

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 4, 2025

**JACK HENRY & ASSOCIATES, INC.**

(Exact name of Registrant as specified in its Charter)

Delaware  
(State or other jurisdiction of incorporation)

0-14112  
(Commission File Number)

43-1128385  
(IRS Employer Identification No.)

**663 Highway 60, P.O. Box 807, Monett, MO 65708**  
(Address of Principal 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)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a.-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c))

<u>Title of each class</u>	<u>Ticker symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	JKHY	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02****Results of Operations and Financial Condition.**

On February 4, 2025, Jack Henry & Associates, Inc. issued a press release announcing fiscal 2025 second quarter results, the text of which is attached hereto as Exhibit 99.1.

**Item 9.01****Financial Statements and Exhibits.**

(d) Exhibits

99.1 [Press release dated February 4, 2025](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JACK HENRY & ASSOCIATES, INC.  
(Registrant)

Date: February 4, 2025

/s/ Mimi L. Carsley  
Mimi L. Carsley  
Chief Financial Officer and Treasurer

FOR IMMEDIATE RELEASE

## Jack Henry & Associates, Inc. Reports Second Quarter Fiscal 2025 Results

### Second quarter summary:

- GAAP revenue increased 5.2% and GAAP operating income increased 3.4% for the fiscal three months ended December 31, 2024, compared to the prior fiscal year quarter.
- Non-GAAP adjusted revenue increased 6.1% and non-GAAP adjusted operating income increased 7.3% for the fiscal three months ended December 31, 2024, compared to the prior fiscal year quarter.<sup>1</sup>
- GAAP EPS was \$1.34 per diluted share for the fiscal three months ended December 31, 2024, compared to \$1.26 per diluted share in the prior fiscal year quarter.

### Fiscal year-to-date summary:

- GAAP revenue increased 5.2% and GAAP operating income increased 9.0% for the fiscal year-to-date period ended December 31, 2024, compared to the prior fiscal year-to-date period.
- Non-GAAP adjusted revenue increased 5.7% and non-GAAP adjusted operating income increased 4.2% for the fiscal year-to-date period ended December 31, 2024, compared to the prior fiscal year-to-date period.<sup>1</sup>
- GAAP EPS was \$2.97 per diluted share for the fiscal year-to-date period ended December 31, 2024, compared to \$2.65 per diluted share in the prior fiscal year-to-date period.
- Cash and cash equivalents were \$26 million at December 31, 2024, and \$27 million at December 31, 2023.
- Debt outstanding related to credit facilities was \$150 million at December 31, 2024, and \$255 million at December 31, 2023.

### Full year fiscal 2025 guidance (In millions):<sup>2</sup>

	<u>Current</u>	
	Low	High
<b>GAAP</b>		
Revenue	<b>\$2,369</b>	<b>\$2,391</b>
Operating margin <sup>3</sup>	<b>23.0%</b>	<b>23.2%</b>
EPS	<b>\$5.78</b>	<b>\$5.87</b>
<b>Non-GAAP<sup>4</sup></b>		
Adjusted revenue	<b>\$2,353</b>	<b>\$2,375</b>
Adjusted operating margin	<b>22.7%</b>	<b>22.8%</b>

<b>Second Qtr Revenue</b>  GAAP increased <b>5.2%</b>  Non-GAAP <sup>1</sup> increased <b>6.1%</b>	<b>Second Qtr Operating Income</b>  GAAP increased <b>3.4%</b>  Non-GAAP <sup>1</sup> increased <b>7.3%</b>	<b>F'25 YTD Net Income</b>  GAAP increased <b>12.1%</b>  Non-GAAP <sup>1</sup> increased <b>7.2%</b>
<b>F'25 YTD Revenue</b>  GAAP increased <b>5.2%</b>  Non-GAAP <sup>1</sup> increased <b>5.7%</b>	<b>F'25 YTD Operating Income</b>  GAAP increased <b>9.0%</b>  Non-GAAP <sup>1</sup> increased <b>4.2%</b>	<b>F'25 YTD EBITDA</b>  Non-GAAP <sup>5</sup> increased <b>3.9%</b>

Monett, MO, February 4, 2025 - Jack Henry & Associates, Inc. (Nasdaq: JKHY), a leading financial technology provider, today announced results for fiscal second quarter ended December 31, 2024.

<sup>1</sup> See tables below on page 4 reconciling non-GAAP financial measures to GAAP.

<sup>2</sup> The full fiscal year guidance assumes no acquisitions or dispositions are made during fiscal year 2025.

<sup>3</sup> Operating margin is calculated by dividing operating income by revenue.

<sup>4</sup> See tables below on page 9 reconciling fiscal year 2025 GAAP to non-GAAP guidance.

<sup>5</sup> See table below on page 14 reconciling net income to non-GAAP EBITDA.

According to [Greg Adelson, President and CEO](#), "We are pleased to report solid performance in the second quarter of our fiscal year. We continued our positive sales momentum with record sales attainment in Q2 for the second consecutive year while maintaining a robust sales pipeline for future opportunities. We are seeing strong demand for our products from both new and existing clients and are making substantial progress with our technology modernization strategy. Our focus on a people-first culture, service excellence, technology innovation, and a well-executed strategy continues to differentiate us in the market."

## Operating Results

Revenue, operating expenses, operating income, and net income for the three and six months ended December 31, 2024, compared to the three and six months ended December 31, 2023, were as follows:

(Unaudited, in thousands)	Three Months Ended December 31,			% Change	Six Months Ended December 31,			% Change
	2024		2023		2024		2023	
	<b>Revenue</b>							
Services and Support	\$ 323,027	\$ 311,992	3.5 %	\$ 679,706	\$ 654,197	3.9 %		
<i>Percentage of Total Revenue</i>	<b>56.3 %</b>	57.2 %		<b>57.9 %</b>	58.6 %			
Processing	250,821	233,709	7.3 %	495,123	462,872	7.0 %		
<i>Percentage of Total Revenue</i>	<b>43.7 %</b>	42.8 %		<b>42.1 %</b>	41.4 %			
<b>REVENUE</b>	<b>\$ 573,848</b>	\$ 545,701	5.2 %	<b>\$ 1,174,829</b>	\$ 1,117,069	5.2 %		

- Services and support revenue increased for the three months ended December 31, 2024, primarily driven by growth in data processing and hosting revenue of 11.8%, partially offset by a decrease in deconversion revenue of \$4,813. Processing revenue increased for the three months ended December 31, 2024, primarily driven by growth in card revenue of 6.5%, transaction and digital revenue of 10.0%, and payment processing revenue of 10.1%..
- Services and support revenue increased for the six months ended December 31, 2024, primarily driven by growth in data processing and hosting revenue of 12.2%, partially offset by a decrease in hardware and deconversion revenues of 31.1% and 58.2%, respectively. Processing revenue increased for the six months ended December 31, 2024, primarily driven by growth in card revenue of 5.8% and transaction and digital revenue of 10.4%. Another driver was an increase in payment processing revenues.
- For the three months ended December 31, 2024, core segment revenue increased 4.6%, payments segment revenue increased 5.4%, complementary segment revenue increased 5.6%, and corporate and other segment revenue increased 4.7%. For the three months ended December 31, 2024, core segment non-GAAP adjusted revenue increased 5.8%, payments segment non-GAAP adjusted revenue increased 6.2%, complementary segment non-GAAP adjusted revenue increased 6.5%, and corporate and other non-GAAP adjusted segment revenue increased 4.9% (see revenue lines of segment break-out tables on pages 5 and 6 below for a reconciliation of segment non-GAAP adjusted revenue to GAAP segment revenue).
- For the six months ended December 31, 2024, core segment revenue increased 4.8%, payments segment revenue increased 5.8%, complementary segment revenue increased 6.0%, and corporate and other segment revenue decreased 2.8%. For the six months ended December 31, 2024, core segment non-GAAP adjusted revenue increased 5.5%, payments segment non-GAAP adjusted revenue increased 6.0%, complementary segment non-GAAP adjusted revenue increased 6.8%, and corporate and other non-GAAP adjusted segment revenue decreased 2.8% (see revenue lines of segment break-out tables on pages 7 and 8 below for a reconciliation of segment non-GAAP adjusted revenue to GAAP segment revenue).

## Operating Expenses and Operating Income

(Unaudited, in thousands)	Three Months Ended December 31,			% Change	Six Months Ended December 31,			% Change
	2024	2023			2024	2023		
Cost of Revenue	\$ 332,850	\$ 320,979		3.7 %	\$ 676,282	\$ 643,981		5.0 %
<i>Percentage of Total Revenue<sup>6</sup></i>	<b>58.0 %</b>	58.8 %			<b>57.6 %</b>	57.6 %		
Research and Development	41,095	35,478		15.8 %	80,780	72,370		11.6 %
<i>Percentage of Total Revenue<sup>6</sup></i>	<b>7.2 %</b>	6.5 %			<b>6.9 %</b>	6.5 %		
Selling, General, and Administrative	76,901	70,277		9.4 %	143,489	149,051		(3.7)%
<i>Percentage of Total Revenue<sup>6</sup></i>	<b>13.4 %</b>	12.9 %			<b>12.2 %</b>	13.3 %		
<b>OPERATING EXPENSES</b>	<b>450,846</b>	426,734		5.7 %	<b>900,551</b>	865,402		4.1 %
<b>OPERATING INCOME</b>	<b>\$ 123,002</b>	\$ 118,967		3.4 %	<b>\$ 274,278</b>	\$ 251,667		9.0 %
<i>Operating Margin<sup>6</sup></i>	<b>21.4 %</b>	21.8 %			<b>23.3 %</b>	22.5 %		

- Cost of revenue increased for the three months ended December 31, 2024, primarily due to higher direct costs generally consistent with increases in the related lines of revenue and higher personnel costs including benefits expenses from an increase in employee headcount in the trailing twelve months. Cost of revenue increased for the six months ended December 31, 2024, primarily due to higher direct costs generally consistent with increases in the related lines of revenue, higher personnel costs including benefits expenses from an increase in employee headcount in the trailing twelve months, higher internal licenses and fees from increased deployments and prices, and a rise in amortization from capital development projects placed into service in the trailing twelve months.
- Research and development expense increased for the three and six months ended December 31, 2024, primarily due to higher personnel costs (net of capitalization) including benefits expenses from an increase in employee headcount in the trailing twelve months.
- Selling, general, and administrative expense increased for the three months ended December 31, 2024, primarily due to higher personnel costs including benefits expenses from an increase in employee headcount in the trailing twelve months. Selling, general, and administrative expense decreased for the six months ended December 31, 2024, primarily due to the decrease in non-recurring personnel costs when compared to the prior fiscal year period.

## Net Income

(Unaudited, in thousands, except per share data)	Three Months Ended December 31,			% Change	Six Months Ended December 31,			% Change
	2024	2023			2024	2023		
Income Before Income Taxes	\$ 127,381	\$ 120,223		6.0 %	\$ 284,179	\$ 253,471		12.1 %
Provision for Income Taxes	29,536	28,258		4.5 %	67,143	59,827		12.2 %
<b>NET INCOME</b>	<b>\$ 97,845</b>	<b>\$ 91,965</b>		6.4 %	<b>\$ 217,036</b>	<b>\$ 193,644</b>		12.1 %
Diluted earnings per share	\$ 1.34	\$ 1.26		6.2 %	\$ 2.97	\$ 2.65		12.0 %

- Effective tax rates for the three months ended December 31, 2024, and 2023, were 23.2% and 23.5%, respectively. Effective tax rates for the six months ended December 31, 2024, and 2023, were 23.6% and 23.6%, respectively.

According to [Mimi Carsley, CFO and Treasurer](#), "Our second quarter results included non-GAAP revenue growth of over 6%, led by our key revenue areas of public and private cloud and processing, which combined to grow by nearly 9%. That strong revenue growth and the leverage provided by our SaaS business model led to non-GAAP operating income growth of over 7%."

<sup>6</sup>Operating margin is calculated by dividing operating income by revenue. Operating margin plus operating expense components as a percentage of total revenue may not equal 100% due to rounding.

## Impact of Non-GAAP Adjustments

The tables below show our revenue, operating income, and net income for the three and six months ended December 31, 2024, compared to the three and six months ended December 31, 2023, excluding the impacts of deconversions and the VEDIP program expense.\*

(Unaudited, in thousands)	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2024	2023		2024	2023	
<b>GAAP Revenue**</b>	<b>\$ 573,848</b>	<b>\$ 545,701</b>	<b>5.2 %</b>	<b>\$ 1,174,829</b>	<b>\$ 1,117,069</b>	<b>5.2 %</b>
<b>Adjustments:</b>						
Deconversion revenue	(69)	(4,882)		(3,766)	(9,018)	
<b>NON-GAAP ADJUSTED REVENUE**</b>	<b>\$ 573,779</b>	<b>\$ 540,819</b>	<b>6.1 %</b>	<b>\$ 1,171,063</b>	<b>\$ 1,108,051</b>	<b>5.7 %</b>
<b>GAAP Operating Income</b>	<b>\$ 123,002</b>	<b>\$ 118,967</b>	<b>3.4 %</b>	<b>\$ 274,278</b>	<b>\$ 251,667</b>	<b>9.0 %</b>
<b>Adjustments:</b>						
Operating (income) loss from deconversions	622	(3,803)		(2,873)	(7,558)	
VEDIP program expense*	—	—		—	16,443	
<b>NON-GAAP ADJUSTED OPERATING INCOME</b>	<b>\$ 123,624</b>	<b>\$ 115,164</b>	<b>7.3 %</b>	<b>\$ 271,405</b>	<b>\$ 260,552</b>	<b>4.2 %</b>
<i>Non-GAAP Adjusted Operating Margin***</i>	<b>21.5 %</b>	21.3 %		<b>23.2 %</b>	23.5 %	
<b>GAAP Net Income</b>	<b>\$ 97,845</b>	<b>\$ 91,965</b>	<b>6.4 %</b>	<b>\$ 217,036</b>	<b>\$ 193,644</b>	<b>12.1 %</b>
<b>Adjustments:</b>						
Net (income) loss from deconversions	622	(3,803)		(2,874)	(7,558)	
VEDIP program expense*	—	—		—	16,443	
Tax impact of adjustments****	(149)	913		690	(2,132)	
<b>NON-GAAP ADJUSTED NET INCOME</b>	<b>\$ 98,318</b>	<b>\$ 89,075</b>	<b>10.4 %</b>	<b>\$ 214,852</b>	<b>\$ 200,397</b>	<b>7.2 %</b>

\*The VEDIP program expense for the fiscal six months ended December 31, 2023, was related to a Company voluntary separation program offered to certain eligible employees beginning in July 2023.

\*\*GAAP revenue is comprised of services and support and processing revenues (see page 2). Reducing services and support revenue by deconversion revenue for the three months ended December 31, 2024, and 2023 which was \$69 for the current fiscal year quarter and \$4,882 for the prior fiscal year quarter, results in non-GAAP adjusted services and support revenue growth of 5.2% quarter over quarter. There were no non-GAAP adjustments to processing revenue for the three months ended December 31, 2024, or 2023.

Reducing services and support revenue by deconversion revenue for the six months ended December 31, 2024, and 2023, which was \$3,766 for the current fiscal year period and \$9,018 for the prior fiscal year period, results in non-GAAP adjusted services and support revenue growth of 4.8% period over period. There were no non-GAAP adjustments to processing revenue for the six months ended December 31, 2024, or 2023.

\*\*\*Non-GAAP adjusted operating margin is calculated by dividing non-GAAP adjusted operating income by non-GAAP adjusted revenue.

\*\*\*\*The tax impact of adjustments is calculated using a tax rate of 24% for the three and six months ended December 31, 2024, and 2023. The tax rate for non-GAAP adjustment items takes a broad look at our recurring tax adjustments and applies them to non-GAAP revenue that does not have its own specific tax impacts.

The tables below show the segment break-out of revenue and cost of revenue for each period presented, as adjusted for the items above, and include a reconciliation to non-GAAP adjusted operating income presented above.

	<b>Three Months Ended December 31, 2024</b>				
(Unaudited, in thousands)	<b>Core</b>	<b>Payments</b>	<b>Complementary</b>	<b>Corporate and Other</b>	<b>Total</b>
<b>GAAP REVENUE</b>	\$ 173,173	\$ 214,836	\$ 160,937	\$ 24,902	\$ 573,848
Non-GAAP adjustments*	20	(34)	(60)	5	(69)
<b>NON-GAAP ADJUSTED REVENUE</b>	<u>173,193</u>	<u>214,802</u>	<u>160,877</u>	<u>24,907</u>	<u>573,779</u>
<b>GAAP COST OF REVENUE</b>	70,739	114,738	63,384	83,989	332,850
Non-GAAP adjustments*	(88)	(53)	(99)	—	(240)
<b>NON-GAAP ADJUSTED COST OF REVENUE</b>	<u>70,651</u>	<u>114,685</u>	<u>63,285</u>	<u>83,989</u>	<u>332,610</u>
<b>GAAP SEGMENT INCOME</b>	<u>\$ 102,434</u>	<u>\$ 100,098</u>	<u>\$ 97,553</u>	<u>\$ (59,087)</u>	
<i>Segment Income Margin**</i>	59.2 %	46.6 %	60.6 %	(237.3)%	
<b>NON-GAAP ADJUSTED SEGMENT INCOME</b>	<u>\$ 102,542</u>	<u>\$ 100,117</u>	<u>\$ 97,592</u>	<u>\$ (59,082)</u>	
<i>Non-GAAP Adjusted Segment Income Margin**</i>	59.2 %	46.6 %	60.7 %	(237.2)%	
Research and Development					41,095
Selling, General, and Administrative					76,901
Non-GAAP adjustments unassigned to a segment***					(451)
<b>NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES</b>					<u>450,155</u>
<b>NON-GAAP ADJUSTED OPERATING INCOME</b>					<u>\$ 123,624</u>

\*Revenue non-GAAP adjustments for all segments were deconversion revenue. Cost of revenue non-GAAP adjustments for all segments were deconversion costs.

\*\*Segment income margin is calculated by dividing segment income by revenue for each segment. Non-GAAP adjusted segment income margin is calculated by dividing non-GAAP adjusted segment income by non-GAAP adjusted revenue for each segment.

\*\*\*Non-GAAP adjustments unassigned to a segment were selling, general, and administrative deconversion costs.

Three Months Ended December 31, 2023

(Unaudited, in thousands)	Core	Payments	Complementary	Corporate and Other	Total
<b>GAAP REVENUE</b>	\$ 165,601	\$ 203,839	\$ 152,466	\$ 23,795	\$ 545,701
Non-GAAP adjustments*	(1,929)	(1,555)	(1,355)	(43)	(4,882)
<b>NON-GAAP ADJUSTED REVENUE</b>	<u>163,672</u>	<u>202,284</u>	<u>151,111</u>	<u>23,752</u>	<u>540,819</u>
<b>GAAP COST OF REVENUE</b>	69,370	111,623	62,825	77,161	320,979
Non-GAAP adjustments*	(321)	(51)	(249)	—	(621)
<b>NON-GAAP ADJUSTED COST OF REVENUE</b>	<u>69,049</u>	<u>111,572</u>	<u>62,576</u>	<u>77,161</u>	<u>320,358</u>
<b>GAAP SEGMENT INCOME</b>	<u>\$ 96,231</u>	<u>\$ 92,216</u>	<u>\$ 89,641</u>	<u>\$ (53,366)</u>	
<i>Segment Income Margin**</i>	58.1 %	45.2 %	58.8 %	(224.3)%	
<b>NON-GAAP ADJUSTED SEGMENT INCOME</b>	<u>\$ 94,623</u>	<u>\$ 90,712</u>	<u>\$ 88,535</u>	<u>\$ (53,409)</u>	
<i>Non-GAAP Adjusted Segment Income Margin</i>	57.8 %	44.8 %	58.6 %	(224.9)%	
Research and Development					35,478
Selling, General, and Administrative					70,277
Non-GAAP adjustments unassigned to a segment***					(458)
<b>NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES</b>					<u>425,655</u>
<b>NON-GAAP ADJUSTED OPERATING INCOME</b>					<u>\$ 115,164</u>

\*Revenue non-GAAP adjustments for all segments were deconversion revenues. Cost of revenue non-GAAP adjustments for the Core, Payments, and Complementary segments were deconversion costs.

\*\*Segment income margin is calculated by dividing segment income by revenue for each segment. Non-GAAP adjusted segment income margin is calculated by dividing non-GAAP adjusted segment income by non-GAAP adjusted revenue for each segment.

\*\*\*Non-GAAP adjustments unassigned to a segment were selling, general, and administrative deconversion costs.

Six Months Ended December 31, 2024

(Unaudited, in thousands)	Core	Payments	Complementary	Corporate and Other	Total
<b>GAAP REVENUE</b>	\$ 368,797	\$ 426,758	\$ 332,639	\$ 46,635	\$ 1,174,829
Non-GAAP adjustments*	(1,267)	(1,948)	(533)	(18)	(3,766)
<b>NON-GAAP ADJUSTED REVENUE</b>	<u>367,530</u>	<u>424,810</u>	<u>332,106</u>	<u>46,617</u>	<u>1,171,063</u>
<b>GAAP COST OF REVENUE</b>	152,159	227,757	129,352	167,014	676,282
Non-GAAP adjustments*	(125)	(71)	(159)	—	(355)
<b>NON-GAAP ADJUSTED COST OF REVENUE</b>	<u>152,034</u>	<u>227,686</u>	<u>129,193</u>	<u>167,014</u>	<u>675,927</u>
<b>GAAP SEGMENT INCOME</b>	\$ 216,638	\$ 199,001	\$ 203,287	\$ (120,379)	
<i>Segment Income Margin**</i>	58.7 %	46.6 %	61.1 %	(258.1)%	
<b>NON-GAAP ADJUSTED SEGMENT INCOME</b>	\$ 215,496	\$ 197,124	\$ 202,913	\$ (120,397)	
<i>Non-GAAP Adjusted Segment Income Margin</i>	58.6 %	46.4 %	61.1 %	(258.3)%	
Research and Development					80,780
Selling, General, and Administrative					143,489
Non-GAAP adjustments unassigned to a segment***					(538)
<b>NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES</b>					<u>899,658</u>
<b>NON-GAAP ADJUSTED OPERATING INCOME</b>					<u>\$ 271,405</u>

\*Revenue non-GAAP adjustments for all segments were deconversion revenue. Cost of revenue non-GAAP adjustments for the Core, Payments, and Complementary segments were deconversion costs.

\*\*Segment income margin is calculated by dividing segment income by revenue for each segment. Non-GAAP adjusted segment income margin is calculated by dividing non-GAAP adjusted segment income by non-GAAP adjusted revenue for each segment.

\*\*\*Non-GAAP adjustments unassigned to a segment were selling, general, and administrative deconversion costs.

**Six Months Ended December 31, 2023**

(Unaudited, in thousands)	<b>Core</b>	<b>Payments</b>	<b>Complementary</b>	<b>Corporate and Other</b>	<b>Total</b>
<b>GAAP REVENUE</b>	\$ 352,041	\$ 403,195	\$ 313,833	\$ 48,000	\$ 1,117,069
Non-GAAP adjustments*	(3,595)	(2,560)	(2,806)	(57)	(9,018)
<b>NON-GAAP ADJUSTED REVENUE</b>	<b>348,446</b>	<b>400,635</b>	<b>311,027</b>	<b>47,943</b>	<b>1,108,051</b>
<b>GAAP COST OF REVENUE</b>	145,296	220,449	123,783	154,453	643,981
Non-GAAP adjustments*	(425)	(98)	(367)	(1)	(891)
<b>NON-GAAP ADJUSTED COST OF REVENUE</b>	<b>144,871</b>	<b>220,351</b>	<b>123,416</b>	<b>154,452</b>	<b>643,090</b>
<b>GAAP SEGMENT INCOME</b>	\$ 206,745	\$ 182,746	\$ 190,050	\$ (106,453)	
<i>Segment Income Margin**</i>	58.7 %	45.3 %	60.6 %	(221.8)%	
<b>NON-GAAP ADJUSTED SEGMENT INCOME</b>	\$ 203,575	\$ 180,284	\$ 187,611	\$ (106,509)	
<i>Non-GAAP Adjusted Segment Income Margin</i>	58.4 %	45.0 %	60.3 %	(222.2)%	
Research and Development					72,370
Selling, General, and Administrative					149,051
Non-GAAP adjustments unassigned to a segment***					(17,012)
<b>NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES</b>					<b>847,499</b>
<b>NON-GAAP ADJUSTED OPERATING INCOME</b>					<b>\$ 260,552</b>

\*Revenue non-GAAP adjustments for all segments were deconversion revenues. Cost of revenue non-GAAP adjustments for all segments were deconversion costs.

\*\*Segment income margin is calculated by dividing segment income by revenue for each segment. Non-GAAP adjusted segment income margin is calculated by dividing non-GAAP adjusted segment income by non-GAAP adjusted revenue for each segment.

\*\*\*Non-GAAP adjustments unassigned to a segment were VEDIP expenses of \$16,443 and selling, general, and administrative deconversion costs of \$569. The VEDIP program expense for the fiscal six months ended December 31, 2023, was related to a Company voluntary separation program offered to certain eligible employees beginning in July 2023.

The table below shows our GAAP to non-GAAP guidance for the fiscal year ending June 30, 2025. Fiscal year 2025 non-GAAP guidance excludes the impacts of deconversion revenue and related operating expenses and assumes no acquisitions or dispositions are made during the fiscal year.

GAAP to Non-GAAP GUIDANCE (In millions, except per share data)	Annual FY25	
	Low	High
<b>GAAP REVENUE</b>	<b>\$ 2,369</b>	<b>\$ 2,391</b>
<i>Growth</i>	6.9 %	7.9 %
Deconversions*	\$ 16	\$ 16
<b>NON-GAAP ADJUSTED REVENUE**</b>	<b>\$ 2,353</b>	<b>\$ 2,375</b>
<i>Non-GAAP Adjusted Growth</i>	7.0 %	8.0 %
<b>GAAP OPERATING EXPENSES</b>	<b>\$ 1,823</b>	<b>\$ 1,836</b>
<i>Growth</i>	5.6 %	6.4 %
Deconversion costs*	\$ 3	\$ 3
<b>NON-GAAP ADJUSTED OPERATING EXPENSES**</b>	<b>\$ 1,820</b>	<b>\$ 1,833</b>
<i>Non-GAAP Adjusted Growth</i>	6.7 %	7.4 %
<b>GAAP OPERATING INCOME</b>	<b>\$ 546</b>	<b>\$ 555</b>
<i>Growth</i>	11.6 %	13.3 %
<b>GAAP OPERATING MARGIN</b>	23.0 %	23.2 %
<b>NON-GAAP ADJUSTED OPERATING INCOME**</b>	<b>\$ 533</b>	<b>\$ 542</b>
<i>Non-GAAP Adjusted Growth</i>	8.2 %	9.9 %
<b>NON-GAAP ADJUSTED OPERATING MARGIN</b>	22.7 %	22.8 %
<b>GAAP EPS***</b>	<b>\$ 5.78</b>	<b>\$ 5.87</b>
<i>Growth</i>	10.6 %	12.3 %
<b>Non-GAAP EPS***</b>	<b>\$ 5.65</b>	<b>\$ 5.74</b>
<i>Growth</i>	7.3 %	9.0 %

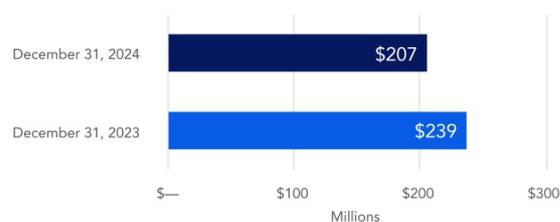
\*Deconversion revenue and related operating expenses are based on actual results for the six months ended December 31, 2024, and estimates for the remainder of fiscal year 2025, based on the lowest actual recent historical results. See the Company's Form 8-K filed with the Securities and Exchange Commission on January 27, 2025.

\*\*GAAP to Non-GAAP revenue, operating expenses, and operating income may not foot due to rounding.

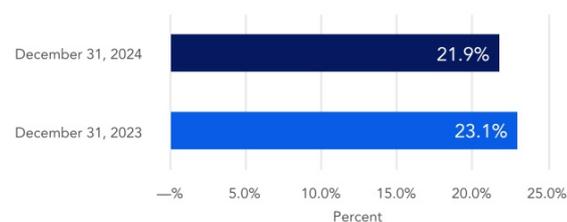
\*\*\*The GAAP to Non-GAAP EPS reconciliation table is below on page 15.

## Balance Sheet and Cash Flow Review (In millions)

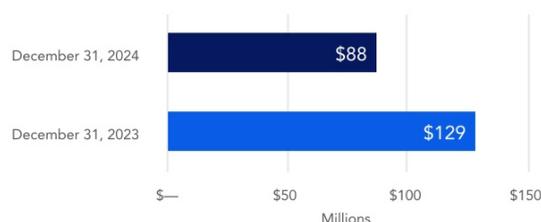
### Net Cash Provided by Operating Activities\*



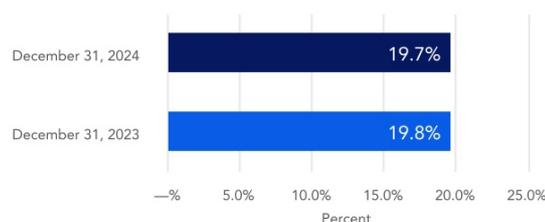
### Return on Average Shareholders' Equity\*



### Free Cash Flow\*



### ROIC\*



- Cash and cash equivalents were \$26 million at December 31, 2024, and \$27 million at December 31, 2023.
- Trade receivables were \$283 million at December 31, 2024, compared to \$271 million at December 31, 2023.
- The Company had \$150 million of borrowings at December 31, 2024 compared to \$255 million of borrowings at December 31, 2023.
- Deferred revenue remained consistent at \$269 million at December 31, 2024, and 2023.
- Stockholders' equity increased to \$1,976 million at December 31, 2024, compared to \$1,724 million at December 31, 2023.

\*See table below for Net Cash Provided by Operating Activities and on page 14 for Return on Average Shareholders' Equity. Tables reconciling the non-GAAP measures Free Cash Flow and Return on Invested Capital (ROIC) to GAAP measures are also on page 14. See the Use of Non-GAAP Financial Information section below for the definitions of Free Cash Flow and ROIC.

The following table summarizes net cash from operating activities:

(Unaudited, in thousands)

	Six Months Ended December 31,	
	2024	2023
Net income	\$ 217,036	\$ 193,644
Depreciation	22,731	23,765
Amortization	79,517	75,366
Change in deferred income taxes	(8,745)	(16,532)
Other non-cash expenses	15,535	15,693
Change in receivables	49,811	90,702
Change in deferred revenue	(119,463)	(130,529)
Change in other assets and liabilities*	(49,879)	(13,437)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 206,543</b>	<b>\$ 238,672</b>

\*For the six months ended December 31, 2024, includes the change in prepaid cost of product and other of \$(34,384), accrued expenses of \$(19,450), and income taxes of \$9,538. For the six months ended December 31, 2023, includes the change in prepaid cost of product and other of \$(52,969), income taxes of \$23,792, and the change in accrued expenses of \$15,463.

The following table summarizes net cash from investing activities:

(Unaudited, in thousands)

	Six Months Ended December 31,	
	2024	2023
Capital expenditures	(29,469)	(24,458)
Proceeds from dispositions	—	878
Purchased software	(3,528)	(2,971)
Computer software developed	(85,803)	(83,408)
Purchase of investments	(2,000)	(1,000)
Proceeds from investments	1,000	—
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>\$ (119,800)</b>	<b>\$ (110,959)</b>

The following table summarizes net cash from financing activities:

(Unaudited, in thousands)

	Six Months Ended December 31,	
	2024	2023
Borrowings on credit facilities	\$ 165,000	\$ 220,000
Repayments on credit facilities and financing leases	(165,000)	(240,000)
Purchase of treasury stock	(17,050)	(20,000)
Dividends paid	(80,193)	(75,722)
Net cash from issuance of stock and tax related to stock-based compensation	(2,131)	2,475
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>\$ (99,374)</b>	<b>\$ (113,247)</b>

### Use of Non-GAAP Financial Information

Generally Accepted Accounting Principles (GAAP) is the term used to refer to the standard framework of guidelines for financial accounting in the United States. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing transactions in the preparation of financial statements. In addition to reporting financial results in accordance with GAAP, we have provided certain non-GAAP financial measures, including adjusted revenue, adjusted operating income, adjusted segment income, adjusted cost of revenue, adjusted operating expenses, adjusted operating margin, adjusted segment income margin, non-GAAP earnings before interest, taxes, depreciation, and amortization (non-GAAP EBITDA), free cash flow, return on invested capital (ROIC), non-GAAP adjusted net income, and non-GAAP earnings per share (EPS).

We believe non-GAAP financial measures help investors better understand the underlying fundamentals and true operations of our business. Adjusted revenue, adjusted operating income, adjusted operating margin, adjusted segment income, adjusted segment income margin, adjusted cost of revenue, adjusted operating expenses, adjusted net income, and non-GAAP EPS eliminate one-time deconversion revenue and associated costs and the effects of the VEDIP program expense related to a Company voluntary separation program offered to certain eligible employees beginning in July 2023, which management believes are not indicative of the Company's operating performance. Such adjustments give investors further insight into our performance. Non-GAAP EBITDA is defined as net income attributable to the Company before the effect of interest expense, taxes, depreciation, and amortization, adjusted for net income before the effect of interest expense, taxes, depreciation, and amortization attributable to eliminated one-time deconversions and the VEDIP program expense. Free cash flow is defined as net cash from operating activities, less capitalized expenditures, internal use software, and capitalized software, plus proceeds from the sale of assets. ROIC is defined as net income divided by average invested capital, which is the average of beginning and ending long-term debt and stockholders' equity for a given period. Management believes that non-GAAP EBITDA is an important measure of the Company's overall operating performance and excludes certain costs and other transactions that management deems one time or non-operational in nature; free cash flow is useful to measure the funds generated in a given period that are available for debt service requirements and strategic capital decisions; and ROIC is a measure of the Company's allocation efficiency and effectiveness of its invested capital. For these reasons, management also uses these non-GAAP financial measures in its assessment and management of the Company's performance.

Non-GAAP financial measures used by the Company may not be comparable to similarly titled non-GAAP measures used by other companies. Non-GAAP financial measures have no standardized meaning prescribed by GAAP and therefore, are unlikely to be comparable with calculations of similar measures for other companies.

Any non-GAAP financial measures should be considered in context with the GAAP financial presentation and should not be considered in isolation or as a substitute for GAAP measures. Reconciliations of the non-GAAP financial measures to related GAAP measures are included.

## About Jack Henry & Associates, Inc.®

Jack Henry™ (Nasdaq: JKHY) is a well-rounded financial technology company that strengthens connections between financial institutions and the people and businesses they serve. We are an S&P 500 company that prioritizes openness, collaboration, and user centrality — offering banks and credit unions a vibrant ecosystem of internally developed modern capabilities as well as the ability to integrate with leading fintechs. For more than 48 years, Jack Henry has provided technology solutions to enable clients to innovate faster, strategically differentiate, and successfully compete while serving the evolving needs of their accountholders. We empower approximately 7,500 clients with people-inspired innovation, personal service, and insight-driven solutions that help reduce the barriers to financial health. Additional information is available at [www.jackhenry.com](http://www.jackhenry.com).



## Quarterly Conference Call

The Company will hold a conference call on February 5, 2025, at 7:45 a.m. Central Time, and investors are invited to listen at [www.jackhenry.com](http://www.jackhenry.com). A webcast replay will be available approximately one hour after the event at [ir.jackhenry.com/corporate-events-and-presentations](http://ir.jackhenry.com/corporate-events-and-presentations) and will remain available for one year.

*Statements made in this news release that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Because forward-looking statements relate to the future, they are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to, those discussed in the Company's Securities and Exchange Commission filings, including the Company's most recent reports on Form 10-K and Form 10-Q, particularly under the heading Risk Factors. Any forward-looking statement made in this news release speaks only as of the date of the news release, and the Company expressly disclaims any obligation to publicly update or revise any forward-looking statement, whether because of new information, future events or otherwise.*



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**Condensed Consolidated Statements of Income (Unaudited)**

(In thousands, except per share data)

	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2024	2023		2024	2023	
<b>REVENUE</b>	\$ 573,848	\$ 545,701	5.2 %	\$ 1,174,829	\$ 1,117,069	5.2 %
Cost of Revenue	332,850	320,979	3.7 %	676,282	643,981	5.0 %
Research and Development	41,095	35,478	15.8 %	80,780	72,370	11.6 %
Selling, General, and Administrative	76,901	70,277	9.4 %	143,489	149,051	(3.7)%
<b>EXPENSES</b>	<b>450,846</b>	<b>426,734</b>	<b>5.7 %</b>	<b>900,551</b>	<b>865,402</b>	<b>4.1 %</b>
<b>OPERATING INCOME</b>	<b>123,002</b>	<b>118,967</b>	<b>3.4 %</b>	<b>274,278</b>	<b>251,667</b>	<b>9.0 %</b>
Interest income	7,159	5,121	39.8 %	15,506	9,866	57.2 %
Interest expense	(2,780)	(3,865)	(28.1)%	(5,605)	(8,062)	(30.5)%
<b>Interest Income (Expense), net</b>	<b>4,379</b>	<b>1,256</b>	<b>248.6 %</b>	<b>9,901</b>	<b>1,804</b>	<b>448.8 %</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>127,381</b>	<b>120,223</b>	<b>6.0 %</b>	<b>284,179</b>	<b>253,471</b>	<b>12.1 %</b>
Provision for Income Taxes	29,536	28,258	4.5 %	67,143	59,827	12.2 %
<b>NET INCOME</b>	<b>\$ 97,845</b>	<b>\$ 91,965</b>	<b>6.4 %</b>	<b>\$ 217,036</b>	<b>\$ 193,644</b>	<b>12.1 %</b>
Diluted net income per share	\$ 1.34	\$ 1.26		\$ 2.97	\$ 2.65	
Diluted weighted average shares outstanding	73,082	72,984		73,080	72,999	

**Consolidated Balance Sheet Highlights (Unaudited)**

(In thousands)

	December 31,		% Change
	2024	2023	
Cash and cash equivalents	\$ 25,653	\$ 26,709	(4.0)%
Receivables	283,223	270,551	4.7 %
Total assets	2,911,770	2,753,976	5.7 %
Accounts payable and accrued expenses	\$ 209,926	\$ 207,230	1.3 %
Current and long-term debt	150,000	255,000	(41.2)%
Deferred revenue	269,469	269,200	0.1 %
Stockholders' equity	1,975,565	1,724,387	14.6 %

### Calculation of Non-GAAP Earnings Before Income Taxes, Depreciation and Amortization (Non-GAAP EBITDA)

(In thousands)	Three Months Ended December 31,		% Change	Six Months Ended December 31,		% Change
	2024	2023		2024	2023	
Net income	\$ 97,845	\$ 91,965		\$ 217,036	\$ 193,644	
Net interest	(4,379)	(1,256)		(9,901)	(1,804)	
Taxes	29,536	28,258		67,143	59,827	
Depreciation and amortization	51,754	49,896		102,248	99,131	
Less: Net income before interest expense, taxes, depreciation and amortization attributable to eliminated one-time adjustments*	622	(3,802)		(2,873)	8,886	
<b>NON-GAAP EBITDA</b>	<b>\$ 175,378</b>	<b>\$ 165,061</b>	<b>6.3 %</b>	<b>\$ 373,653</b>	<b>\$ 359,684</b>	<b>3.9 %</b>

\*The fiscal second quarter 2025 and 2024 adjustments for net income before interest expense, taxes, depreciation and amortization were for deconversions. The fiscal year-to-date 2025 and 2024 adjustments were for deconversions in 2025 and deconversions and the VEDIP program expense in 2024 and were \$(7,557) and \$16,443, respectively. The VEDIP program expense for the fiscal six months ended December 31, 2023, was related to a Company voluntary separation program offered to certain eligible employees beginning in July 2023.

### Calculation of Free Cash Flow (Non-GAAP)

(In thousands)	Six Months Ended December 31,	
	2024	2023
Net cash from operating activities	\$ 206,543	\$ 238,672
Capitalized expenditures	(29,469)	(24,458)
Internal use software	(3,528)	(2,971)
Proceeds from sale of assets	—	878
Capitalized software	(85,803)	(83,408)
<b>FREE CASH FLOW</b>	<b>\$ 87,743</b>	<b>\$ 128,713</b>

### Calculation of the Return on Average Shareholders' Equity

(In thousands)	December 31,	
	2024	2023
Net income (trailing four quarters)	\$ 405,208	\$ 372,966
Average stockholder's equity (period beginning and ending balances)	1,849,976	1,617,689
<b>RETURN ON AVERAGE SHAREHOLDERS' EQUITY</b>	<b>21.9%</b>	<b>23.1%</b>

### Calculation of Return on Invested Capital (ROIC) (Non-GAAP)

(In thousands)	December 31,	
	2024	2023
Net income (trailing four quarters)	\$ 405,208	\$ 372,966
Average stockholder's equity (period beginning and ending balances)	1,849,976	1,617,689
Average current maturities of long-term debt and financing leases (period beginning and ending balances)	45,000	11
Average long-term debt (period beginning and ending balances)	157,500	265,000
<b>Average invested capital</b>	<b>\$ 2,052,476</b>	<b>\$ 1,882,700</b>
<b>ROIC</b>	<b>19.7%</b>	<b>19.8%</b>

**GAAP to Non-GAAP EPS Reconciliation Table**

	<b>FY25 Guidance</b>
<b>GAAP EPS</b>	<b>\$5.78-\$5.87</b>
<i>Excluded Activity, net of Tax:</i>	
Deconversion*	\$0.13
<b>Non-GAAP EPS</b>	<b>\$5.65-\$5.74</b>

\*We are not aware of any other discreet adjustments at this time. Deconversion revenue and related operating expenses are based on actual results for fiscal second quarter 2025 and estimates for the remainder of fiscal year 2025, based on the lowest actual recent historical results. See the Company's Form 8-K filed with the Securities and Exchange Commission on January 27, 2025.

