



Jack Henry & Associates And IBM To Provide Data Mining And Management

Strategic Business Issues Development Workshops and Software Tailored to Needs of Community Bankers

May 15, 2000. Jack Henry & Associates (Nasdaq: JKHY) today announced it has teamed with IBM (NYSE: IBM) to provide community bankers with two new solutions for business development and intelligence. IBM's Customer Relationship Management (CRM) application and Business Intelligence solutions, integrated with Jack Henry's core systems, will assist community bankers in improving profitability and enhancing customer relationships. In the increasingly competitive market of financial services, the qualities of customer relationships and the business practices that contribute to customer satisfaction, translate directly to the bottom line. The companies are hosting 2-day workshops for bank executives to analyze their current processes and technologies with the objective to discover ways to improve effectiveness and profitability.

Competition in the banking industry is fierce, and our community banks face increasing rivalry from not only regional and national banks, but also from Wall Street, Internet firms, insurance companies and even retailers, said Michael E. Henry, Chairman and CEO of Jack Henry & Associates. New technology, especially in the data mining area, without complementary changes in business processes and business management often fail to deliver anticipated benefits. This new initiative between IBM and Jack Henry helps banks not only gather data from all systems operating throughout the organization, but also analyze and take meaningful action on it. We allied with IBM to introduce new software products and interactive workshops, because they excel at delivering end-to-end solutions to every business area of a bank.

The partnership between Jack Henry and the IBM Community Banking Team brings powerful technology and sophisticated business analysis tools for bank executives to better understand the critical business issues on which they need to focus, said David E. Glenn, IBM Global Midmarket Banking Finance & Securities Managing Executive. Once the issues are clarified, the application of new technologies helps the banker to employ IBM's sophisticated data mining solutions to identify and retain their most profitable customers, attract the right new customers and serve them all better. IBM's Business Intelligence solution harnesses data more effectively to help community financial institutions achieve more profits, while the CRM solution can enhance sales and service productivity, increase customer retention, and improve call center productivity.

The IBM/JKHY Strategic Business Issues Development Workshop will help the banking executive look beyond technology to understand the cultural changes that may need to take place in their organization before they can take advantage of the technology. The technology enhancement that IBM brings to Jack Henry's customer management and business analysis offerings provides the best of breed solutions for customer relationship management, business intelligence, Internet banking, e-business strategies, branch automation, performance and productivity improvement, and profitability analysis and management.

We are excited about working with IBM to bring innovative programs that help our community bank customers become more profitable, while maintaining the unique and important place they have in their communities, Henry noted. This new initiative has already piqued interest from our clients, and we expect that it will begin contributing to profitability late this year.

Jack Henry & Associates, Inc. provides integrated computer systems and ATM networking products for banks and credit unions. Jack Henry markets and supports its systems throughout the United States and has over 2,625 customers nationwide. For additional information on Jack Henry, visit the company's web site at www.jackhenry.com.

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