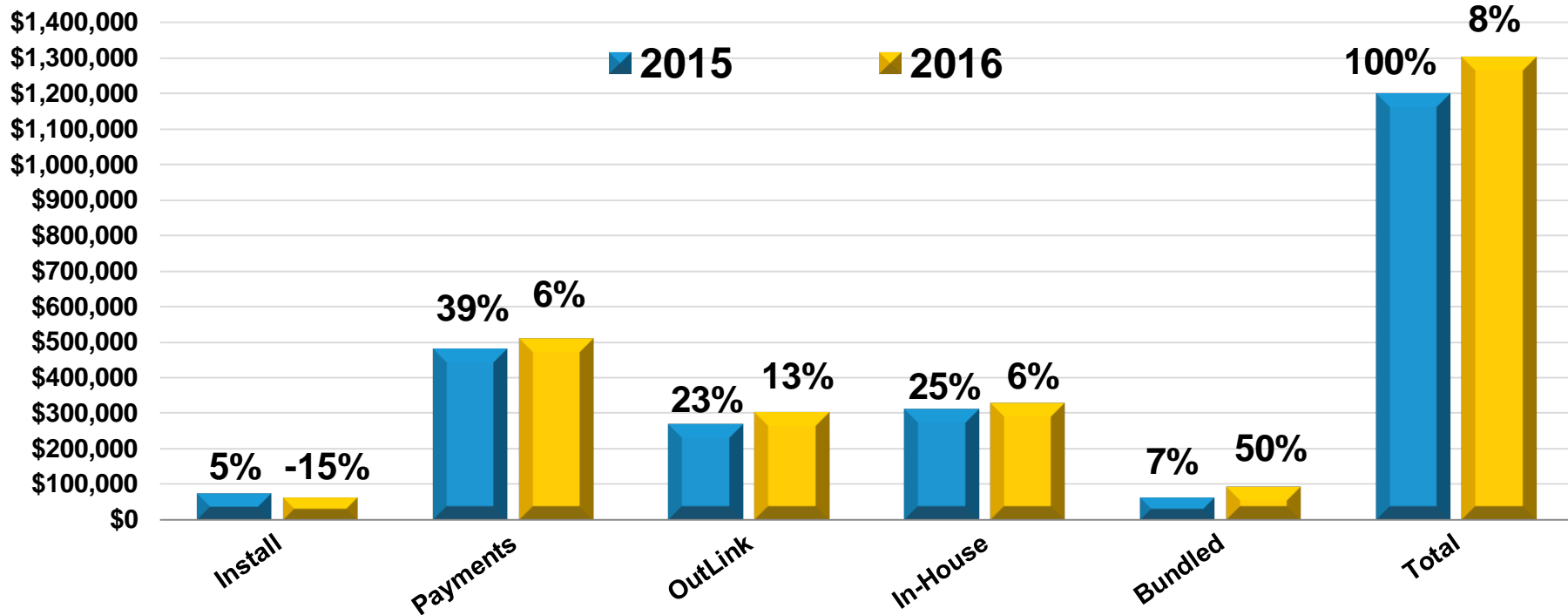
(Percentage of Total Revenue; Year over Year Growth)

(in thousands)



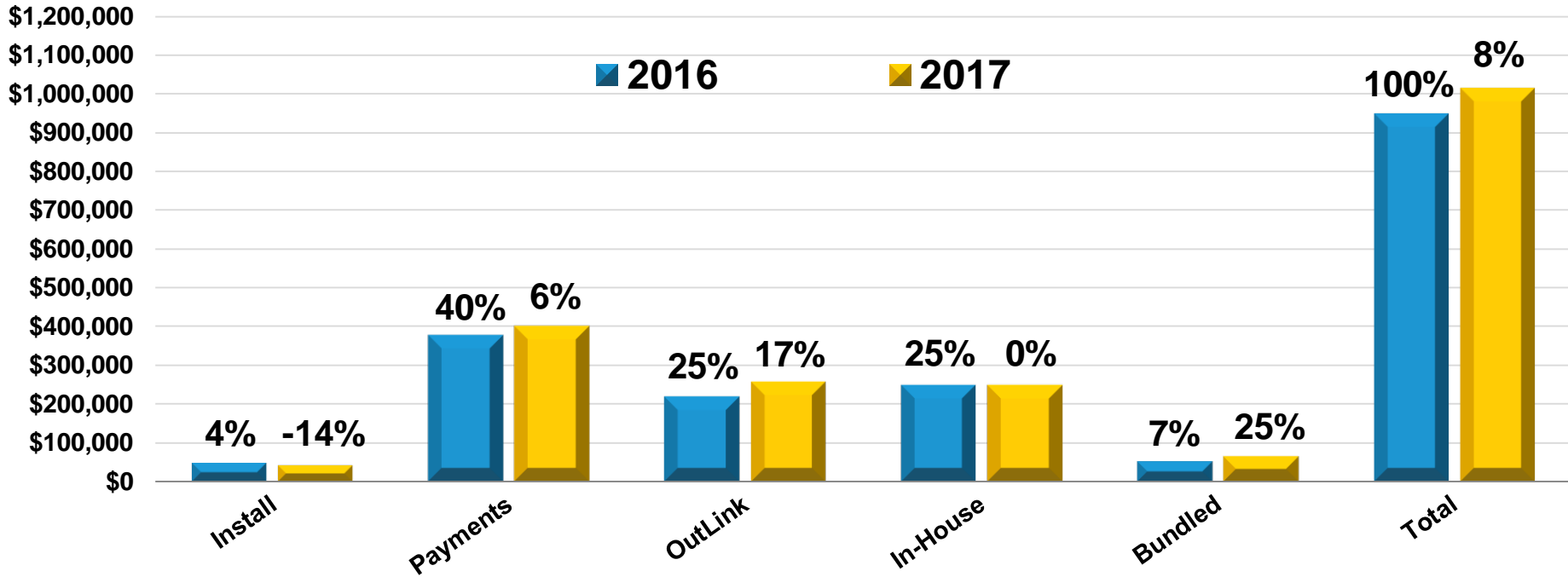
Support and Services Revenue FY'16

(Percentage of Support & Services Revenue; Year over Year Growth)
(in thousands)



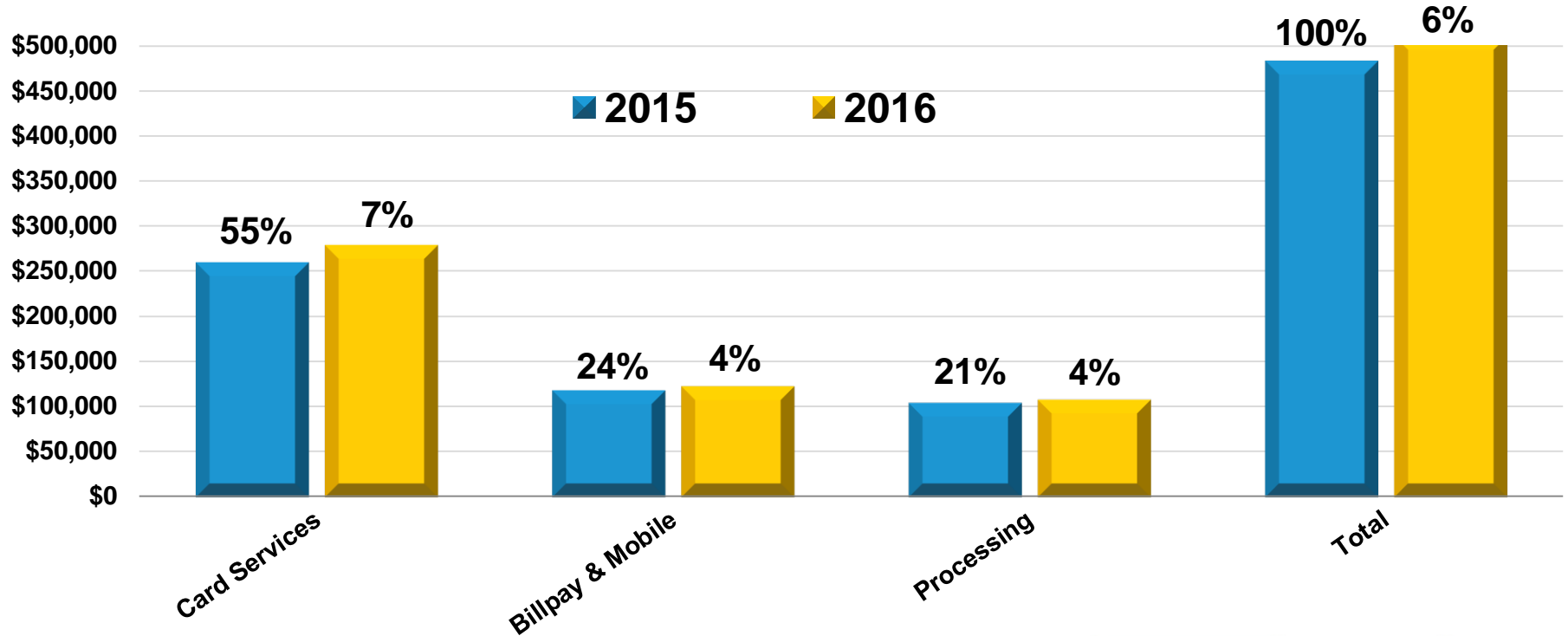
Support and Services Revenue YTD FY'17

(Percentage of Support & Services Revenue; Year over Year Growth)
(in thousands)



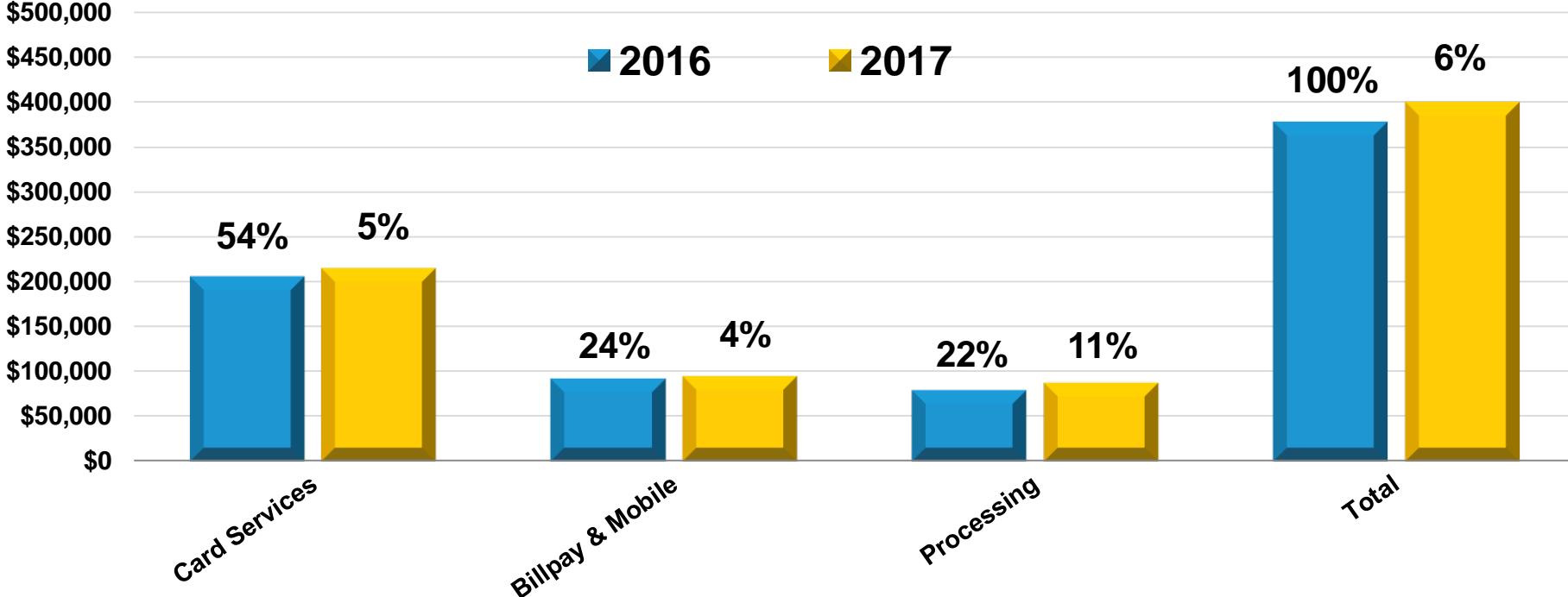
Electronic Payments Revenue FY'16

(Percentage of Electronic Payment Revenue; Year over Year Growth)
(in thousands)

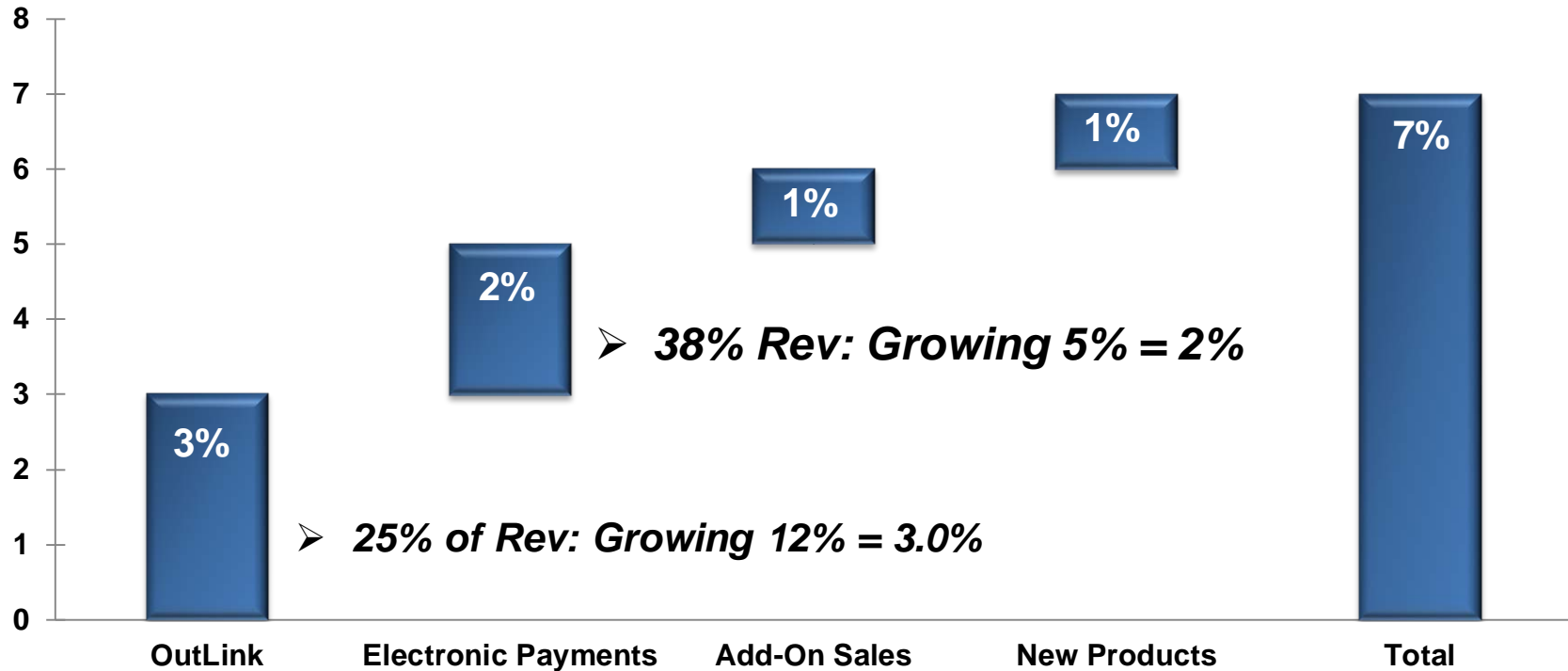


Electronic Payments Revenue YTD FY'17

(Percentage of Electronic Payment Revenue; Year over Year Growth)
(in thousands)

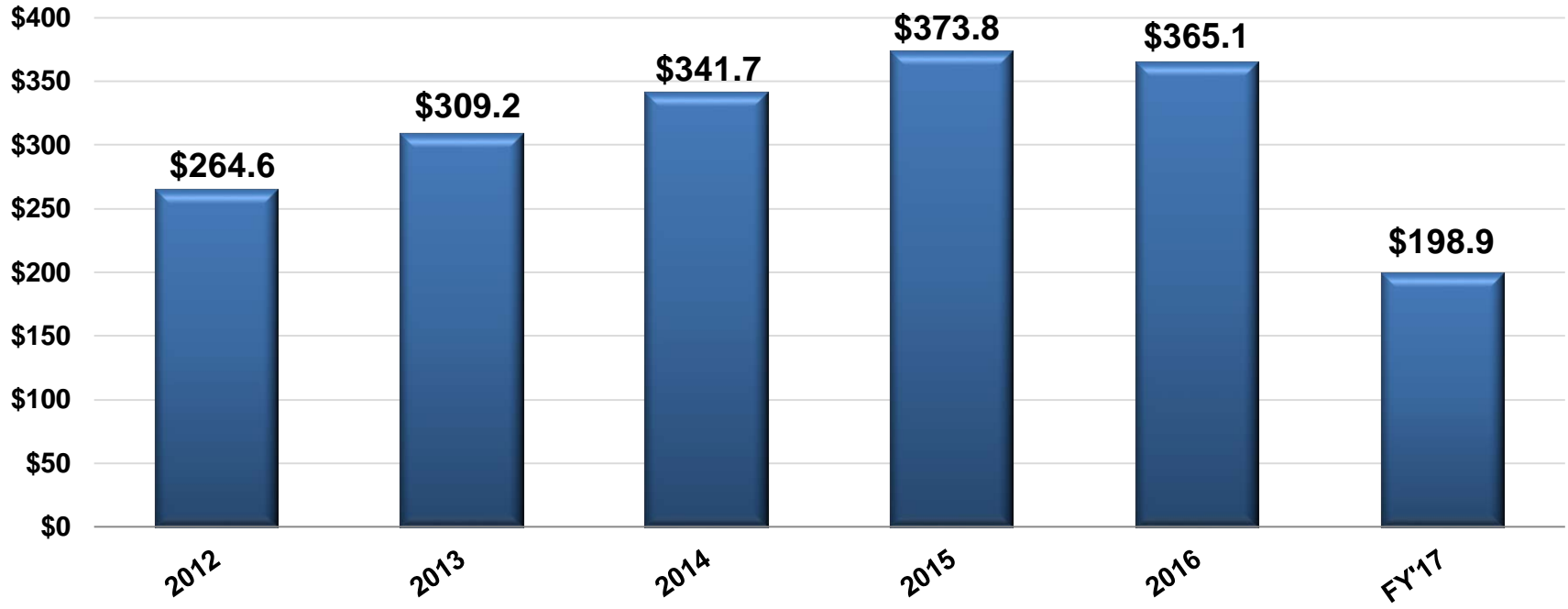


Projected Revenue Growth Drivers In a Typical Year



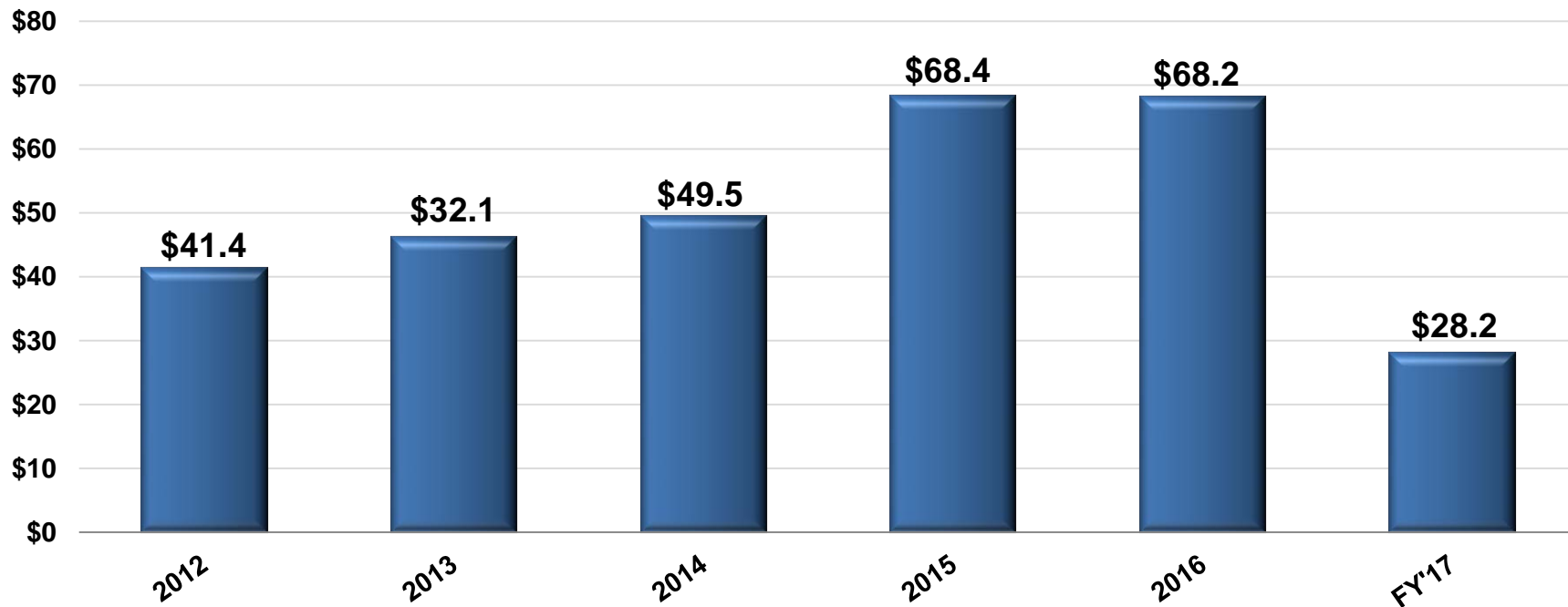
Operating Cash Flow

(in millions)



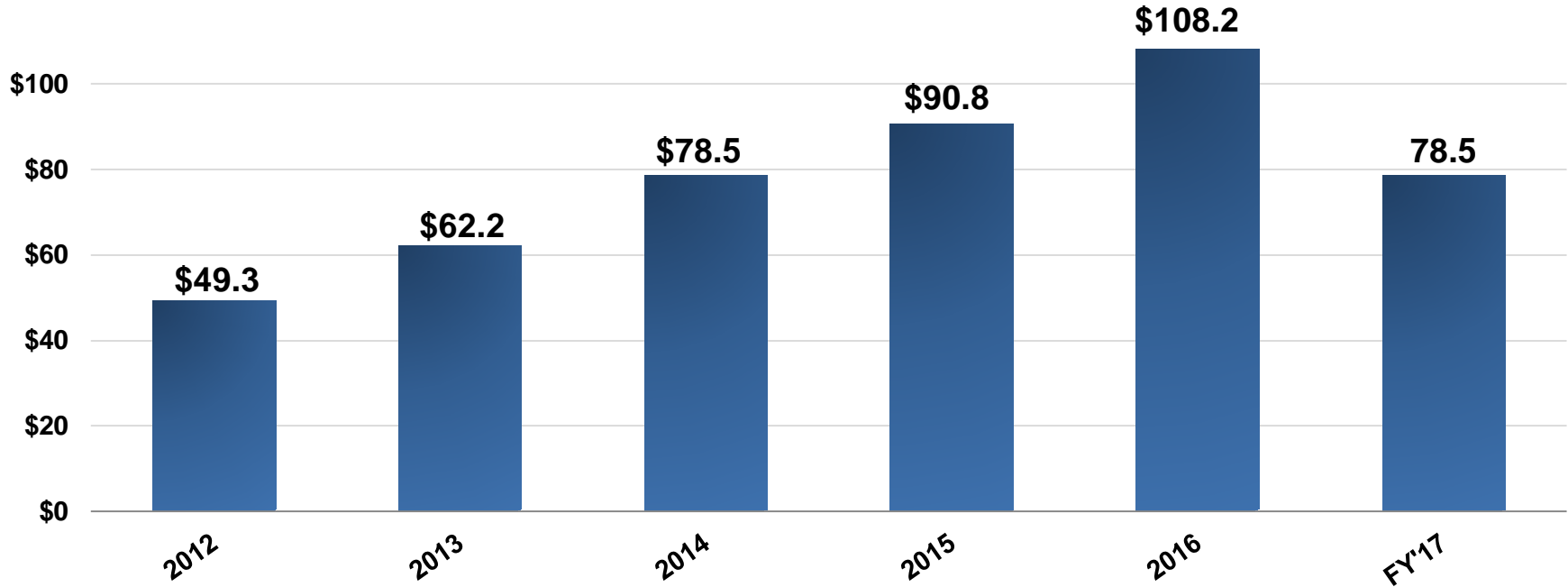
Capital Expenditures

(in millions)



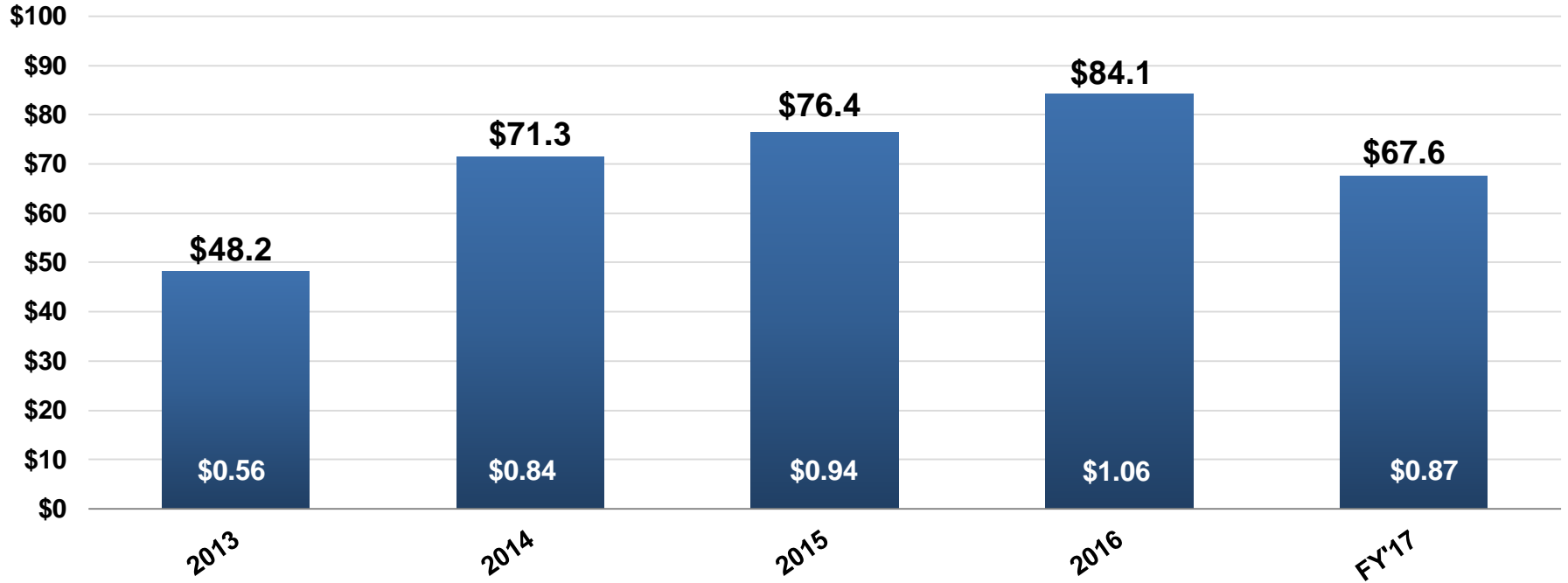
Capitalized Software

(in millions)



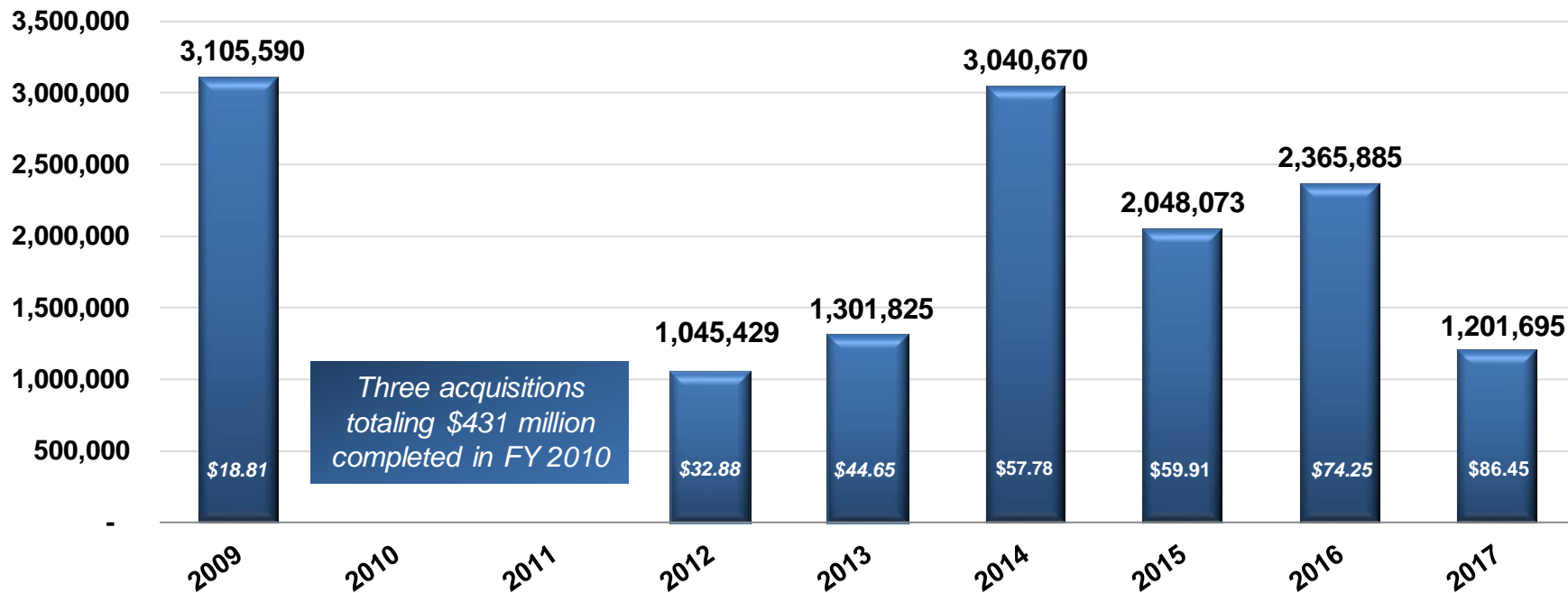
Dividends Paid

(in millions except per share amount)



Share Repurchases

(Number of Shares and Average Price Per Share)



Aggregate Share Repurchased: 25,410,212 for \$980.0 Million, Average Price of \$38.57

Select Financial Metrics

		2012	2013	2014	2015	2016	FY'17
Current Ratio		0.95	1.05	0.87	1.11	0.97	1.11
Return on Assets		9.2%	10.1%	11.1%	12.0%	13.6%	15.2%
Return on Equity		16.2%	17.2%	18.8%	21.6%	25.0%	26.4%

NASDAQ: JKHY



NASDAQ: JKHY

Thanks for joining us and for
investing in JKHY!

Jack Henry & Associates, Inc.®

2017 Analyst Day

Mark Forbis, VP & Chief Technology Officer

May 8, 2017

Agenda

- Digital focus
- Enterprise Risk Mitigation Solutions
- Data project
- Enterprise and Integration initiatives
- Questions

Digital focus

- NetTeller
 - User Interface update roll-out
 - Continued feature updates
 - Commercial Cash Management product success
 - *New* Treasury Management Product BETA success
- goDough
 - User Interface update generally available (GA) now
- Banno – Mobile, Online, Web, Monitor, People, Marketing
 - Product maturity, Team maturity, Integration maturity

Enterprise Risk Mitigation Solutions

- Exciting partnership w/SAS Institute – Cary, NC
- Exclusivity agreement for hosting Financial Institutions up to \$30 Billion in assets
- Anti-Money Laundering (AML) module going to BETA this summer
- eFraud, Fraud, Card Services & Currency Transaction Reporting (CTR) modules to follow

Data

- We have to solve the age-old question of how to improve our plan to better leverage this data via modern tools
- How to get Data into and out of our Data ‘Lake’ – leverage the data for our products, for our FIs, provide it to our FI customers, Peer analysis, leverage it for JHA as well
- Machine Learning, Artificial Intelligence, Business Intelligence, Data Visualization
 - Key to being successful with ‘bots’ – Chat, Alexa, Google home, etc.
- Answers without questions
- Feeds to JHAKnow /ARCU (warehouse and reporting products), feeds to CRM, Payment, Digital, and Fraud solutions, etc.

Enterprise and Integration Projects

- Enterprise Multi-Factor Authentication (MFA)
 - in production
- Consumer Identity Management (CIMS)
 - wrapping up development, planning for adoption
- Enterprise Eventing
 - in production and adoption
- Enterprise Notification
 - in production and adoption
- Enterprise Integration Competency Center
 - process improvement, more formality, better visibility

NASDAQ: JKHY



NASDAQ: JKHY

Thank you.

Jack Henry & Associates, Inc.®

2017 Analyst Day

Stacey Zengel, President of Jack Henry Banking

May 8, 2017

jack henry Banking®

A DIVISION OF JACK HENRY & ASSOCIATES INC®

jack henry Banking®

A DIVISION OF JACK HENRY & ASSOCIATES INC®



1,200
BANKS

Primary technology partner for approximately 1,200 banks ranging from community banks to multi-billion dollar banks and multi-bank holding companies



22%
MULTI-BILLION

Supports approximately 22% of multi-billion banks with assets up to \$50 billion



140
SOLUTIONS

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



**DELIVERY
OPTIONS**

*In-House and
Outsourced*



COMPETITIVE CORE SYSTEMS

We've replaced every major competitive alternative marketed today.

The Banking Market

- M&A / market consolidation / charter collapses continuing
- Denovo's re-emerging but different than pre-2008
- Interest rates seem to be ever so slightly on the increase
- Loans seem to be “returning to normal” in most areas nationally
- Banks are increasing the use of analytics to better understand their customers
- Fraudsters have moved way beyond “catch me if you can” triggering the needs for new technologies
- Banks are re-evaluating their branch footprints and configurations
- Banks are correspondingly evaluating their consumer interface

Our Banking Solutions

- Making Excellent Progress / Creating Opportunities
 - Digital channel products (Banno, Branch Anywhere)
 - Back office customer conversion (Xperience)
 - Platform roll-out (OnBoard)
 - Commercial Cash Management (Treasury Management)
 - Commercial Lending (Commercial Lending Center)
 - CECL (Financial Performance Suite)
 - Fraud Related Solutions (Card Services)

Our Key Initiatives

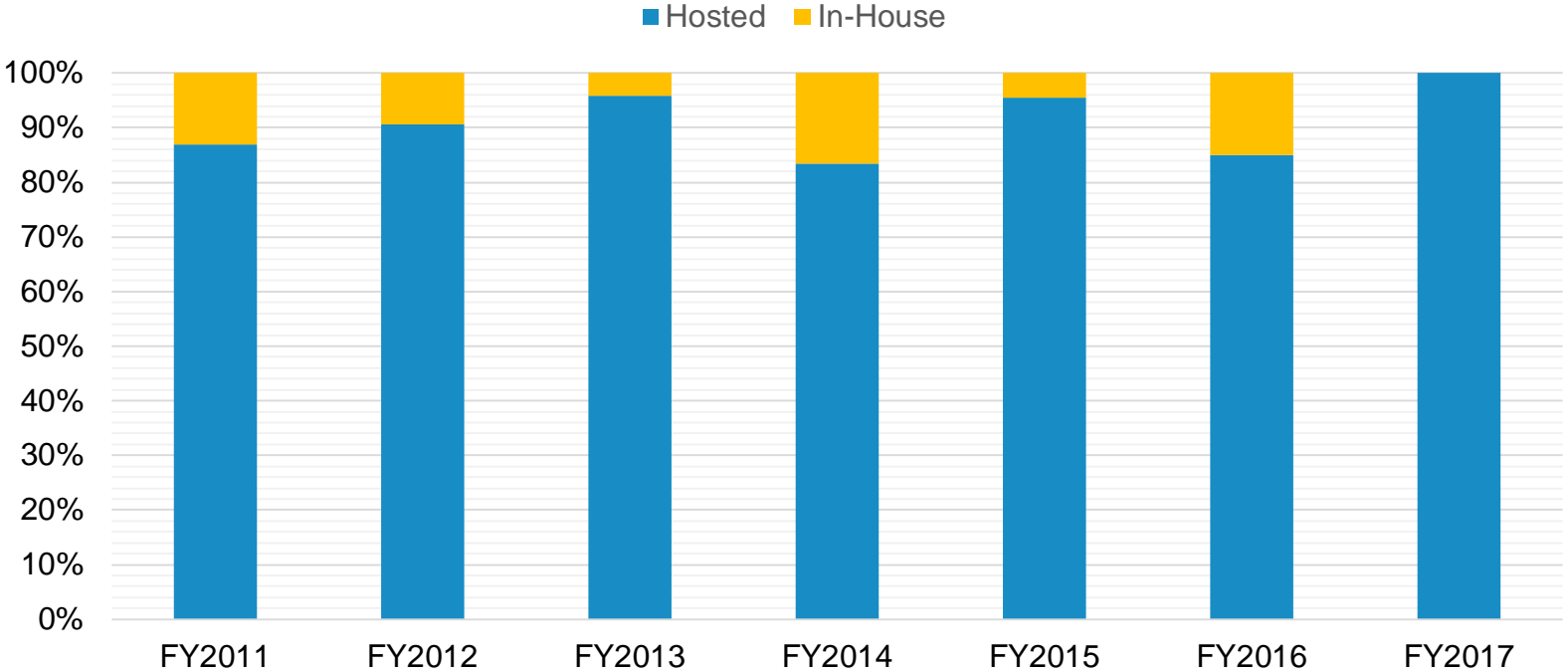
- Digital (Banno, Branch Anywhere)
- Cash Management rollout
- Commercial Lending / Account Analysis / Wires
- Disaster Avoidance Improvements in OutLink
- Faster Payments initiatives
- OnBoard platform roll-out
- Call Center growth
- Process Improvement = Cost Savings
- Risk (ERMS integration)
- Xperience roll-out

Strategic Multi-Billion Market Segment

Asset Range	U.S. Banks
\$1 – \$50 Billion	669
Year	JHA Customers
2001	26
2016	147

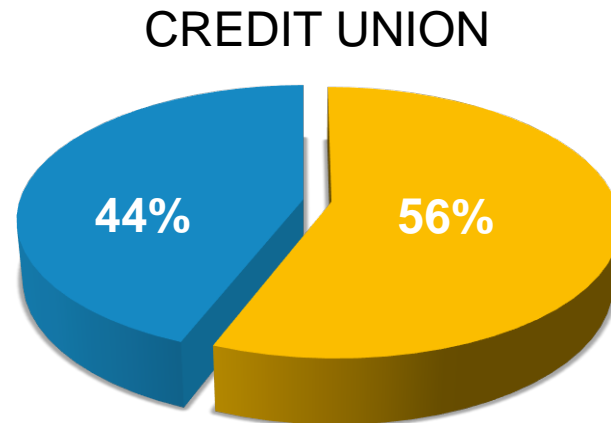
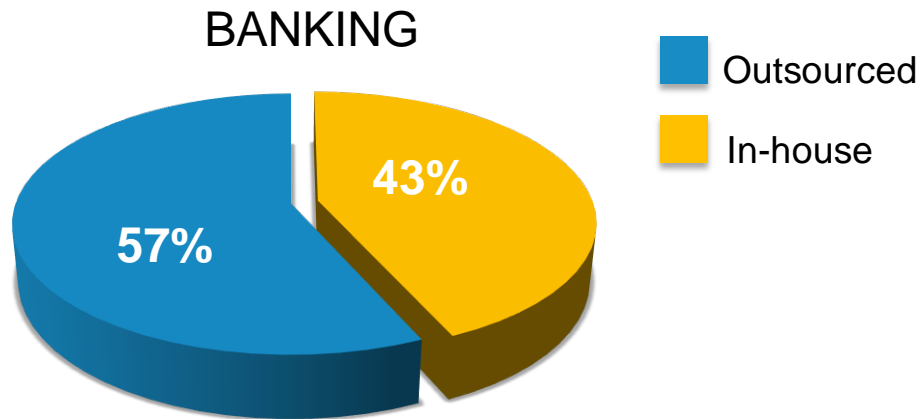
~ 22% of Multi-Billion Banks

Banking New Core Sales by Hosting Preference





In-to-out Opportunity



Increase total revenue



Increase recurring revenue



Multi-year contracts

Summary

- Continued success in a competitive market
- We continue to expand our multi-billion dollar bank presence
- Outsourcing continues to be a key growth area for JKHY
- Our initiatives that are underway will:
 - Enhance the customer experience
 - Enhance our customer's customers experience
 - Make banking simpler and more efficient for our customers
 - Increasing their satisfaction with our solutions
 - Helping us drive new business

NASDAQ: JKHY



NASDAQ: JKHY

Thank you.

Jack Henry & Associates, Inc.®

2017 Analyst Day

Ted Bilke, President Symitar

May 8, 2017



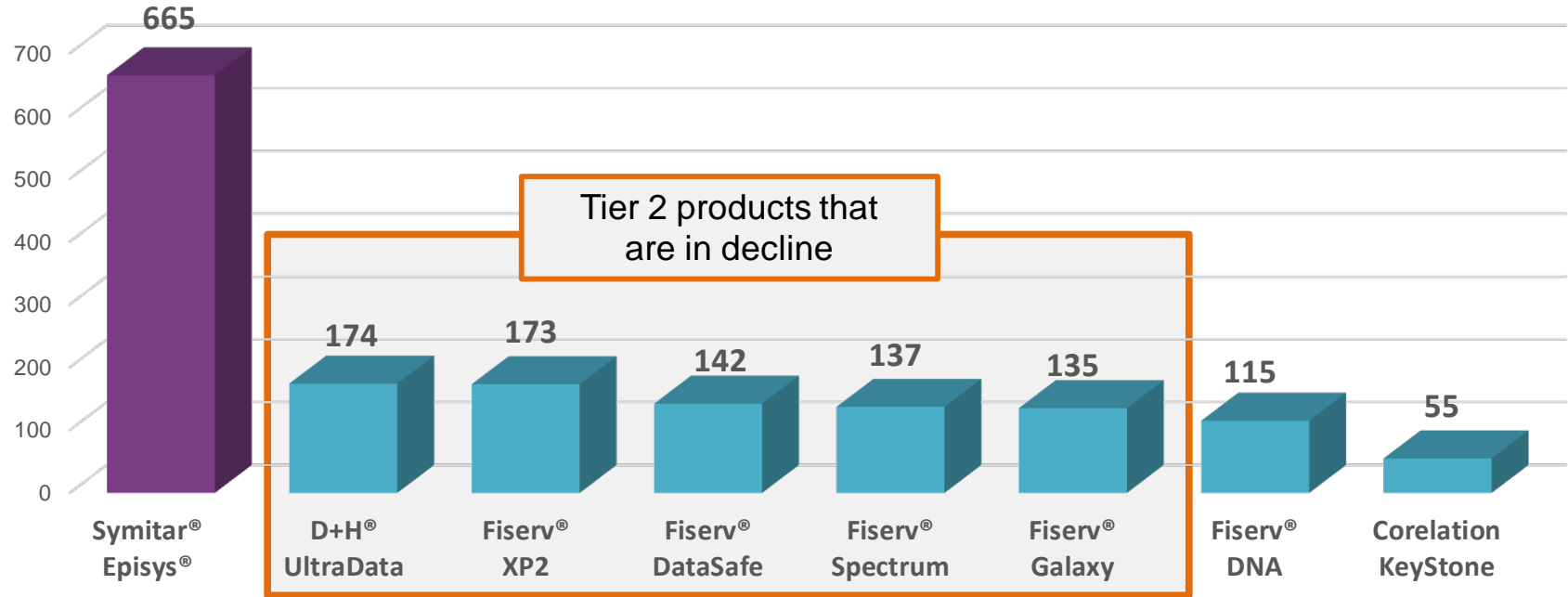
Agenda

- Credit union platform landscape
- Direction and focus
- Service excellence
- Technology evolution update
- It's all about the integration

Credit Union Platform Landscape

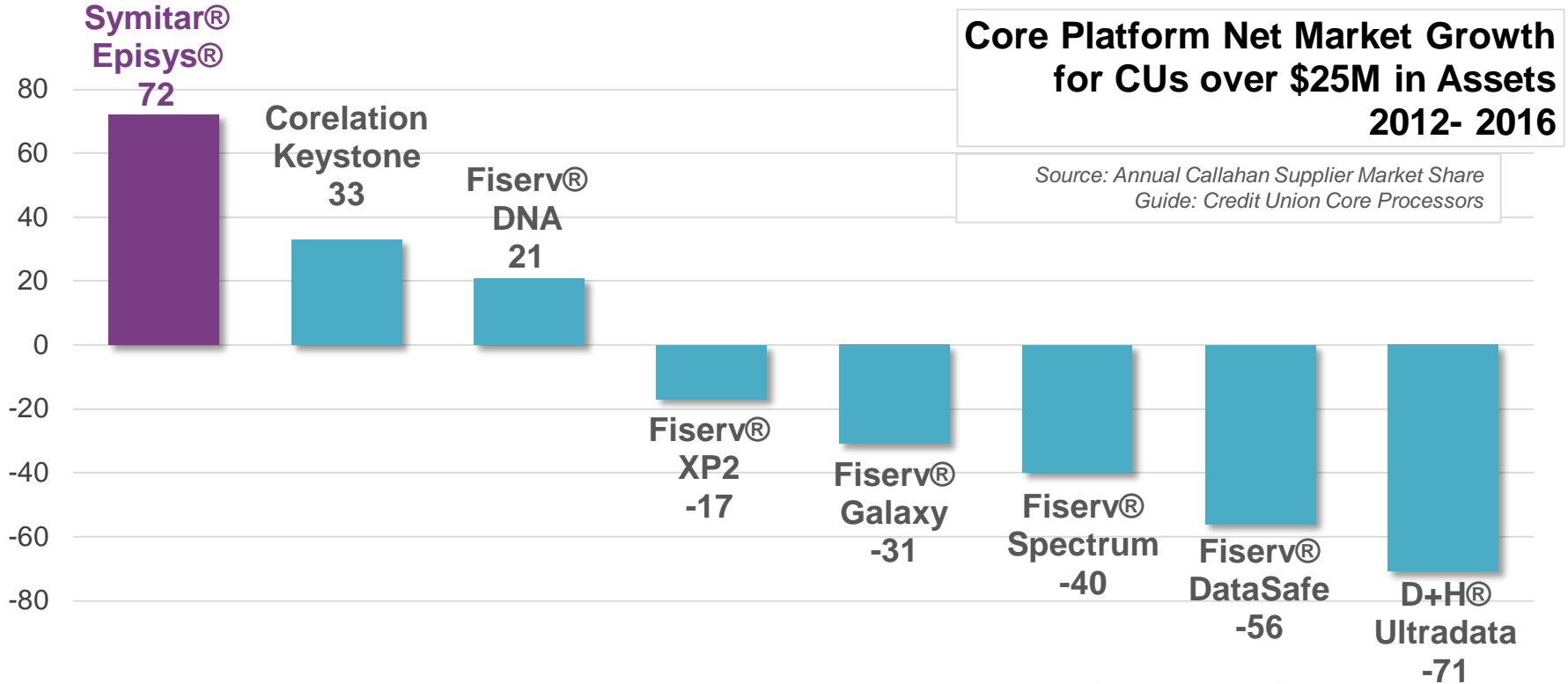
Credit Union Platform Landscape

Credit unions over \$20M
Callahan data adjusted for known signed deals

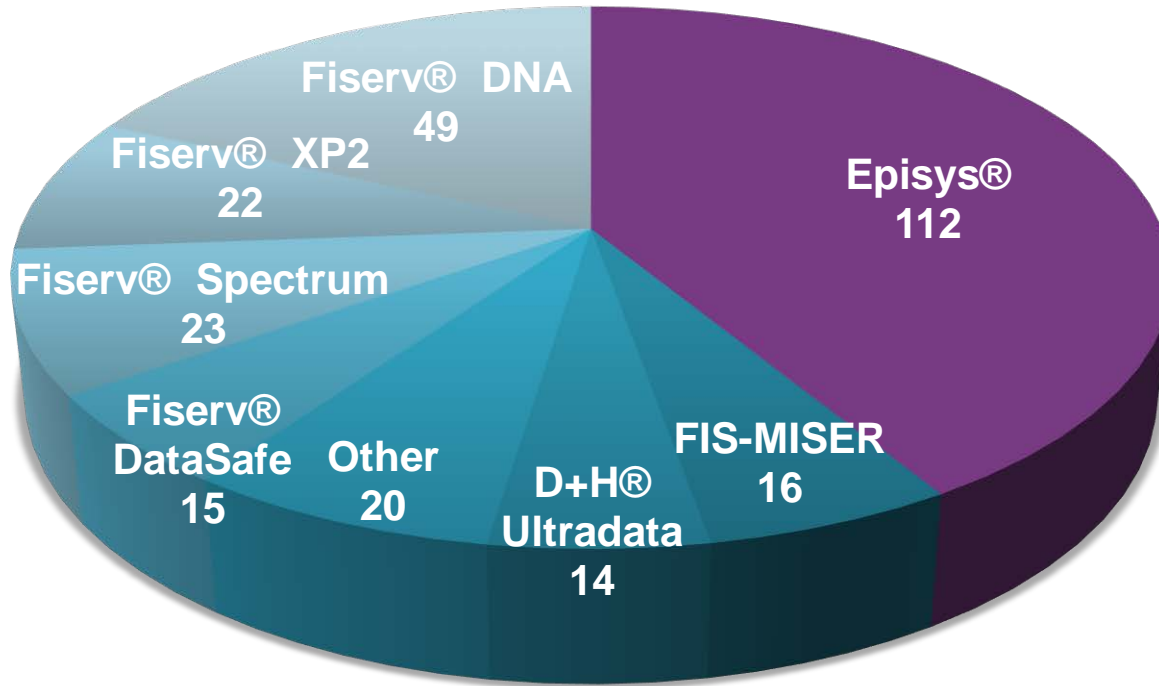


Source: Callahan as currently reported by the NCUA as of 9/30/2016

“Net” Client Change by Vendor



The Billion-Dollar Credit Union Market



as of 9/30/2016; Source: Callahan as currently reported by the NCUA

Direction and Focus

Symitar Direction and Focus

- Two core platforms: Episys® and Cruise®
 - Excellent technical support
 - Quality implementations
 - Tight integration with JHA & ProfitStars® products
 - Open easy integration of third-party products
 - High-value new products and services
 - Continued year-over-year R&D investment
- 

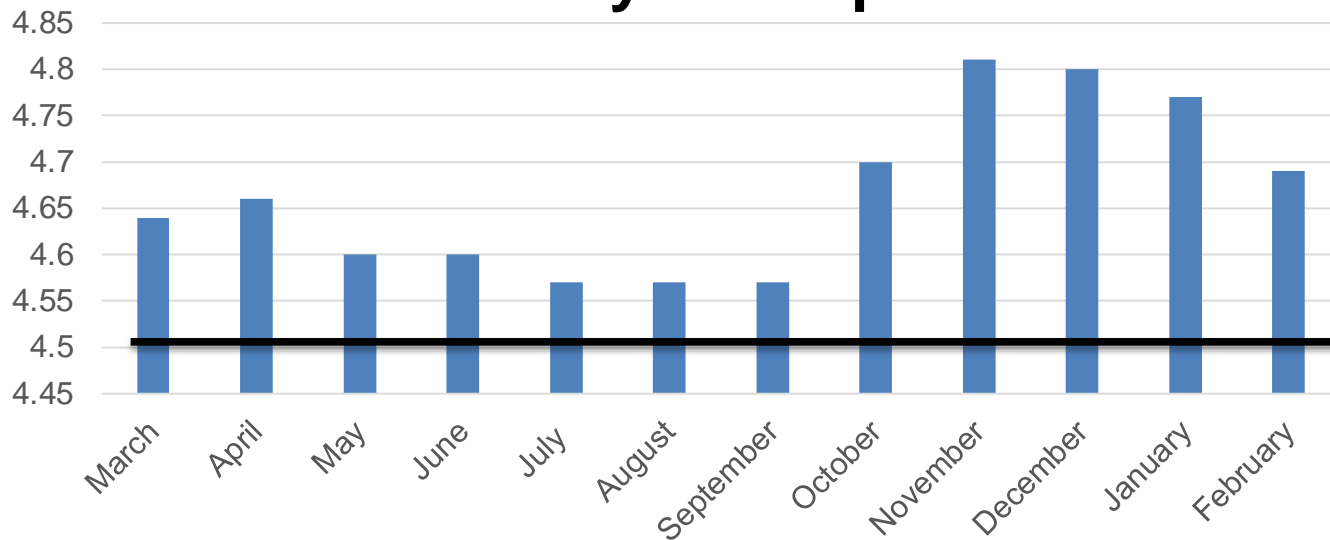
Symitar® Sales and Service Strategy

- Continue to win competitive platform takeaways
- Add-on sales with current customers
- Help our customers achieve operational efficiencies
- Bundled solutions to maximize value for our customers
- *Powered by Episys®* (pick your delivery option)
- Continued focus on customer retention

Service Excellence

Episys Excellent Service

Last year's update



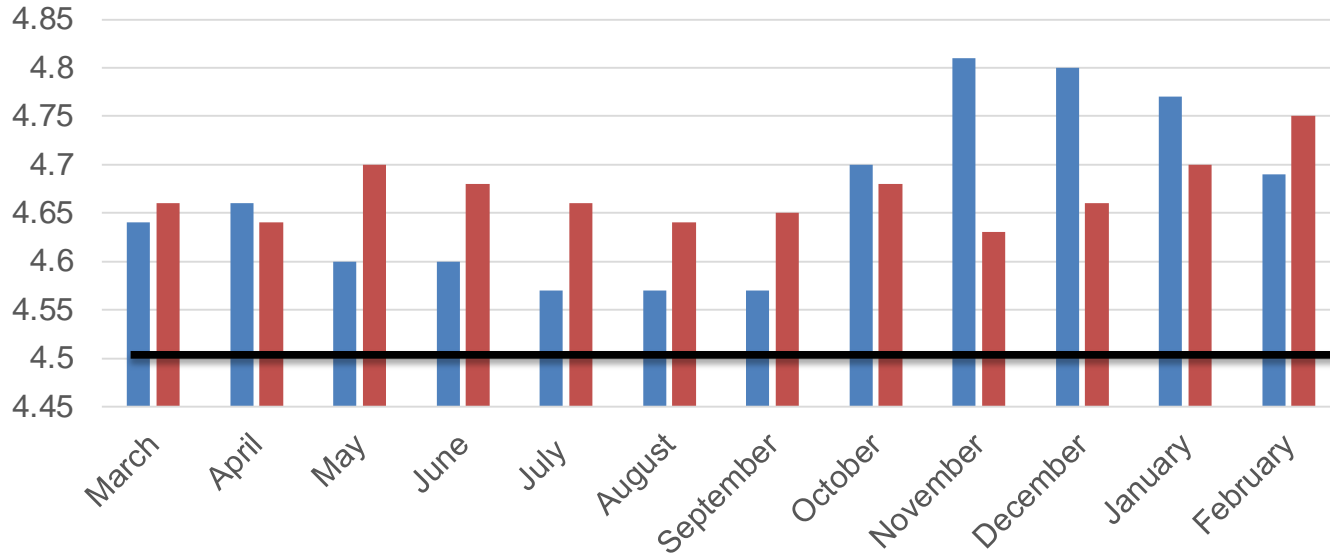
Rating Scale:

- 1 = Unacceptable
- 2 = Needs Improvement
- 3 = Met Expectations
- 4 = Exceeded Expectations
- 5 = Far Exceeded Expectations

Corporate target: 4.5

Episys Excellent Service

March thru February – 24 months



Rating Scale:	
1 = Unacceptable	
2 = Needs Improvement	
3 = Met Expectations	
4 = Exceeded Expectations	
5 = Far Exceeded Expectations	

Corporate target: 4.5

Technology Evolution Update

Episys Technology Vision

- Workflow driven user interface
- Services architecture with open API
- Multiple database options
- Self-service “do it yourself” tools enabling customization
- Scalable, secure and always available



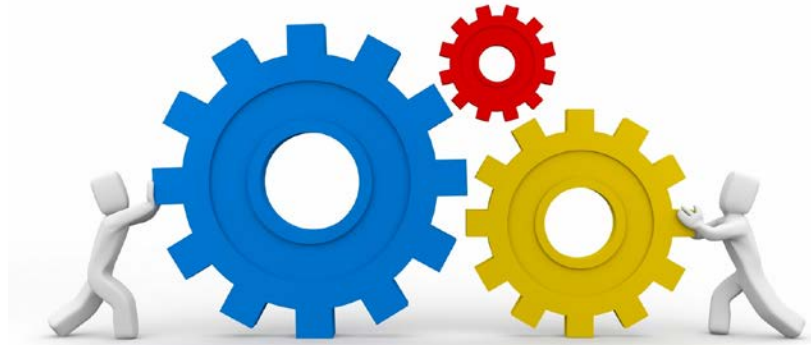
QUEST

GO BOLD

It's all about INTEGRATION!

Integrated solutions

- Banno Mobile
- JHA Enterprise Workflow
- JHA Call Center
- JHA Enterprise Notification System (ENS)
- Enterprise Risk Mitigation Solution (ERMS)
- CECL (Current Expected Credit Loss model)
- Faster Payments



NASDAQ: JKHY



NASDAQ: JKHY

Thank you.

Jack Henry & Associates, Inc.®

2017 Analyst Day

Russ Bernthal, President

ProfitStars®

May 8, 2017

Agenda

- ProfitStars® Overview
- Few solutions & initiatives highlights
- Questions?

ProfitStars®

- Maintaining a high level of customer service



- Enhance and support customer performance
- FIs of all asset sizes
- Any core processing system
- Diverse corporate entities

- Uses an independent sales team
- Reseller partnerships



- Seek out and absorb additional acquired companies

ProfitStars®

2006
Year founded

~9,500
clients

15 *of the top 50
banks are PS
clients*

80+
*core processing
systems*

~850
*Core JHA
Banking clients*

100+
*products
and services*

20+
acquisitions

Range of Industries *Insurance
Healthcare
Utilities Transportation*

~600
*Core Symitar
clients*

~400
\$1Billion+ Banks **~220**
\$1Billion+ Credit Unions

2.9 *Average
products/customer*

ProfitStars® Offers

Financial Performance

- Asset/Liability Management
- Budgeting, Loan & Deposit Pricing Profitability
- A/R Financing
- Commercial Lending Solutions

Imaging

- Enterprise Content Management
- Enterprise Conversion Services
- Check Imaging
- Branch/Teller Capture
- ATM Deposit Management
- Deposit Fraud Detection
- Remittance Solutions

JHA Payment Solutions™

- Enterprise Payment Solutions™
- Bill Payment Solutions
- Deposit Automation
- ATM Management

Information Security & Risk Management

- Business Continuity & Disaster Recovery
- Enterprise Security Monitoring
- Managed IT Services
- Hosted Network Solutions

Online & Mobile

- Consumer & Business Bill Pay
- Mobile Banking
- P2P
- Website Design/Hosting
- Mobile Websites

Retail Delivery

- CRM Solutions

Highlighted ProfitStars® Solutions

Financial Performance Suite

Provides banking and credit union software and consulting solutions to assist in managing financial performance via:

- Asset Liability Management
- Budgeting
- Profitability
- Pricing
- Dashboard
- **CECL**

Differentiators

- Hosted offering
- Common ETL, data, calculations, and UI with full integration
- Core-agnostic
- Cloud-based
- Hands-on product consulting
- Board presentations

CECL (Current Expected Credit Loss)

New Product

- Regulatory requirement that plays across core/non-core – bank/credit union
- Built on Financial Performance Suite (FPS) platform – quickly bringing new Financial Performance products to market
- CECL DataStore & Validation – Available today
- CECL Analysis & Reporting – Target Fall 2017

Gladiator®

Information Security & Risk Management

Provide managed services, enterprise network solutions, and IT regulatory compliance solutions to financial institutions via:

- **Hosted Network Solutions™ (HNS)**
- CoreDEFENSE Managed Security Services™
- Managed IT Services™ (MITS)
- IT regulatory compliance solutions
- Network installations
- Help desk services
- Enterprise Security Monitoring™ (Fraud Monitoring)
- Hosted IP telephony
- Email spam & virus filtering
- Email encryption
- Security consulting
- **Virtual Information Security Officer (vISO)**

Differentiators

- Breadth of advanced threat protection suite of services
- Highly skilled security, technology, and compliance team
- One-stop shop for security, technology, and compliance needs
- Leader in FI threat intelligence solutions
- Financial industry–focused and FFIEC–regulated

Gladiator Hosted Network Solutions™

- Hosted Network Solutions™ (HNS)
 - Cloud-based infrastructure-as-a-service solution that allows customers to eliminate the need for in-house servers and storage
 - Allows the FI to offload the ownership and management of their infrastructure
 - Allows IT to focus on strategic initiatives
 - Eliminates CapEx for initial infrastructure and future refreshes
 - Add on services:
 - Managed IT Services™ (MITS)
 - CoreDEFENSE Managed Security Services™
 - Help Desk

**Hosted Network
Solutions™**
Number of servers running
1200+

Virtual Information Security Officer (vISO)

New Product

- Complements customer's Information Security officer
- Provide expertise and guidance regarding customer IT governance program assessing their maturity level
- Bundles and expands on what we do today providing a suite of services
- Participate in committee/board meetings if desired

Lending Solutions

Financial Performance

Provides commercial lending solutions to financial institutions via:

- Online customer facing portal providing an efficient paperless online loan request and workflow
- Commercial loan management system with unique Asset Based Lending (ABL) products including Healthcare and Inventory
- FactorSoft®, the industry's leading factoring platform
- BusinessManager®, a highly specialized accounts receivable lending tool

Differentiators

- Largest software company in the factoring arena
- A leader in online lending, healthcare accounts and receivable solutions
- Access to Alternative Lenders

Core Integration with CLC (Commercial Lending Center)

New Capability

- Platform for all of our commercial lending offerings
- Enables near real-time data sharing between systems during the lending process
- Helps FIs meet growing regulator requirements to manage risk through technology automation
- 1st release JHA Banking cores – Available today

What's Important to ProfitStars® in 2017?



ProfitStars[®] Summary

- Diverse product set
- Successful reseller partnerships contribute to our performance
- Independent sales team focused on mining existing core and non-JHA core relationships
- Strategically positioned to seek out and absorb additional acquired companies
- Steadfast focus on attaining high levels of customer satisfaction that's consistent with Symitar[®] and Jack Henry Banking[®]

NASDAQ: JKHY



NASDAQ: JKHY

Thank you.

Jack Henry & Associates, Inc.®

2017 Analyst Day

Greg Adelson, GM JHA Payment Solutions

May 8, 2017

Agenda

- Introduction and Background
- Payment Solutions Overview and Strategic Goals
- Key Payment Initiatives for FY18
- Faster Payments Update

Introduction and Background

- Over 20 years in financial services and electronic payments
- Executive positions with industry leaders in key e-payment verticals:
 - POS check verification and credit card acceptance (NPC, now BofA)
 - Pre-paid card issuing and processing (FSV, now US Bank)
 - Remittance processing/lockbox (Regulus, now Transcentra)
 - Biller Direct (ChoicePay, now ACI)
- JHA tenure started July 2011 as group president of iPay Solutions™
- Promoted to GM, JHA Payment Solutions in July 2014
- Reside in Louisville, KY

JHA Payment Solutions™



CPS

Card Processing
Solutions™

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



EPS

Enterprise Payment
Solutions™

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



iPay Solutions™

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

JHA Payment Solutions™

IMPACT AT JHA

17% of JHA
employee base

34% of
YTD FY17
JHA revenue

10.5%

annual same-store
transaction growth

5,700+
FI clients

\$108B+
monthly
processed volume

403M+ monthly
transactions

jha

JHA Payment Solutions™ - Strategic Goals

- 
- 1. Ensure our clients, regardless of size, have equal access to superior payment capabilities with the goal to generate additional non-interest income.
 - 2. Provide intuitive, engaging solutions delivered with a superior user experience and 'on time' development execution.
 - 3. Deliver consistent implementation and service experience for shared clients exceeding JHA survey standards for excellence.
 - 4. Embrace co-opetition and partnerships for the betterment of the payment ecosystem.
 - 5. Build efficiency, effectiveness and scale through constant evaluation of processes and procedures.
 - 6. Develop, acquire, partner to create best of breed payment solution suite.

Top Three Payment Initiatives

JHA Payments Hub

Provide payment functionality as the central switch between client FIs and the faster payments networks

- B2B, P2P, and C2B are initial use cases through The Clearing House and ZelleSM networks
- Goals include having at least one active use case by Q1 CY2018 (subject to partner timelines as well)

Faster P2P Settlement

Developing and executing on strategies to enhance and expedite P2P payments

- Added Visa and MC debit card option for recipient to receive funds directly on card
- Developing integration with ZelleSM network to provide near real-time capabilities

Card Processing Platform Consolidation

Immediate ability to include credit processing for banks and sell card services outside JHA core base

- Partnership agreements signed and public announcement made
- Plan calls for new client implementations to commence in Q1 CY2018

Other Key Initiatives in Progress

- **Fraud Mitigation** – enhancements and new products to continue to improve cardholder experience and fraud mitigation for our FI issuers
- **Full Bill Detail** – more than 400 billers accessible via pdf with immediate access to past history and all other enclosures included by biller that month
- **Biller Direct** – complements consolidator model (iPay) and addresses small business client market with a non-interest fee income opportunity for FI
- **Voice Enabled Bill Pay** – ability to pay bills/people and add payees with devices powered by artificial intelligence (e.g., Amazon Alexa)
- **Mobile RDA Enhancements** – focused effort to enhance risk management and workflow (e.g., velocity, geo-location tagging, UI enhancements)

Faster Payments Update







The Clearing House's Near Real-Time Payments Initiative

TCH is building an industrial strength clearing and settlement system to support Near Real-Time Payments for the US

- Ability to send and receive payments 24/7 directly from their accounts at financial institutions; funds availability within seconds of payment initiation
- Designed as the 'safer payment option' while providing payment status information to both originators and receivers
- Supports the sending/receiving of data and non-payment messages to enable the development of innovative products and services by financial institutions
- Payment is irrevocable and currently limited to \$25,000 max; can request return of a payment through defined process

TCH Example Use Cases

BUSINESS TO PERSON		<ul style="list-style-type: none">• Temporary employee wages• Emergency payroll• Urgent B2C (e.g., disaster relief)
PERSON TO PERSON		<ul style="list-style-type: none">• Non-commerce payments (e.g. rent payment to a roommate, emergency funds for a family member)• Urgent Account-to-Account transfers (e.g. to fund investments or purchases)• Informal services (e.g., babysitting, lawn care)
PERSON TO BUSINESS		<ul style="list-style-type: none">• Immediate bill payments with acknowledgment• Some e-commerce purchases
BUSINESS TO BUSINESS		<ul style="list-style-type: none">• Just in time payments to suppliers• Immediate bill payments with acknowledgment

P2P via the ZelleSM Network

- ZelleSM is a consumer branded P2P network using social aliases (mobile number and email address)
- Consumers with accounts at participating financial institutions can send funds to other network members in near real time
- All participants use the same co branded ZelleSM mobile interface
- Their account is debited, the recipient is credited, and the confirmation the money was sent all happen within seconds
- Settlement between participating institutions happens next day via ACH



ZelleSM: Value to the Industry

Faster Network

Immediate notification of successful transfer to end users, providing certainty for both senders and receivers

Embedded security from the leaders in financial services

Participants include some of the largest FIs in country

A wide and inclusive alternative for checks and cash

Consumers can avoid a trip to the bank, go to the ATM, or write a check.

Ubiquitous Access

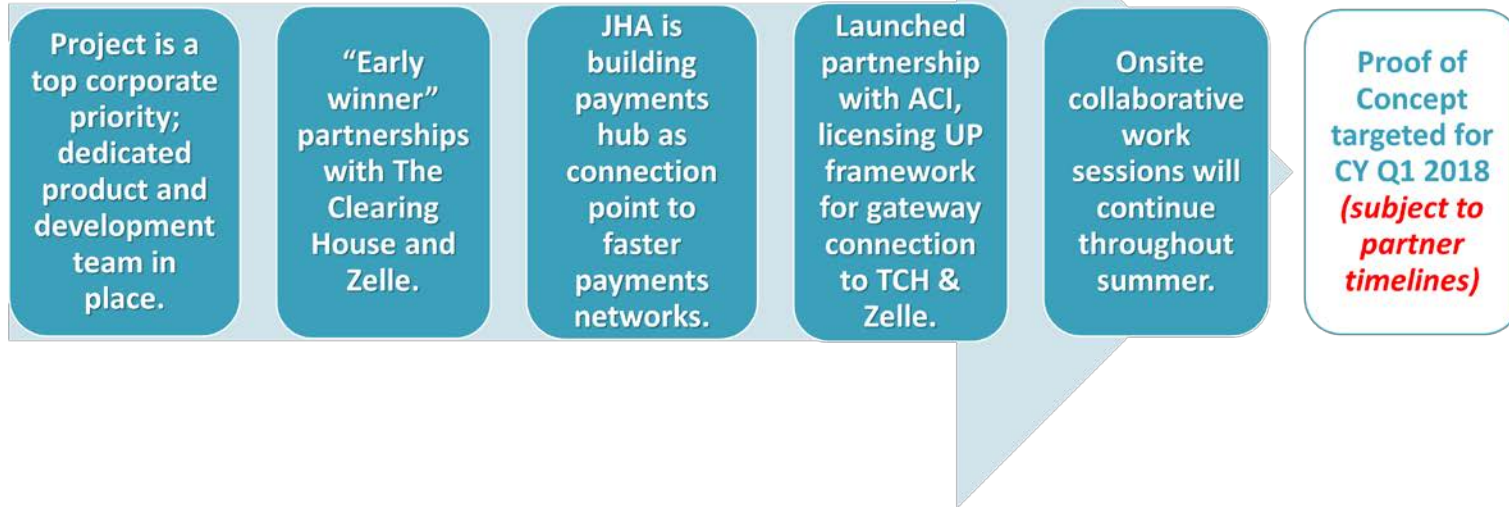
No matter who the recipient banks with, ZelleSM is available to send money (as long as they have a debit card).

A consistent user experience across FI mobile banking platforms

The consistent ZelleSM experience gives parity to the smaller financial institutions.

Execution of JHA Faster Payments Strategy

- to date -



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Thank you.

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2017 Analyst Day

Steve Tomson

General Manager, Sales|Marketing, JHA

Jack Henry & Associates, Inc.®

2017 Analyst Day

Fran Kester

Director of Sales - Symitar®

The Credit Union Environment

- Core vendor consolidation continues to drive demand for Episys (>\$50M market space)
- Merger activity has stayed consistent, seeing hints of large CU's combining or considering shared resources
- Few changes/little action in the low assets range (<\$50M in assets)

Symitar's YTD Sales Performance

Net New Core Sales

- FY 2017 has seen 6 competitive takeaways >\$1B in assets, new record
- Our total net new core win run rate remains consistent with historical average
- Majority of activity is above \$50M asset range
- Activity from multiple delivery options: in-house, outsourced and CUSO's
- Delivery method is roughly split 50/50 in-house vs. outsourced

Symitar's Upsell and Cross Sell Priorities

Increasing add-on sales to existing customers

- Seeing strong demand for JHA complementary products:
 - Banno[®] mobile
 - ATM/debit/credit (CPS)
 - Imaging solution (Synergy)
 - CRM/contact management (Synapsys)
 - Advanced Reporting for Credit Unions (ARCU)
- In-house to outsource migrations continue to surge
- Hosted Network Solutions is also building nicely

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Leo Mallamaci

Director of Sales – JH Banking®

The Banking Environment

- The digital customer experience
- Our payments focus
- External regulatory pressure
- The current M&A Activity
- Fed's influence on rising or flat interest rates
- Enjoying the heating up of denovo applications
- Seeing increases in customer consultant engagements
- Attention towards vendor and purchase process management
- Bankers focusing on technology to drive efficiency

FY 2018 Key Initiatives

- Regional realignment – territory coverage
- Organic growth in denovo to mid-tier markets
- Customer recommitment, contract extensions and solution adds
- Continued success with in-house to outsourcing migrations
- Mobile and payments remain front of mind
- Expanded call center services
- Hosted Network Solutions (HNS) decisions growing
- Our treasury and cash management suite

FY 2018 Key Priorities

- Drive proactive consultant communications
- Pursue the lowest cost of sales options
- Continually evaluate, coach, lead our sellers
- Ensure that we are recruiting/onboarding the top talent
- Strive for operational process improvement
- Capitalize on our investments in sales enablement tools

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Bruce Krajewski

Director of Sales – ProfitStars® Payments

ProfitStars® Payments YTD Sales Performance

- Strong/balanced sales contribution across all of the ProfitStars® Payments group
- Over 60% of our payments sales professionals are exceeding quota YTD
- Quarter to quarter run rates increasing in number and size of transactions
- Enjoying a material increase in year over year sales bookings
- Attractive results coming from our iPay Bill Pay suite and mobile capture services

FY 2018 Key Initiatives

- Continue leveraging Banno[®] mobile by bundling with EPS[®] and iPay[®]
- Further building our partnerships – capitalizing on mutual success
- Drive expanded payments opportunities via Money Center
- Build and expand upon our newly launched Biller Direct solution

FY 2018 Priorities

- Retain our high quality performers
- Continue the utilization of Salesforce to increase sales efficiency and results
- Creatively embrace Challenger Sales strategy – thought/action/skill leaders
- Remain laser focused on driving results outside the JHA core customer base
- Maintain the industry’s highest level of sales integrity

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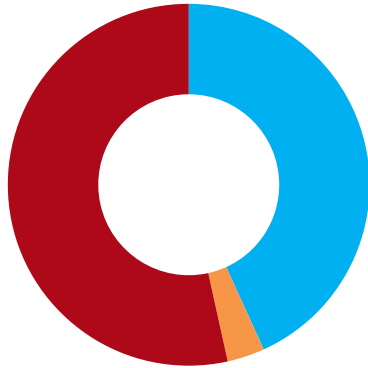
Brian Otte

Director of Sales – ProfitStars® Solutions

ProfitStars® Solutions YTD Sales Performance

YTD Distribution

Nearly half of our sales are into core competitors' FIs



■ Non-Core ProfitStars®

■ New Non-Core Business

■ Core

2018 Key Initiatives

- Security - FIs needing to add more layers of security to address evolving “Threatscape”.
- Cloud - Infrastructure Cloud Solutions such as (Hosted Network Solutions) continue to gain market acceptance.
- Fraud Analytics – Hosted advanced and predictive analytics to aid in detecting and preventing financial crimes.

FY 2018 Priorities

- Financial Performance Suite designed to drive customer profitability and pricing analytics for improved executive decision making and operating results
- Introduce and deploy Current Expected Credit Loss (CECL) to serve the obligatory requirements of life of loan loss projections
- Leverage our Account Management team by further targeting those financial institutions utilizing a core processing platform other than a JHA core.

NASDAQ: JKHY



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Thank You for Attending Today's Event!