

THE

[*Elements*]

OF JHA

2018 Analyst Conference



Jack Henry & Associates, Inc.®

Kevin Williams
Chief Financial Officer



Welcome to Atlanta for the 2018 Analyst Conference

Forward-Looking Statement

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

Agenda

1:00 – 1:05 p.m.	Welcome Kevin Williams, Chief Financial Officer
1:05 – 1:30 p.m.	State of the Business David Foss, President and Chief Executive Officer
1:30 – 1:55 p.m.	Financial Review Kevin Williams, Chief Financial Officer
1:55 – 2:20 p.m.	Technology Update Mark Forbis, Vice President and Chief Technology Officer
2:20 – 2:45 p.m.	Jack Henry Banking[®] Stacey Zengel, President, Jack Henry Banking
2:45 – 3:10 p.m.	Symitar[®] Ted Bilke, President, Symitar

Agenda

3:10 – 3:25 p.m.	Break
3:25 – 3:50 p.m.	ProfitStars® Russ Bernthal, President, ProfitStars
3:50 – 4:25 p.m.	JHA Payment Solutions™ Greg Adelson, General Manager, JHA Payment Solutions
4:25 – 5:00 p.m.	Sales and Marketing Update Steve Tomson, General Manager, Sales & Marketing
5:00 – 5:30 p.m.	Q&A
6:00 – 8:00 p.m.	Reception and Mini Tech Fair

Introduction of Associates Representing Jack Henry & Associates



CONGRATULATIONS!

Debbie Wood

Retiring June 30, 2018

General Manager of Marketing and Industry Research
JHA Associate for 20 years



CONGRATULATIONS!

Fran Kester

Retiring June 30, 2018

Leader of the Symitar Sales Organization for 10 Years

Detailed Product Information

jackhenrybanking.com

profitstars.com

symitar.com

State of the Business

David Foss
President and
Chief Executive Officer



Agenda

- Recent Company Successes
- Strategic Direction
- JHA Today
- Sales Performance
- Customer Strategies
- Future Outlook
- Q&A

Recent Company Successes

- Continued solid financial performance
 - Record revenue and earnings
 - Fortress balance sheet
- Several new strategic solutions offered to our clients
 - Rolled out SAS partnership for anti-money laundering (AML) and fraud
 - Expanded Commercial Lending Center Suite™
 - Rolled out First Data/PSCU partnership
 - Delivered Current Expected Credit Loss (CECL) solutions
 - Delivered expanded *jha*Call Center™ services for Episys®

Recent Company Successes

- Continued to deliver exceptionally high customer satisfaction ratings
- Successfully completed 2 acquisitions
 - Vanguard Software and Ensenta
- Rolled out several new HR programs
 - Talent management
 - Expanded internship program
 - Paid parental leave
- Made the *Forbes* America's Best Employers List

JHA Today

~6,300
employees

~9,000
clients

38
offices
nationwide

5
core
processing
systems

JHA Payment Solutions™
processes more than

451 million
monthly transactions
representing over

\$116 billion
per month

300+
products
and services

50+
acquisitions

54%
of our core
clients use the
outsourced delivery model

\$1.43 billion
in revenue

fiscal year ended June 30

jha

\$9+ billion
market cap

Strategic Direction

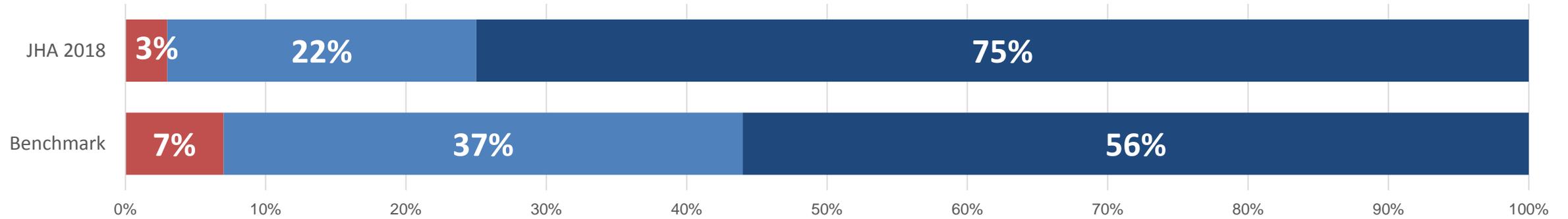
- Provide core processing systems to financial institutions
- Cross-sell additional solutions to these financial institutions
- Offer stand-alone solutions to banks and credit unions using competing core systems and to selected non-financial industry organizations
- Focus on payments and online/digital 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 at JHA

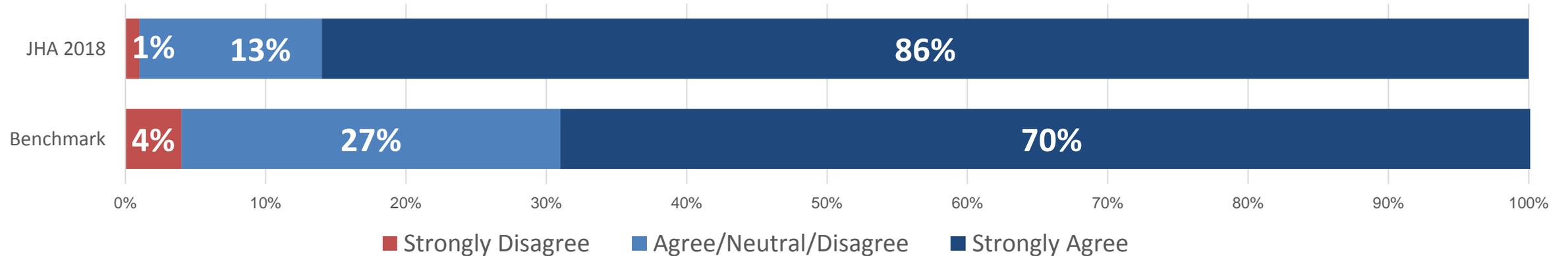
- 
- 1 employees
 - 2 customers
 - 3 shareholders

2018 Employee Engagement Survey

I am confident about the future performance of my organization.



I believe in my organization's values.



Best Places to Work

Forbes – America’s Best Employers 2018 IT, Internet, Software and Services Category	
1	Google
2	Jack Henry & Associates
3	SAP
4	VMware
5	Microsoft
6	Facebook
7	Salesforce.com
8	Intuit
9	LinkedIn
10	Cisco Systems



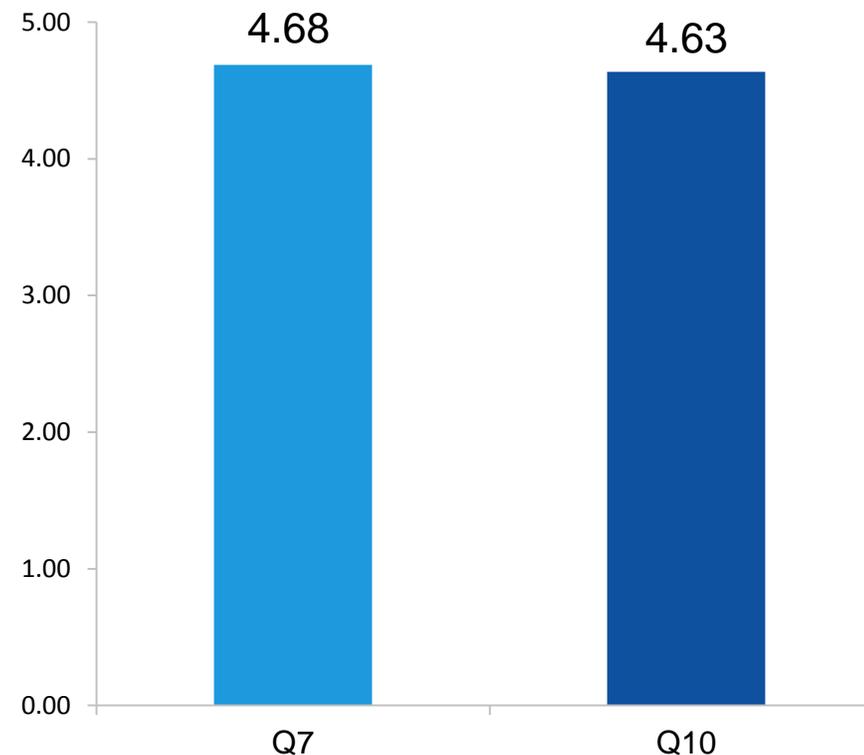
Daily Customer Satisfaction Surveys



overall rating of customer service representative



overall customer service experience



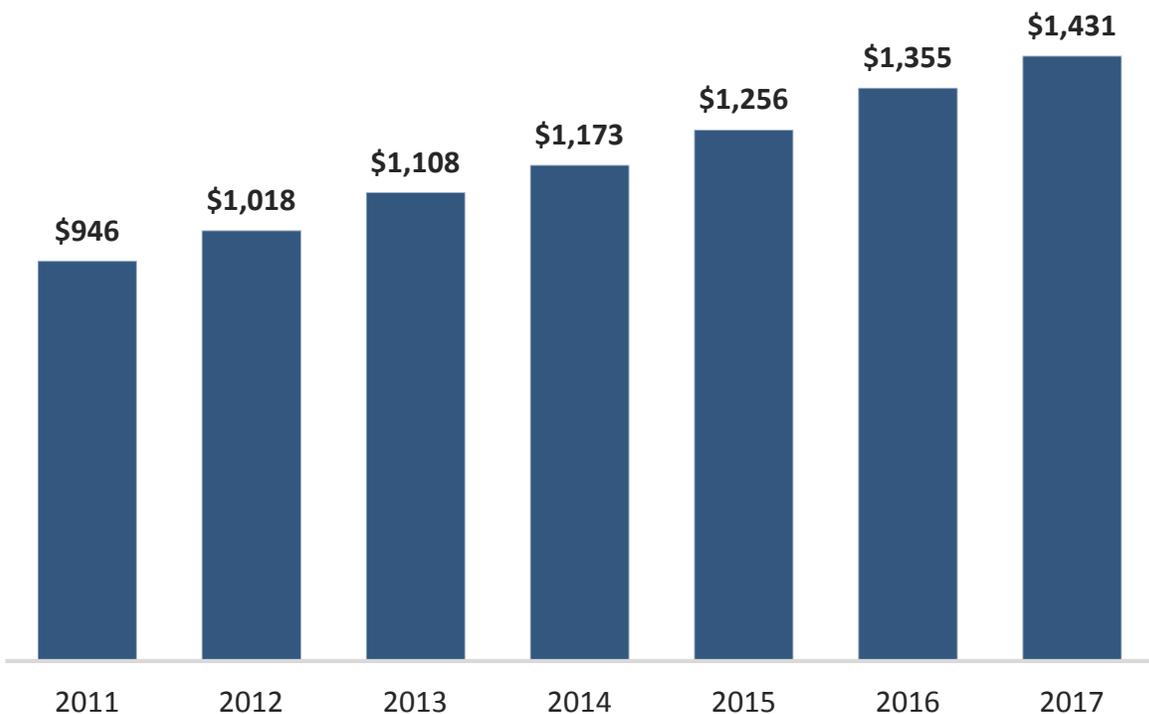
Rating Scale: 1) Unacceptable, 2) Needs improvement, 3) Met Expectations, 4) Exceeded expectations, 5) Far exceeded expectations

As of 3-31-18

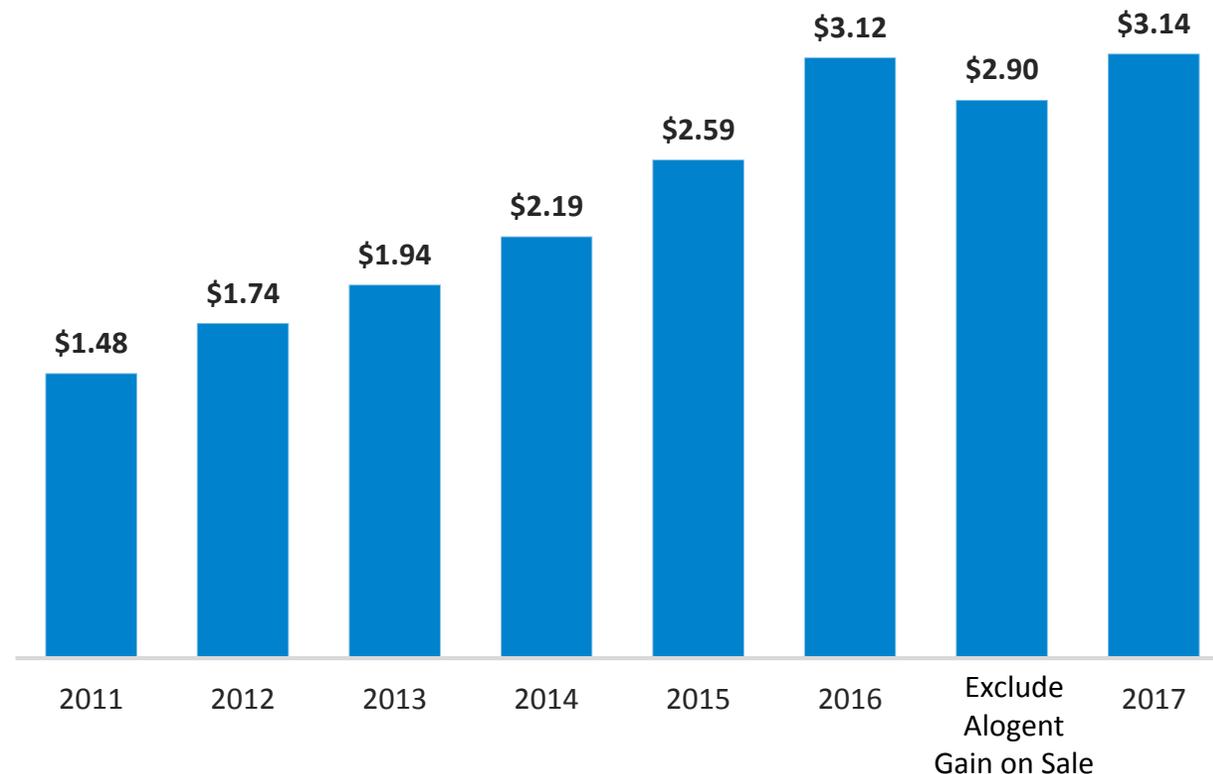
Revenue and EPS Comparison

(in millions, except per share data)

Fiscal Year Ended June 30



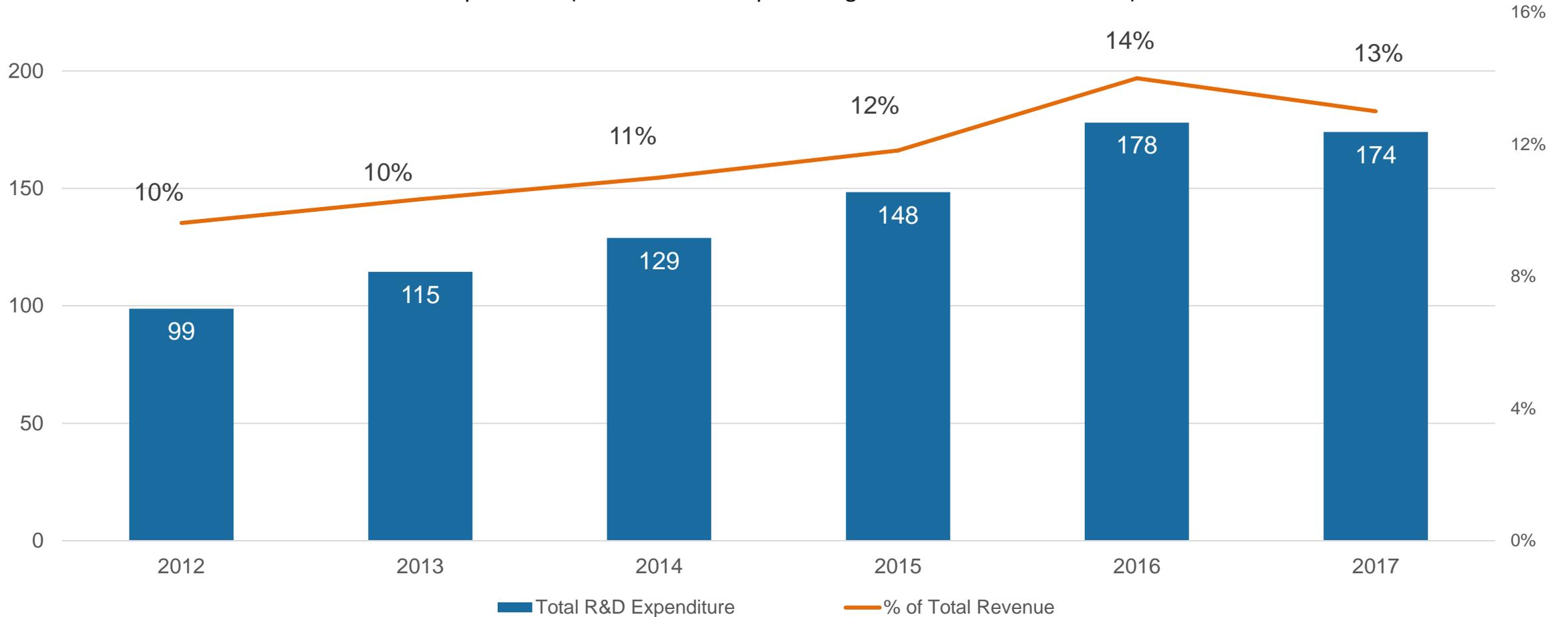
REVENUE



EPS

Investment in Technology

R&D Expenditure (in millions and as percentage of non hardware revenue)



Key R&D Initiatives

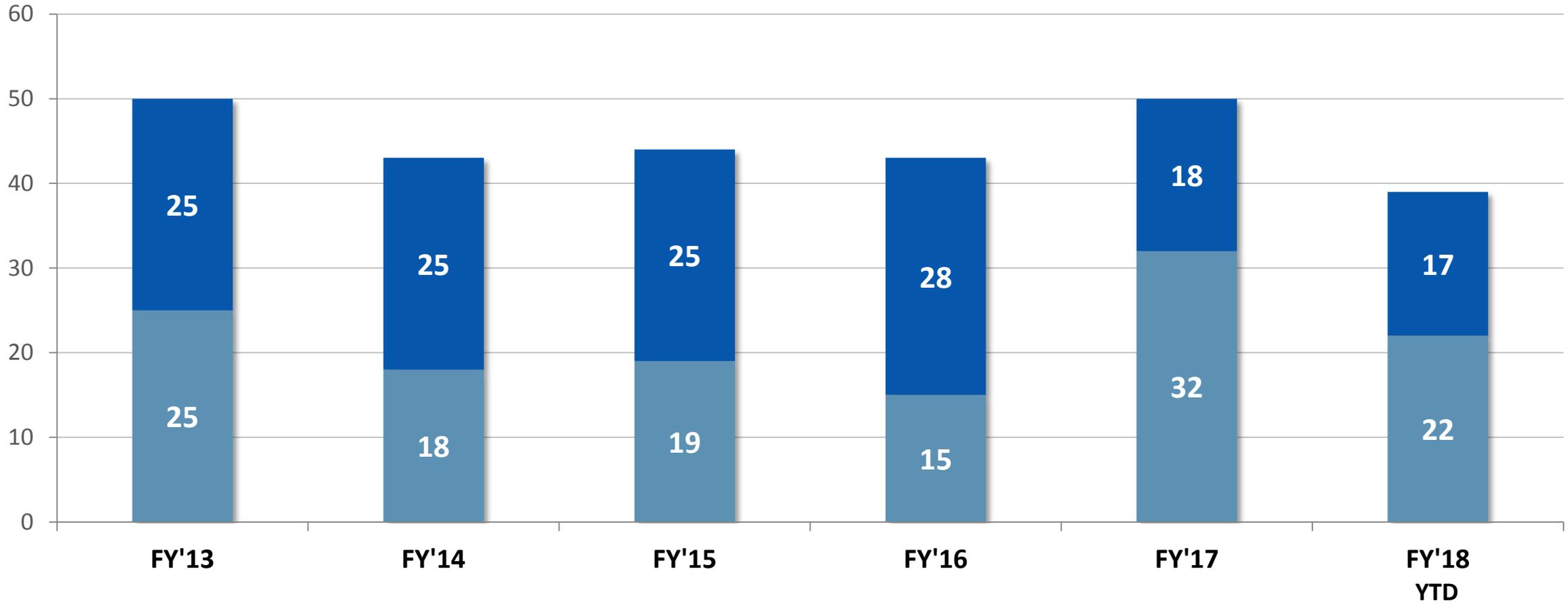
- Digital/mobile solutions: Banno™, goDough®
- Episys technology migration plan
- JHA Card Processing Solutions™ platform migration to FDC/PSCU
- Immediate payments through JHA Payments hub
 - Zelle® and The Clearing House networks
- Deeper *jha*Call Center integration with Episys
- ProfitStars Financial Performance SuiteSM
- JHA Enterprise Risk Mitigation Solutions™ with SAS
- Commercial Lending Center Suite integration

Sales Highlights Year-to-Date

- Jack Henry Banking[®]
 - 21 new core account wins – 2 de novos, competitive wins, win-a-mergers
 - 17 core migrations from in-house to our hosted offerings
- Symitar[®]
 - 17 new core account wins – all of which are competitive displacements
 - We expect to easily exceed last year's total for competitive core displacements
 - Several EASE wins as new footprints plus 22 in-to-out migrations
- ProfitStars[®]
 - This group has added 32 new customers to JHA this year
 - 42 sales of our new CPS Debit and Credit solution
 - The average number of solutions in our non-core clients now at 3.2, up from 2.9 last year

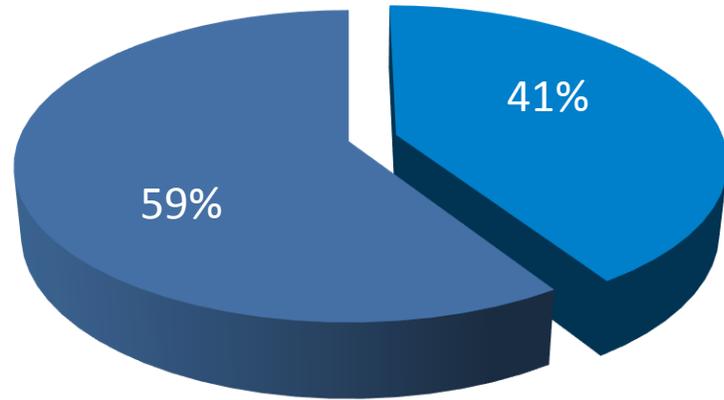
In-to-Out Sales

Credit Unions Banks

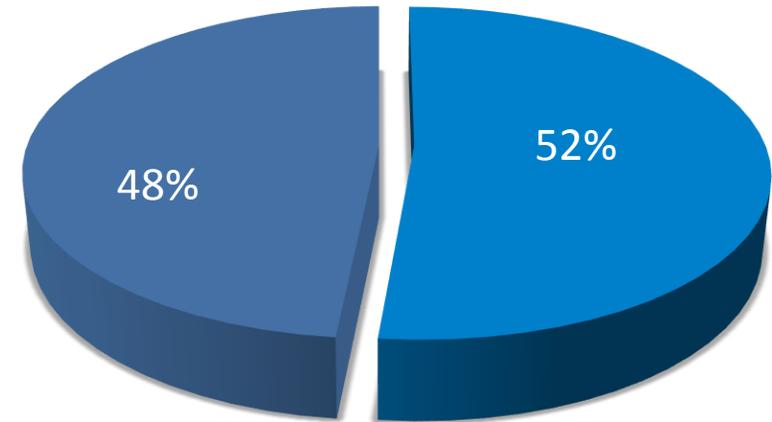


In-to-Out Opportunity

BANKING



CREDIT UNION



- OUTLINK
- IN-HOUSE

As of 3-31-18



Increase total revenue



Increase recurring revenue



Multi-year contracts

“Tax Cuts & Jobs Act” Opportunities

- Dividend Expansion already announced
- “Voluntary Departure Incentive” program already announced
- Will be rolling out 4 other programs through the year
 - Focus on long-term return to our employees
- Reserve for acquisitions and stock repurchase

CUSTOMER STRATEGIES

“CEO optimism for 2018 remains very high despite a slight dip in optimism among bank CEOs. That dip is likely due to weak demand in some areas for commercial loans, while credit union CEOs’ increased optimism reflects prospects for a strong economy.”

“In 2018, overall IT spending will increase in 85% of FIs.”

Cornerstone Advisors Survey of 262 Community-Based Financial Institution Executives, Q4 2017

CEO Plans for Tech Spending

How will your institution's tech spending change in 2018 compared to 2017?

	Banks		Credit Unions	
	2017	2018	2017	2018
Significantly higher (>10% higher)	14%	22%	21%	30%
Somewhat higher (1%–10% higher)	60%	63%	59%	54%
No change	18%	9%	15%	9%
Somewhat lower (1%–10% lower)	6%	4%	5%	6%
Significantly lower (>10% lower)	2%	1%	0%	0%

CEO Views of Future Readiness

	Banks		Credit Unions	
	2017	2018	2017	2018
IT	51%	61%	51%	46%
Digital Banking	54%	54%	61%	51%
Fraud/Risk Management	43%	47%	37%	41%
Payments	42%	44%	42%	38%
Commercial Lending	NA	38%	NA	17%
Marketing	36%	36%	55%	43%
Treasury/Cash Management	NA	34%	NA	16%
Branch Delivery	33%	30%	50%	39%
Contact Center	24%	23%	39%	29%
Analytics	21%	19%	25%	24%

A Few Key Customer Strategies

- Digital Experience
- Payments
- Deposit Gathering
- Commercial Services
- Fraud & Security
- Outsourcing
- Improving Efficiency

Digital Experience

- Customer Challenge:
 - Banks and CUs need a comprehensive digital strategy to compete today and in the future.
- JHA Solution:
 - Banno coupled with Branch Anywhere™ provide a complete solution with both available today.
 - Banno clients live: 257
 - Branch Anywhere clients live: 33

Payments

- Customer Challenge:
 - The payments landscape continues to evolve. Clients need a suite of solutions including bill pay, credit, debit, ACH, real time, and access to Zelle and The Clearing House.
- JHA Solution:
 - We have strengthened our position here by expanding our offerings with JHA PayCenter™, Ensenta, and the First Data/PSCU partnership.
 - First Data/PSCU Clients Live: 35

Deposit Gathering

- Customer Challenge:
 - FIs are challenged today to find sufficient deposits to fund ongoing lending opportunities.
- JHA Solution:
 - We have rolled out several initiatives including JHA Treasury Management™ to support commercial accounts and an expanded rewards program to attract new consumer accounts. In the near future we will be rolling out a digital branding/processing solution to support online banks.
 - JHA Treasury Management clients live: 6

Commercial Services

- Customer Challenge:
 - FIs require tools to expand their relationships with larger commercial customers allowing them to pursue loan and deposit growth opportunities.
- JHA Solution:
 - Our newly-released Commercial Lending Center, JHA Treasury Management, and JHA Commercial Cash Management™ solutions all provide these necessary tools.
 - Commercial Lending Center clients live: 487

Fraud & Security

- Customer Challenge:
 - Every FI is faced with ongoing challenges in this area.
- JHA Solution:
 - We offer several solutions to address these concerns including JHA Enterprise Risk Mitigation Solutions (with SAS), network security monitoring, a vISO program, and a variety of other tools.
 - Gladiator Monitoring clients live: 790
 - ERMS clients live: 4

Outsourcing

- Customer Challenge:
 - FIs continue to have trouble finding/retaining qualified IT and security talent and look to outsource management of their infrastructure.
- JHA Solution:
 - In addition to our traditional Core outsourcing business, we can host their network, disaster recovery function, call center, and a variety of ancillary products.
 - *jha*Call Center clients live: 91
 - Gladiator Hosted Network Solutions™ clients live: 62

Improving Efficiency

- Customer Challenge:
 - Most FIs are looking for ways to improve processes, save time, and mitigate risk associated with manual processes.
- JHA Solution:
 - We have delivered the robust *jha*Enterprise Workflow solution to help automate processes enterprise-wide.
 - *jha*Enterprise Workflow clients live: 118
 - Workflows in the App Store: 66

“One publication dubbed 2018 ‘the year of the AI and machine learning for financial marketers.’ Those technologies aren’t even on the radar for most mid-size banks and credit unions.”

Cornerstone Advisors Survey of 262 Community-Based Financial Institution Executives, Q4 2017

Despite that feedback from Cornerstone, we are actively involved with projects in both areas.

Summary

- Spending environment projected to be ahead of 2017
- We are well-positioned with new solutions to help address the challenges our clients face every day
- Highly motivated and engaged workforce
- Outstanding customer satisfaction levels – critical in a reference selling business like ours
- Flexibility to pursue acquisitions or partnerships as they make sense for us

Future Outlook



Continue our dedicated focus on financial services



Maintain our high levels of customer service and satisfaction



Deliver highly integrated business solutions



Leverage advancing technologies to enhance products and services



Pursue disciplined acquisitions

Questions?



Financial Review

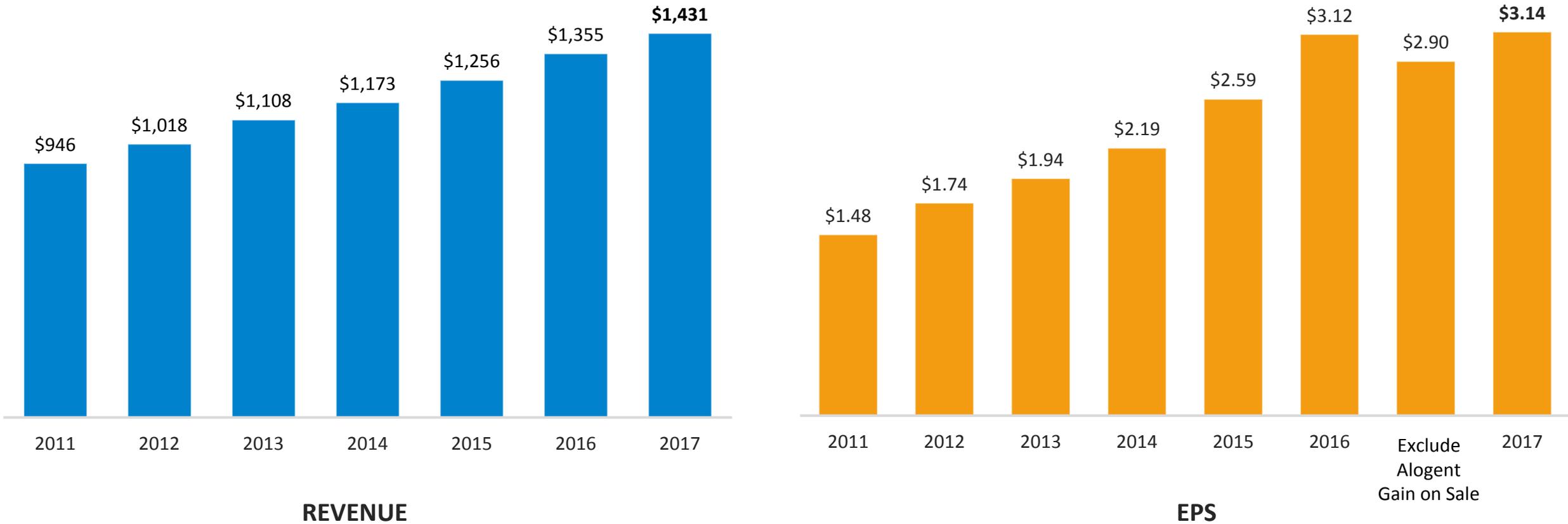
Kevin Williams
Chief Financial Officer



Revenue and EPS Comparison

(in millions, except per share data)

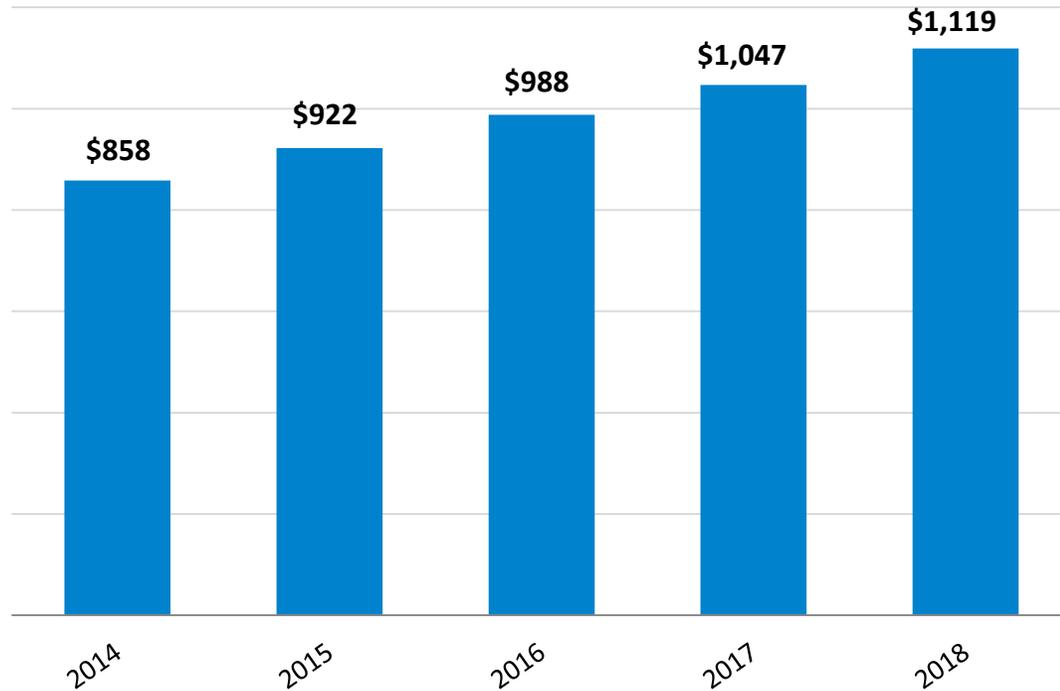
Fiscal Year Ended June 30



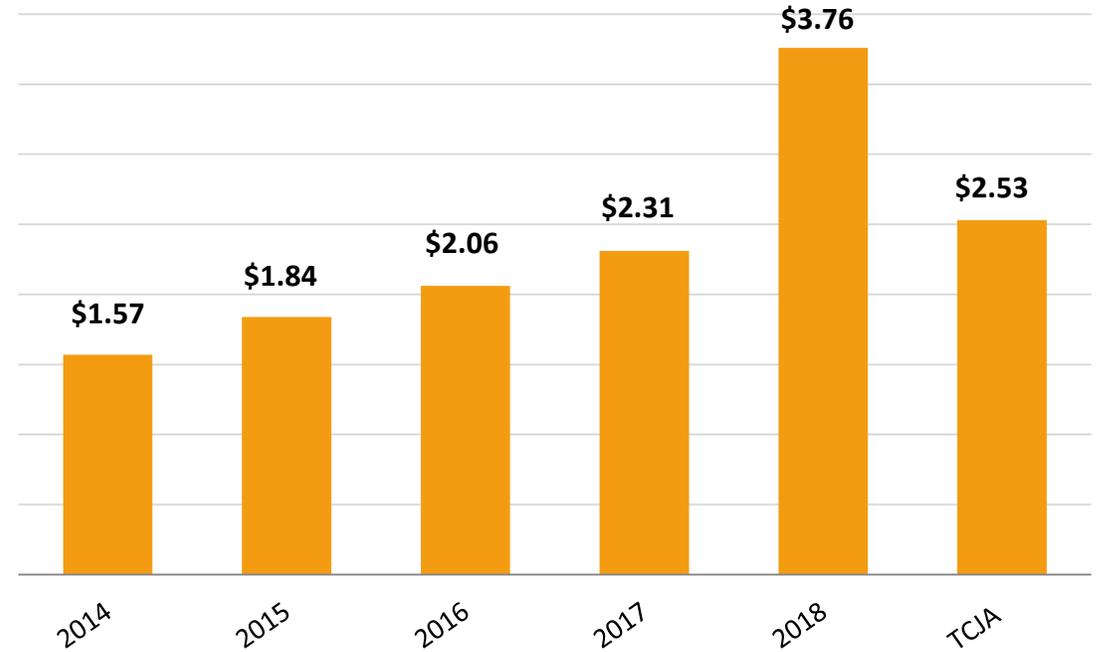
Revenue and EPS Comparison

(in millions, except per share data)

Year-to-Date March 31



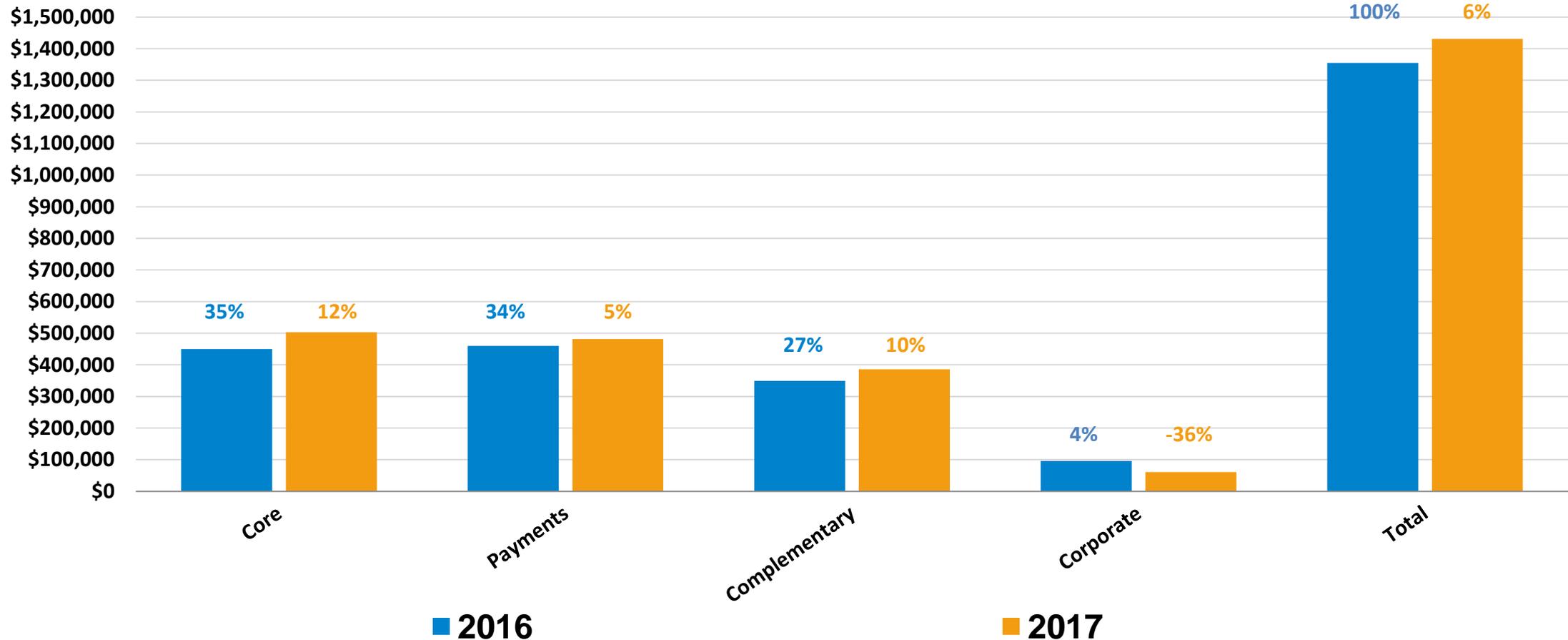
REVENUE



EPS

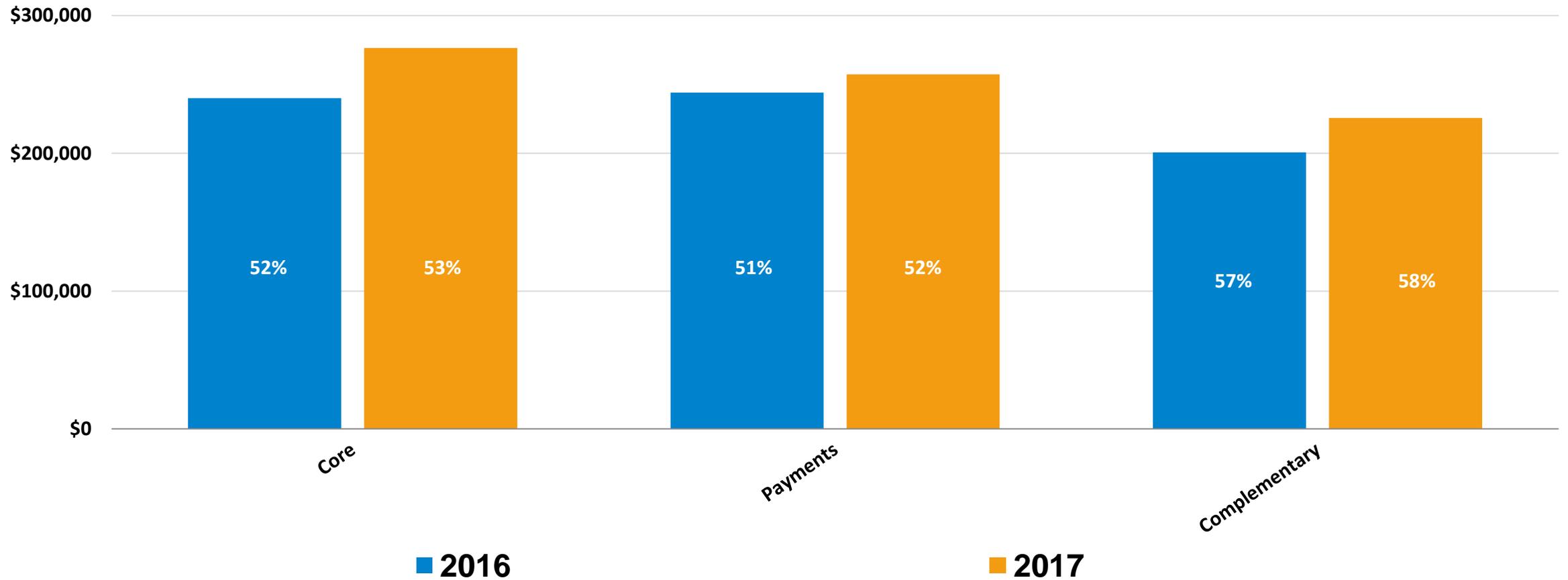
Segments Revenue

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



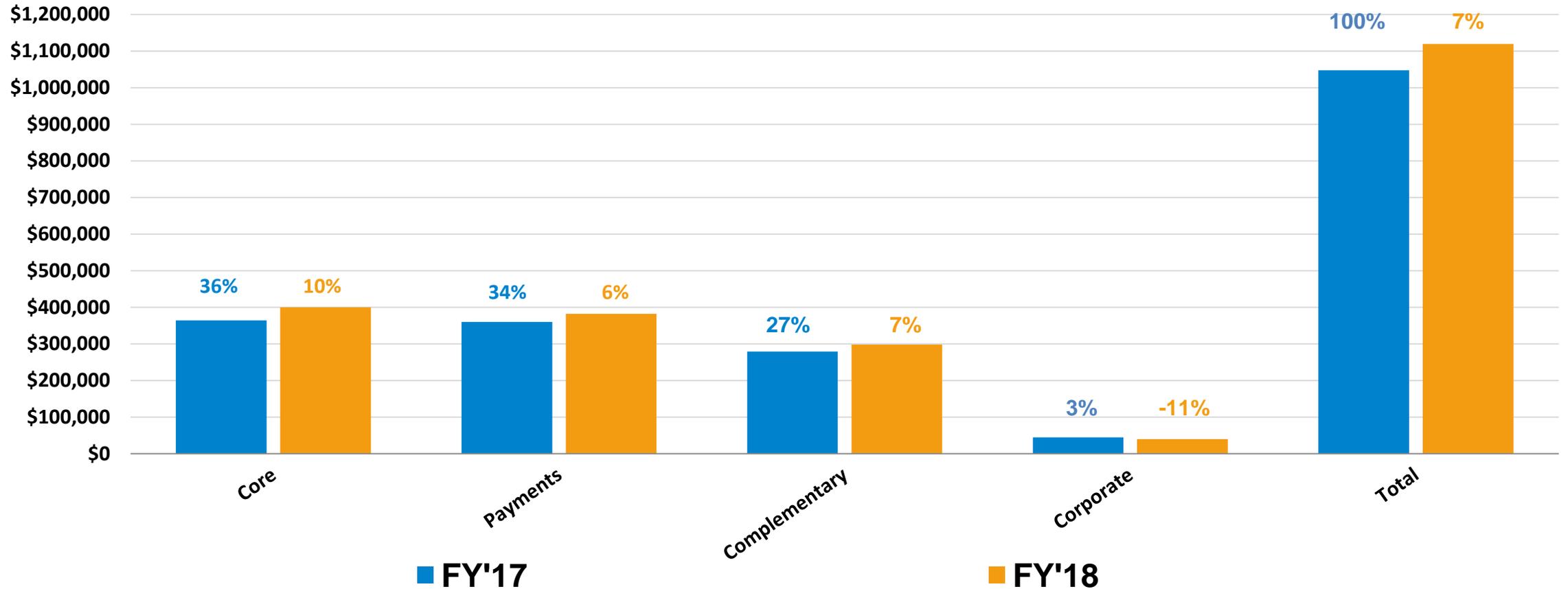
Segments Operating Income

(Margin Percentage)
(in thousands)



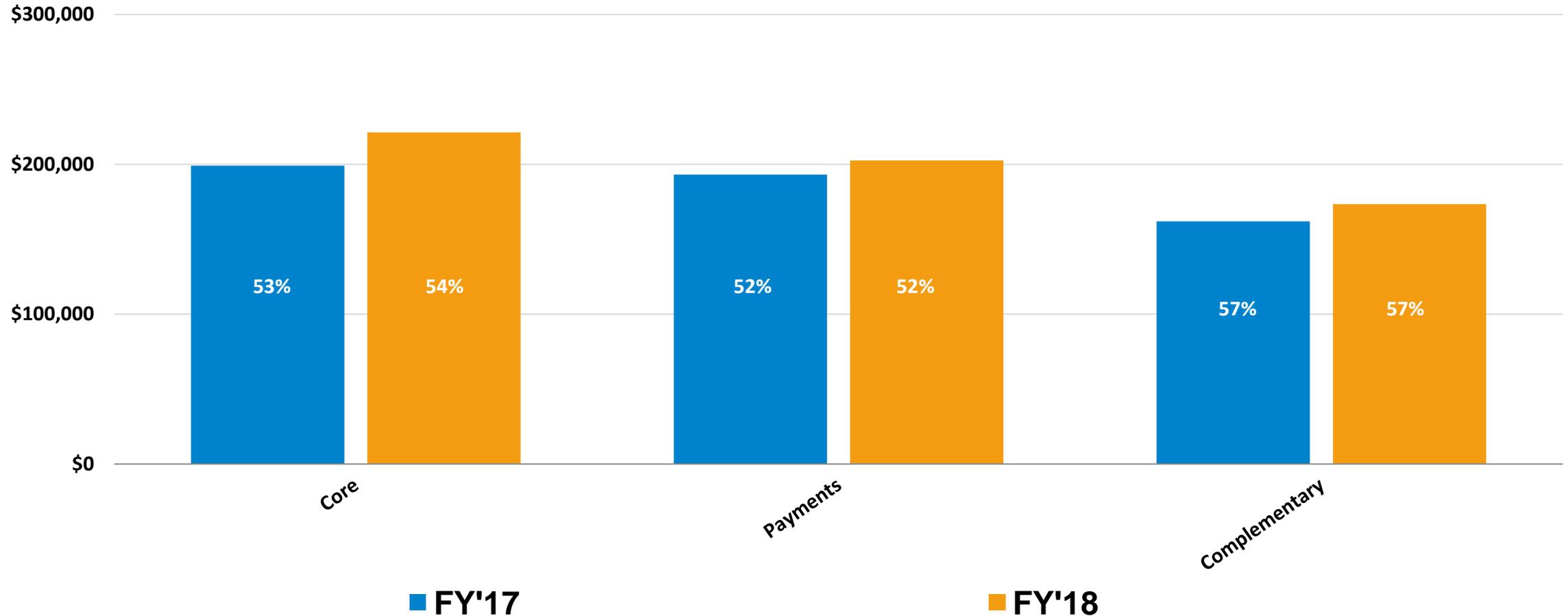
Segments Revenue Year-to-Date

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

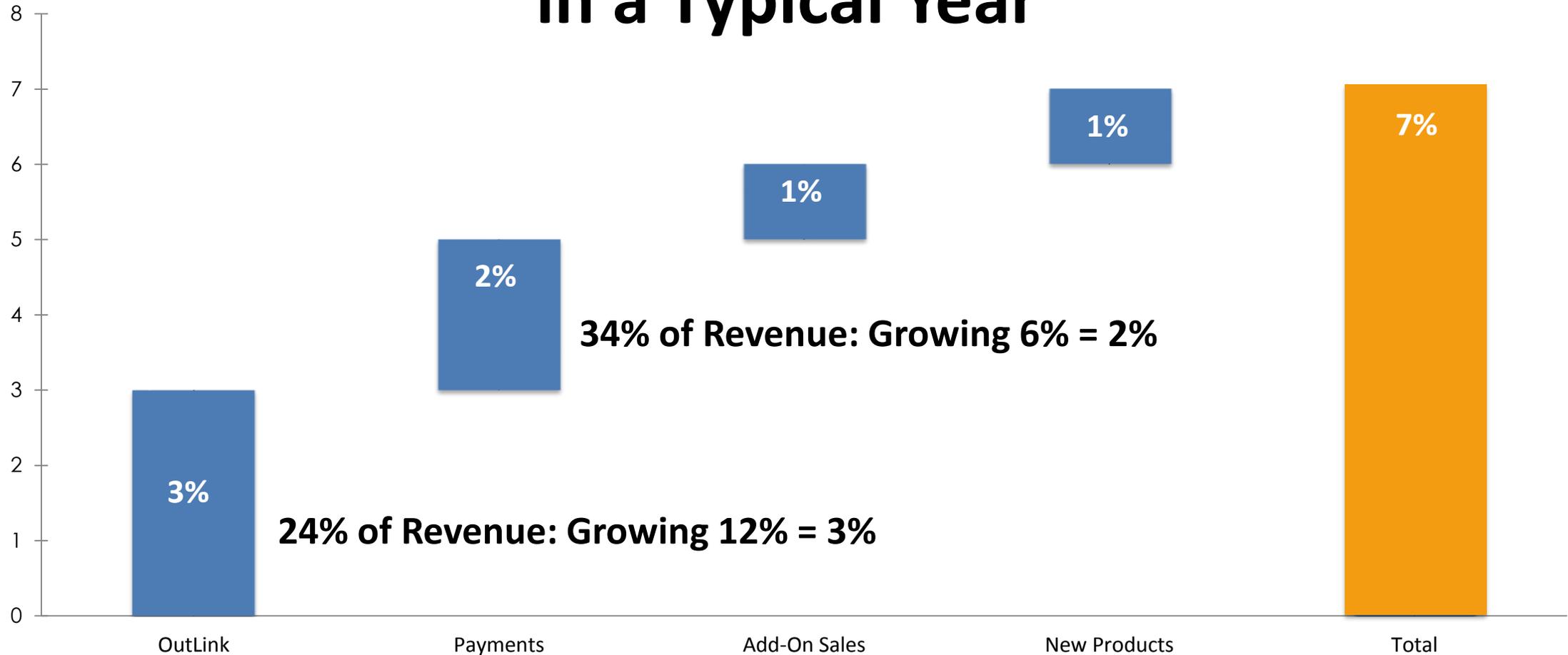


Segments Operating Income YTD

(Margin Percentage)
(in thousands)

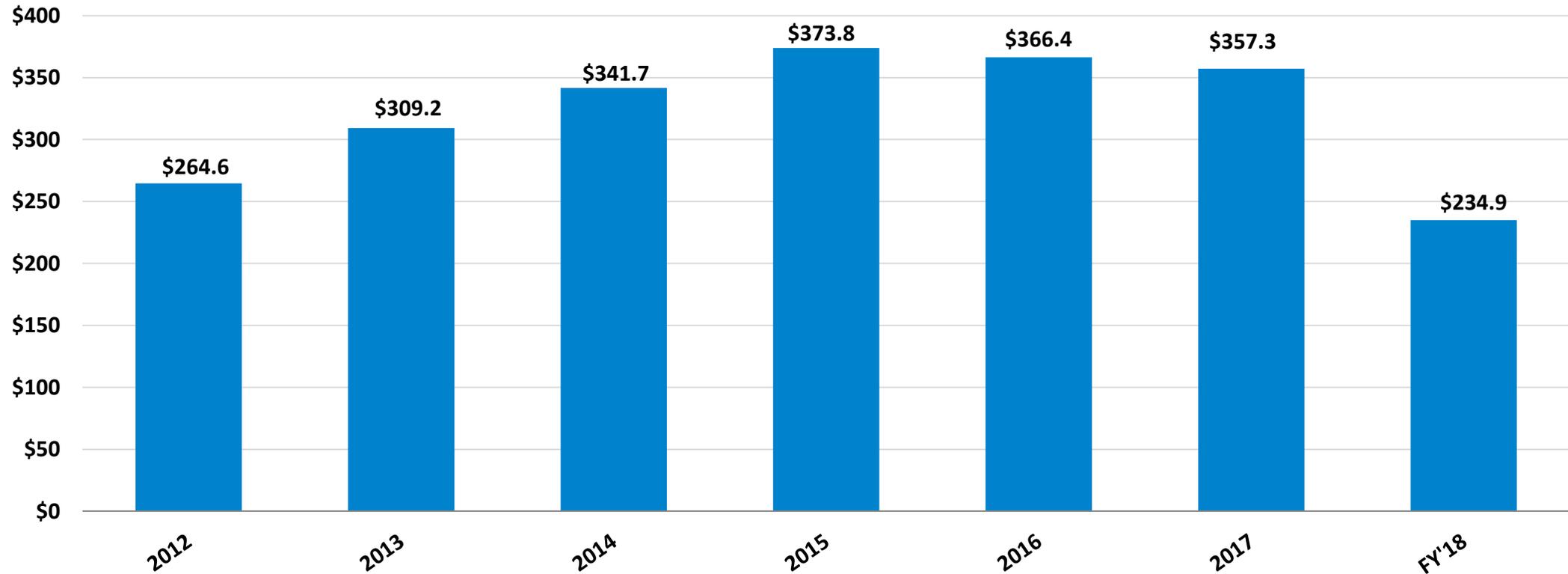


Projected Revenue Growth Drivers in a Typical Year



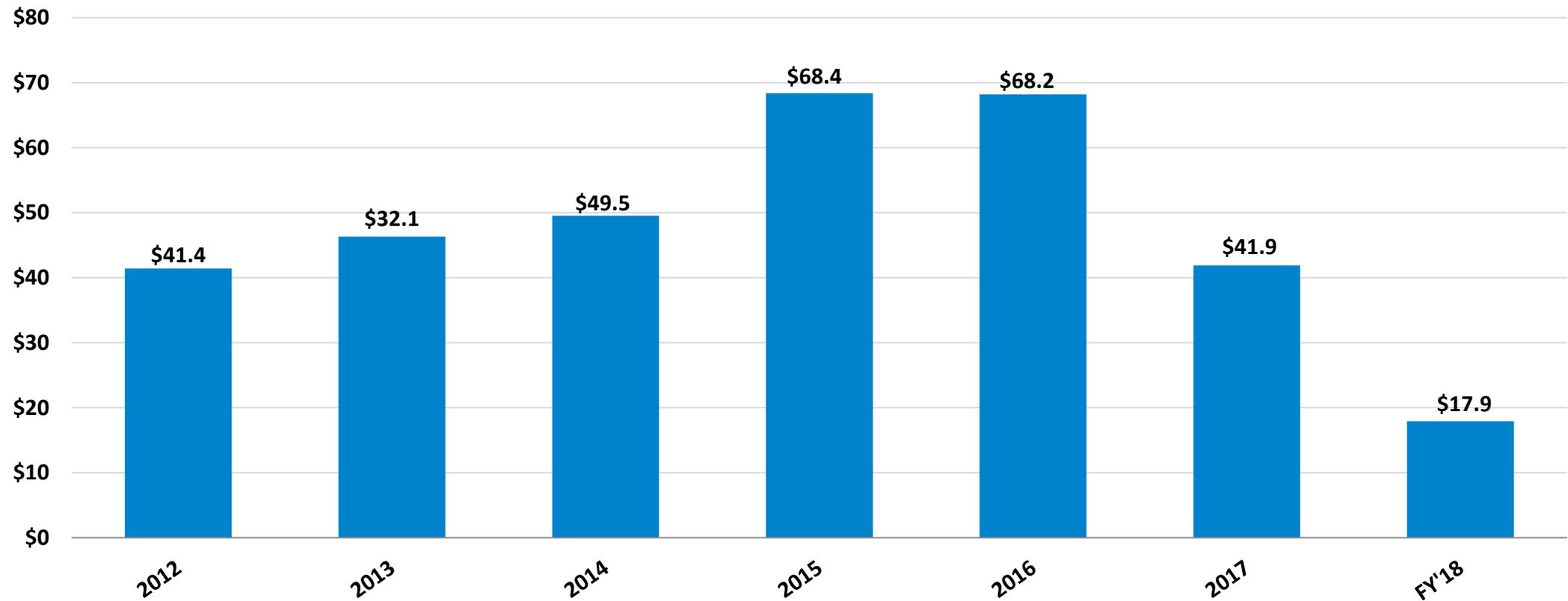
Operating Cash Flow

(in millions)



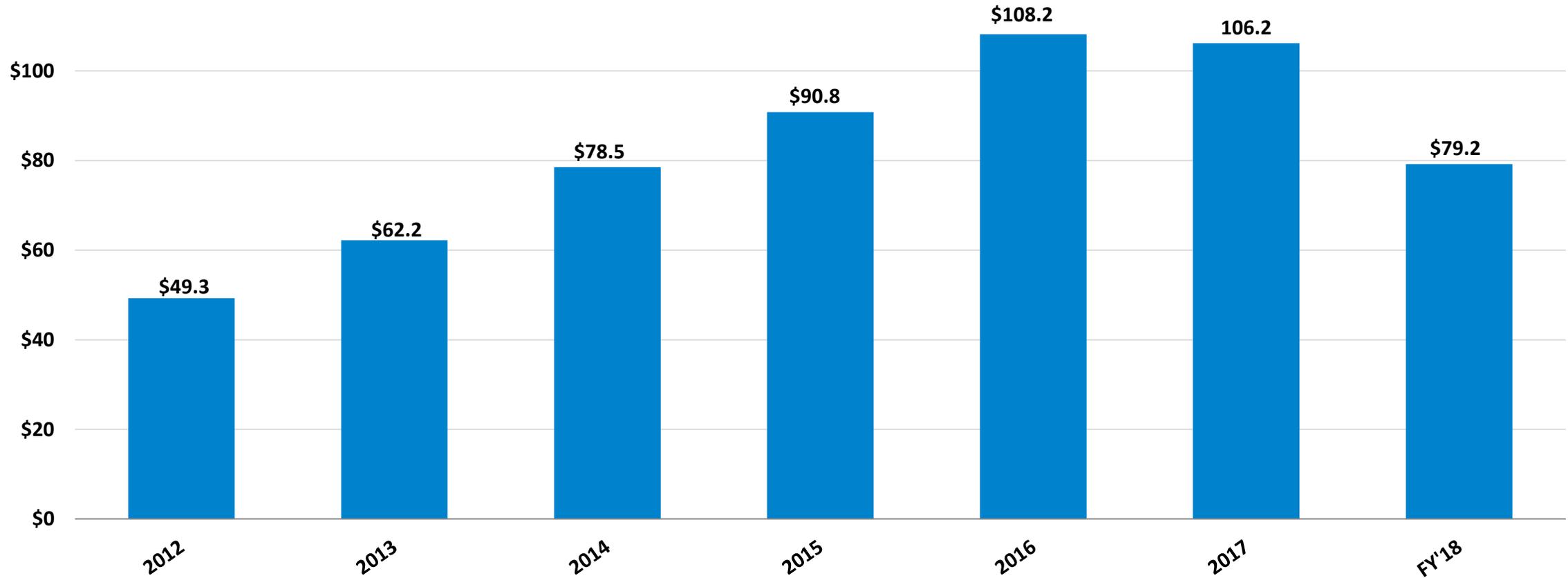
Capital Expenditures

(in millions)



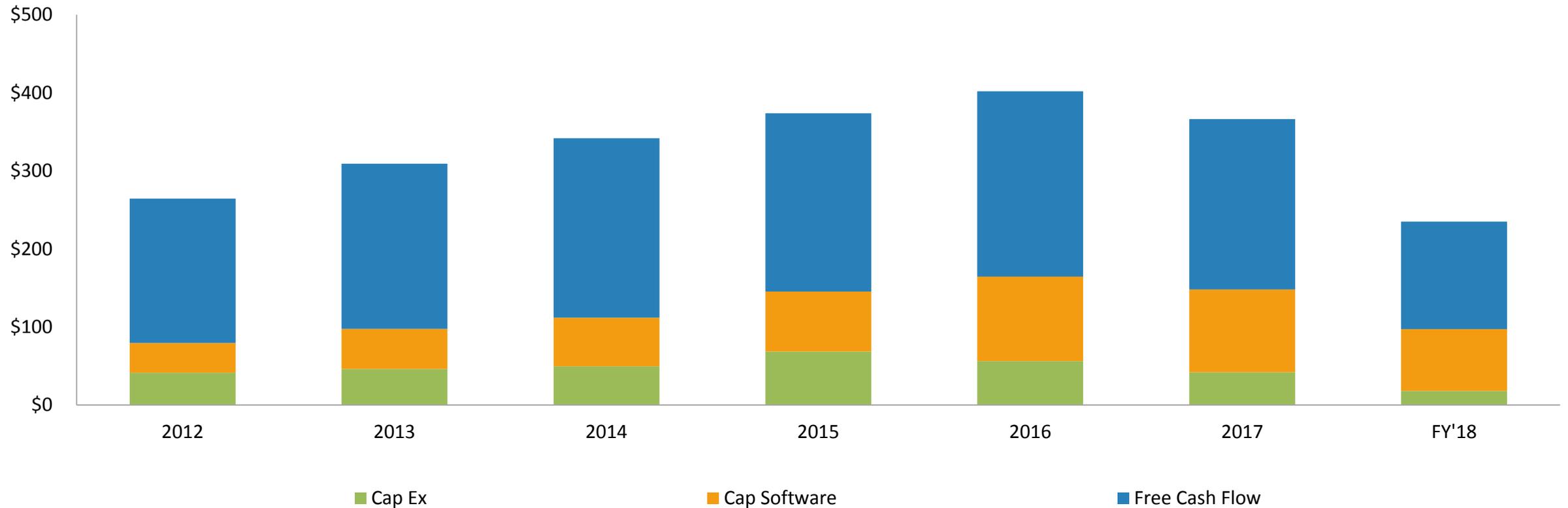
Capitalized Software

(in millions)



Operating Cash Flow Components

(\$ in millions)

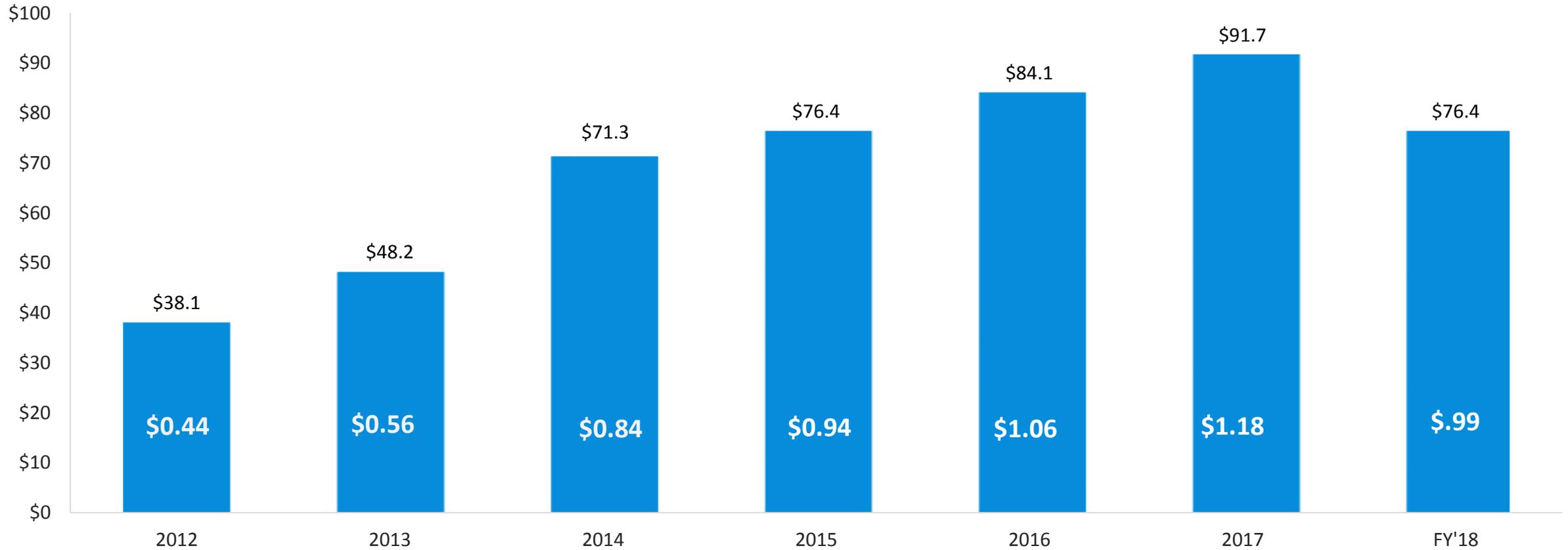


Returning Value to Shareholders



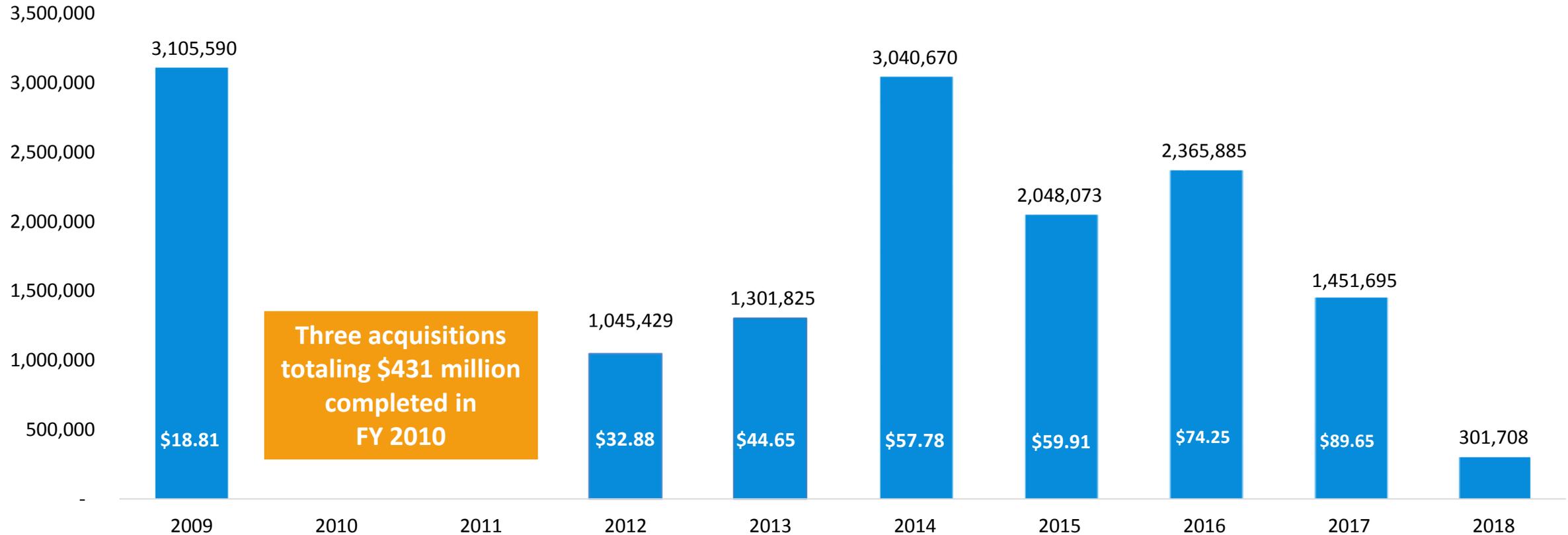
Dividends Paid

(in millions except per share amount)



Share Repurchases

(Number of Shares and Average Price Per Share)



» Aggregate Share Repurchased: 25,961,920 for \$1.036 Billion, average price of \$39.92

Acquisitions/Divestitures

2015

Acquired Bayside Business Solutions 7/1/15

- Factoring and Loan Portfolio Management Solutions
- Rounded out our ProfitStars Lending Solutions Group



2016

Divestiture of Alogent Announced 4/19/16

- Deposit Automation Solutions for Tier 1 Banks
- Closed on 5/31/16



2017

Divestiture of Regulatory Reporting Group 5/31/17

- Automated Call Reporting Software

2018

Acquired Vanguard 8/31/17

- Decision Engine for Commercial Lending Solution



2018

Acquired Ensenta Corp. 12/21/17

- Mobile Remote Deposit Capture

Today

Others

- Constantly Reviewing Acquisition Options

Select Financial Metrics

		2013	2014	2015	2016	2017	FY'18
Current Ration		1.05	.87	1.11	.97	1.10	1.25
Return on Avg. Assets		10%	11%	12%	14%	13%	20%
Return on Equity		17%	19%	22%	25%	24%	32%

Questions?



Technology Update

Mark Forbis

Chief Technology Officer



Agenda

- Digital Update
- Enterprise Integration, Open APIs
- Artificial Intelligence (AI), Bots, etc.
- Blockchain
- Questions

Digital Update

- goDough[®], NetTeller[®], and Banno[™] suite of products
- Banno Online[™] – 2 live now, 20 more testing
- Banno PeopleSM, Banno Conversations
- Zelle integration, MyCardRules[™] (OnDot), Geezeo, etc.
- FI Digital Brand support – corporate effort
- Open API

Enterprise Integration

- Enterprise Architecture team
- Integration Development team
 - jXchange™, SymXchange™, Events, Notifications, etc.
- Enterprise Integration Competency Center
- Involved in all major projects across the enterprise
 - Treasury Management, Enterprise Risk, JHA PayCenter™, Debit/Credit/ATM – First Data/PSCU, Commercial Lending, CECL, etc.

Enterprise Integration – Open APIs

- PSD2 preparedness
- jXchange, SymXchange
- Banno APIs
- Openness, flexibility, security
- Fintegration

Artificial Intelligence (AI), Bots

- AI – projects underway
 - Internal
 - External
- Bots – Platform approach, projects underway
- Digital
- *jha*Enterprise Workflow™
- Augmenting the human process

Blockchain – JHA Stance and Technology Perspective

Summary: **Observe**, **Learn**, **Prepare**



- No use cases for blockchain technology currently in production



- Blockchain technology maturing over next few years for business models



- Anticipated consortia growth over next 3–4 years with potential distributed business models



- JHA continues to observe, learn, and prepare to utilize the technology as business needs evolve

Questions?



Jack Henry Banking

Stacey Zengel
President



jack henry Banking[®]

A DIVISION OF JACK HENRY



1,100

BANKS

Primary technology partner for approximately 1,100 banks ranging from community banks to multi-billion dollar banks and multi-bank holding companies.



21%

MULTI-BILLION

Supports approximately 21% 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.

Elements of Jack Henry Banking

Driven

Dv

We are driven by the most engaged, empowered, and exceptional people in our industry.

Success

Se

We do the right thing and whatever it takes to ensure the success of our customers.

Service

Sr

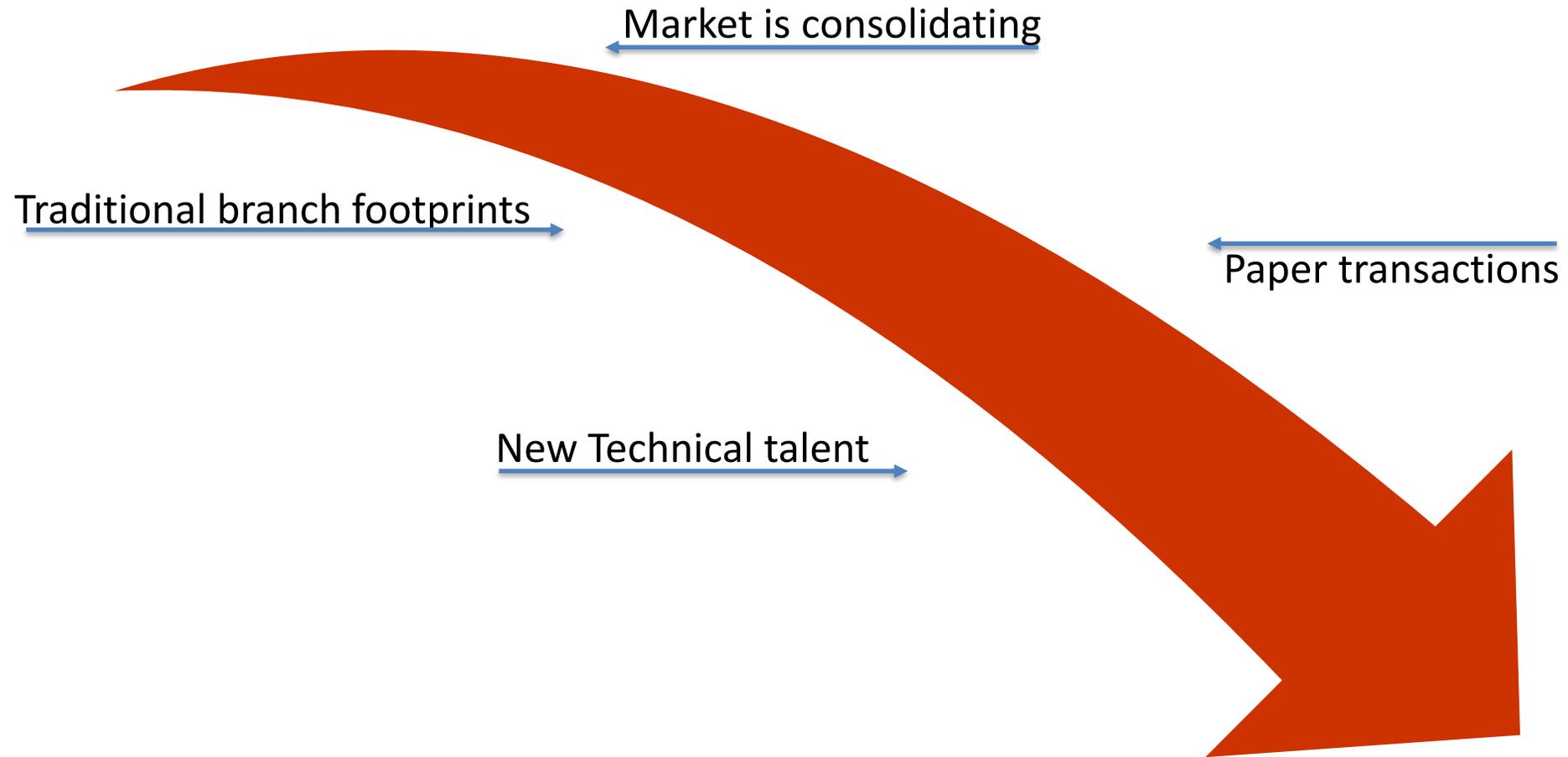
We define amazing service for our customers.

Strategic Multi-Billion Market Segment

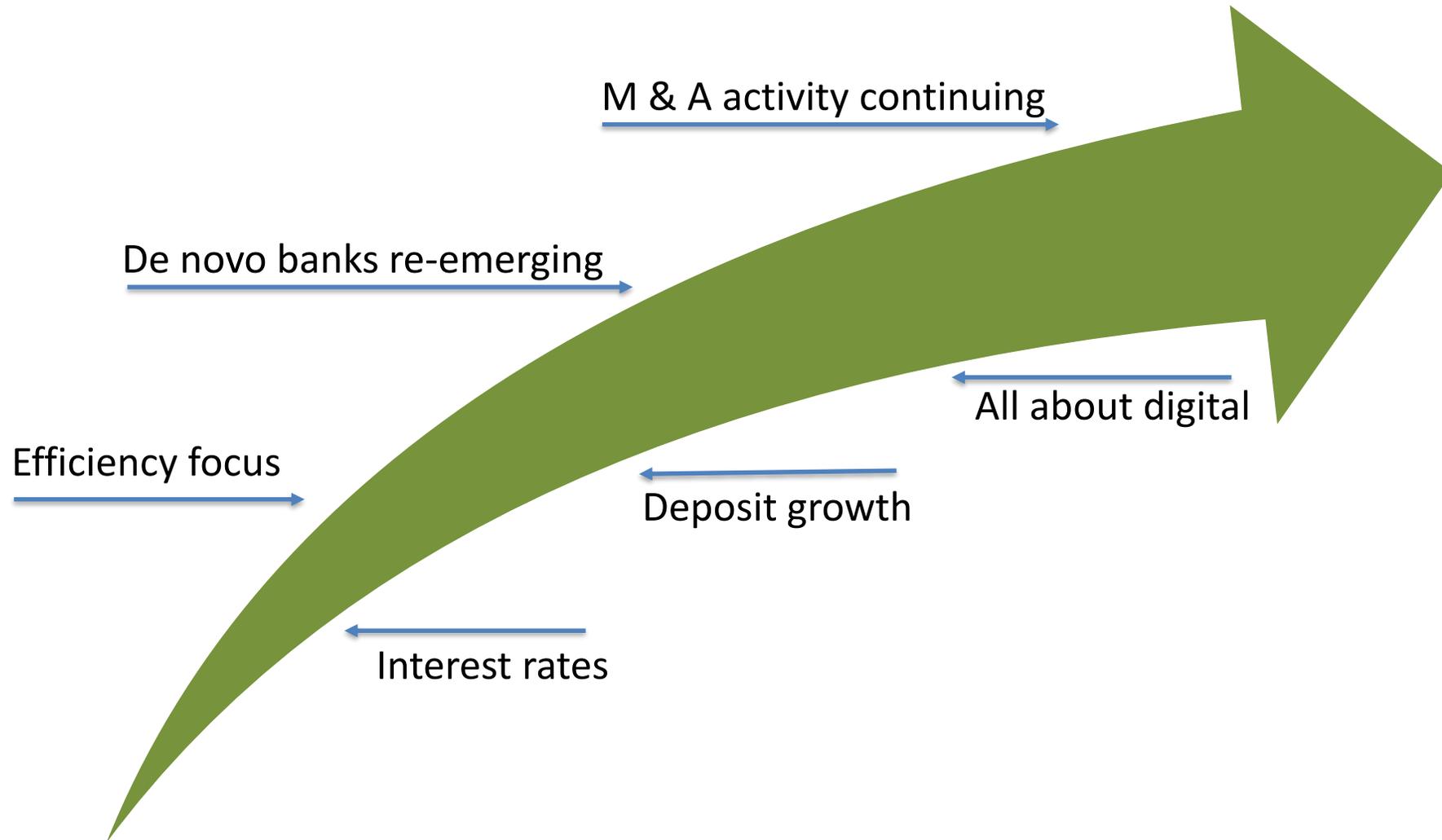
Asset Range	U.S. Banks
\$1 – \$50 Billion	702
Year	JHA Customers
2001	26
2018	144

~ 21% of Multi-Billion Dollar Banks

General Observations – Downward Industry Trends



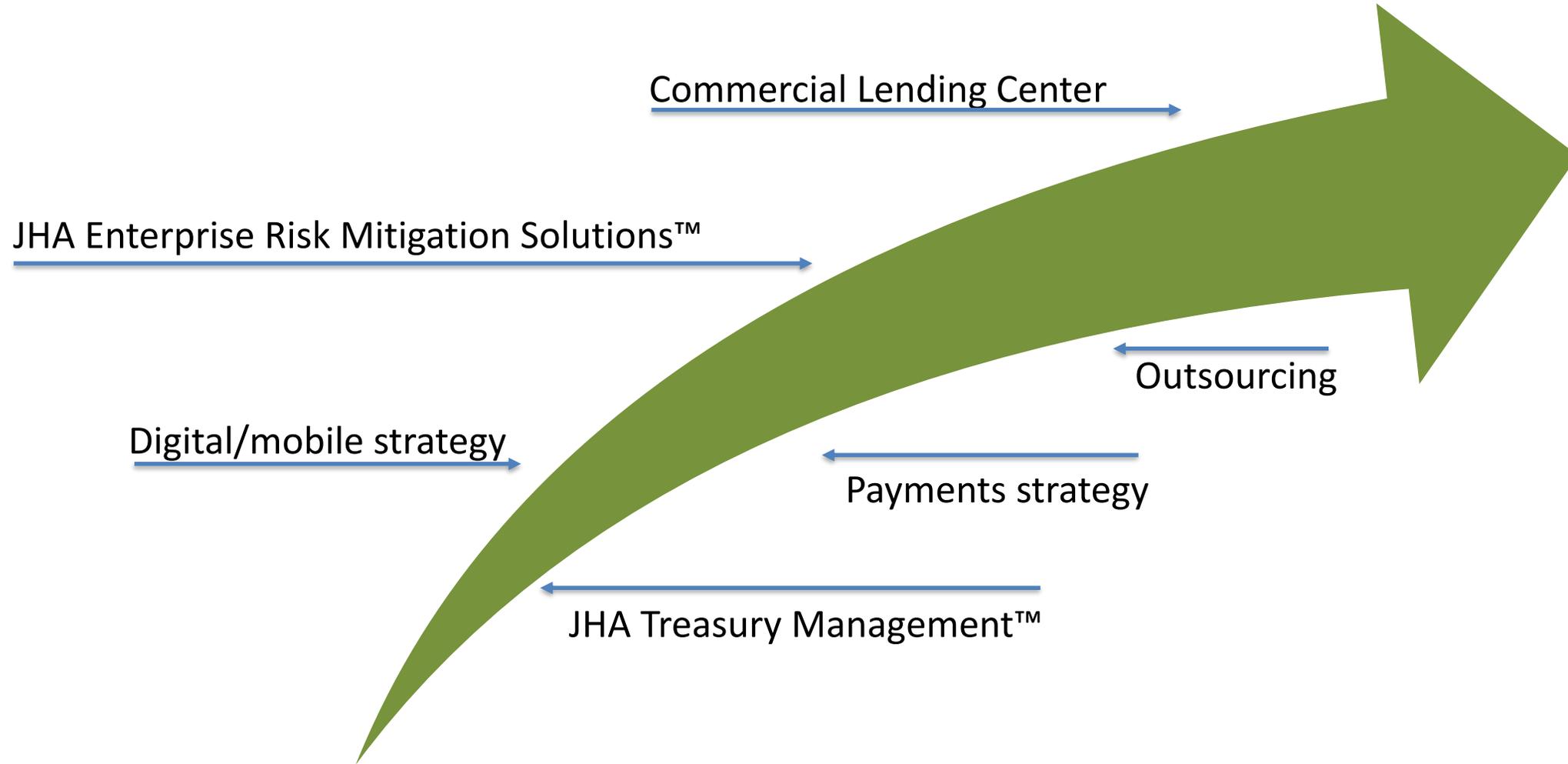
General Observations – Upward Industry Trends



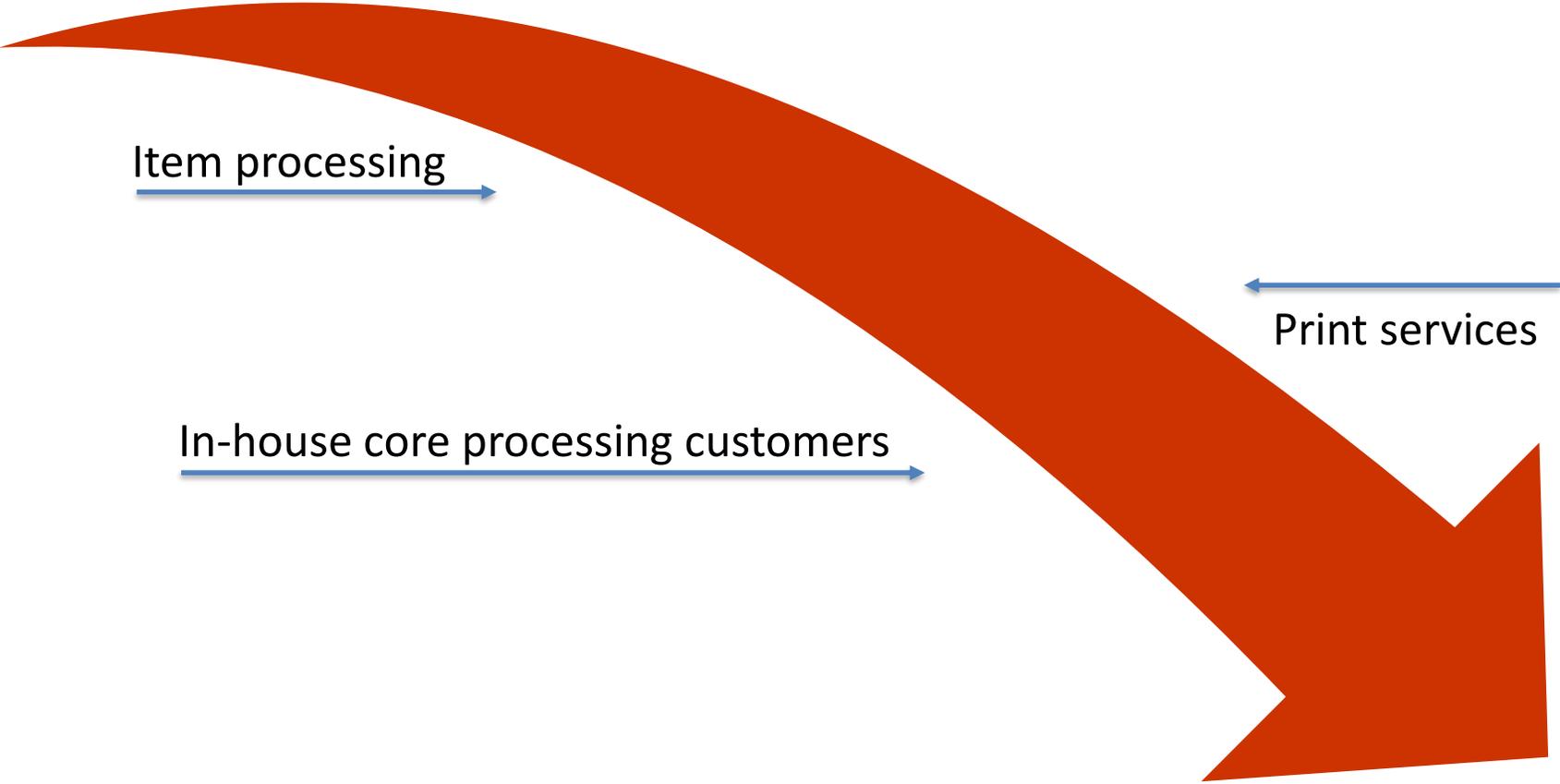
General Observations – Banking Customer Focus

- Efficiency ratios (lowering)
- Fee income
- Growing deposits
- Growing loans
- Net interest margins
- Attracting and retaining banking and technical talent
- ROA/ROE
- Security, compliance, and risk

Upward Jack Henry Banking trends



Downward Jack Henry Banking Trends



Key Initiatives

 Digital (Banno™, Branch Anywhere™)

 Consulting business expansion

 Disaster avoidance improvements

 Call center growth and expansion

 Risk (JHA Enterprise Risk Mitigation Solutions™ modules)

 Fireside Chats

 Process improvement = cost savings

 Faster Payments

 Wire enhancements

 Xperience™ technology roll-out

Summary

- We continue to have success in a competitive market.
- We continue to expand our multi-billion-dollar bank presence.
- Outsourcing continues to be a key growth area.
- Our initiatives that are underway will:
 - Enhance the customer experience.
 - Improve the experience of our customers' customers.
 - Make banking simpler and more efficient for our customers.
 - Help us drive new business.

Questions?



Symitar

Ted Bilke
President



Agenda

- Credit Union Platform Landscape
- Direction and Focus
- Service Excellence
- Technology Evolution Update
- It's All About Integration

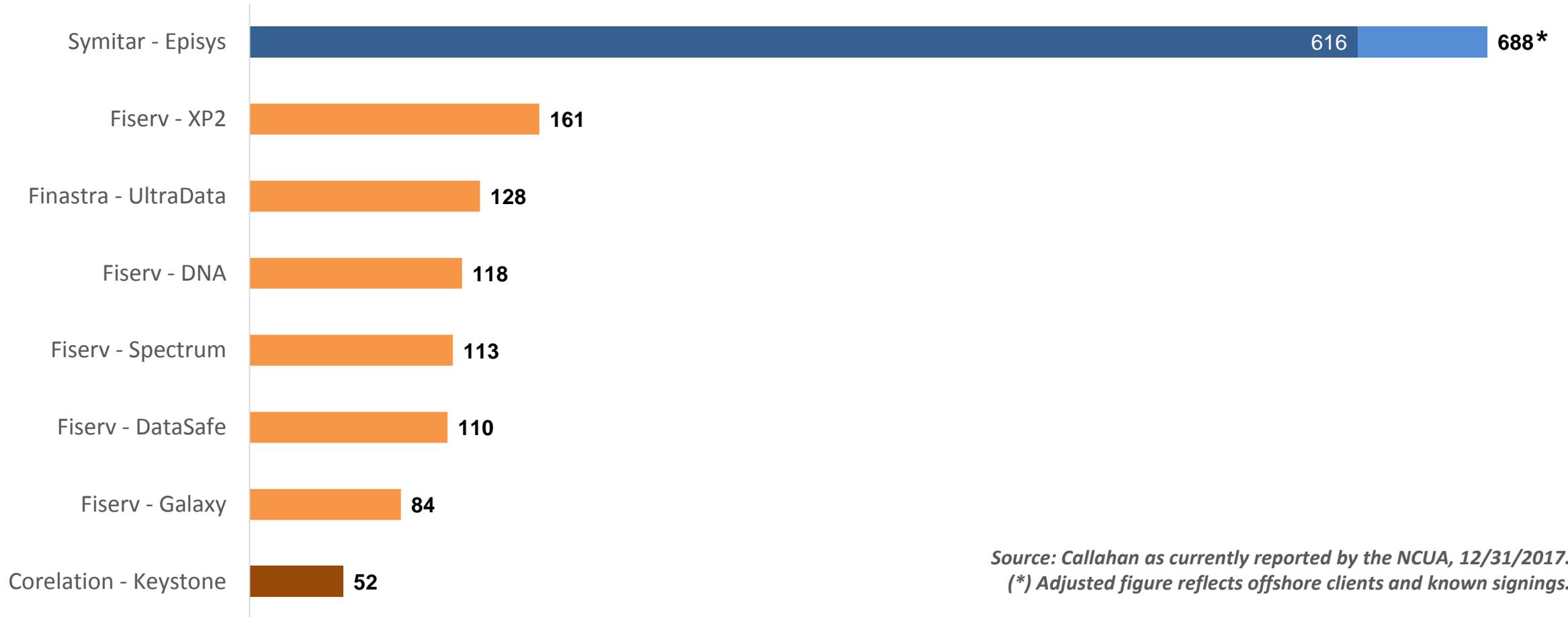
Credit Union Platform Landscape

Industry Consolidation

Assets	2017	2016	Change	%
\$0 to 49M	3,346	3,640	-294	-8%
\$50 to 99M	747	742	5	1%
\$100 to 499M	1,055	1,077	-22	-2%
\$500 to 999M	251	237	14	6%
\$1.0 to 10B	283	265	18	7%
Over \$10B	7	6	1	17%
Total	5,689	5,967	-206	-5%

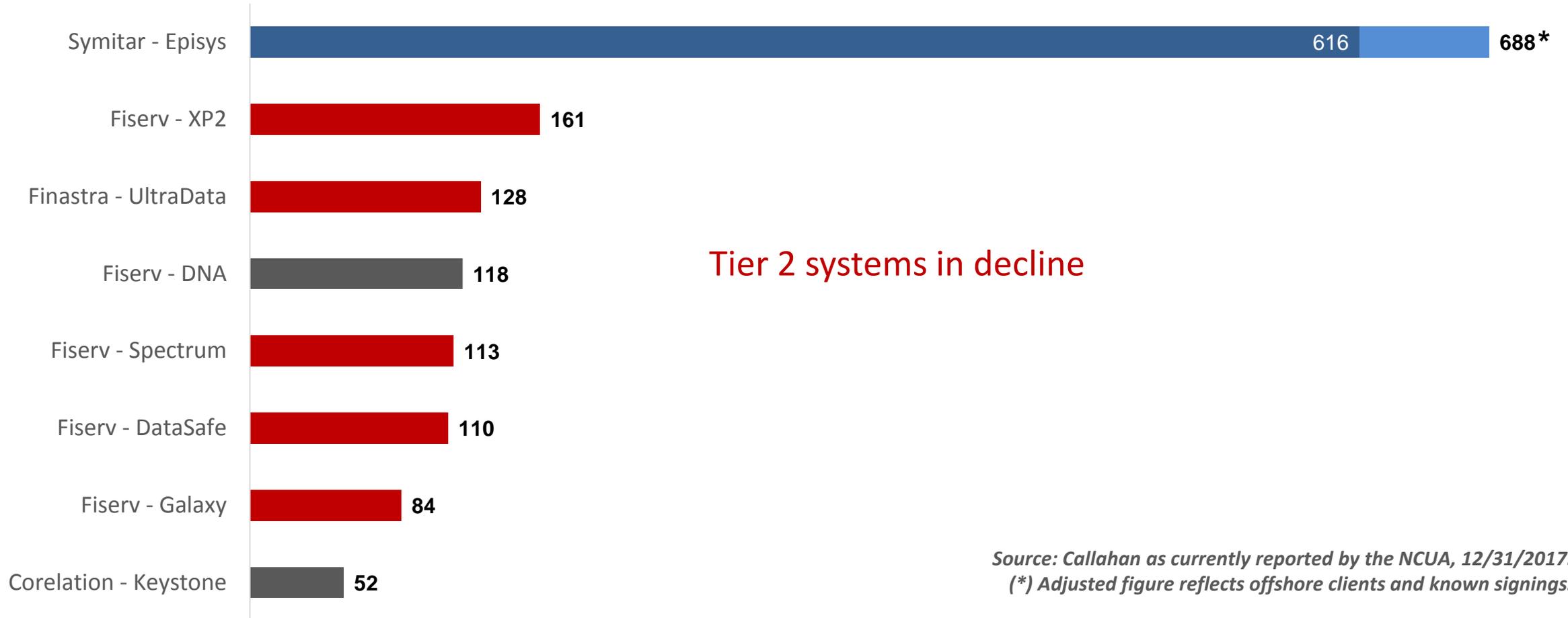
Source: Callahan as currently reported by the NCUA, 12/31/2017.

Credit Union Platform Landscape

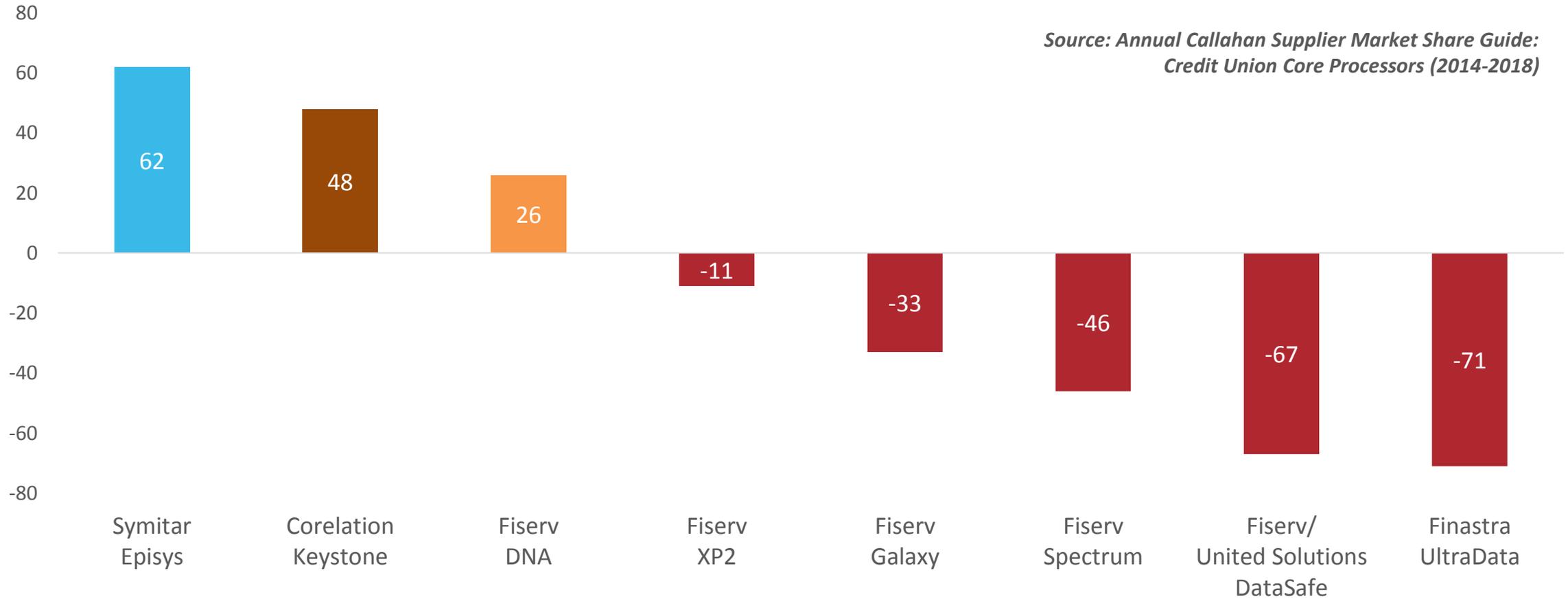


Source: Callahan as currently reported by the NCUA, 12/31/2017.
(*) Adjusted figure reflects offshore clients and known signings.

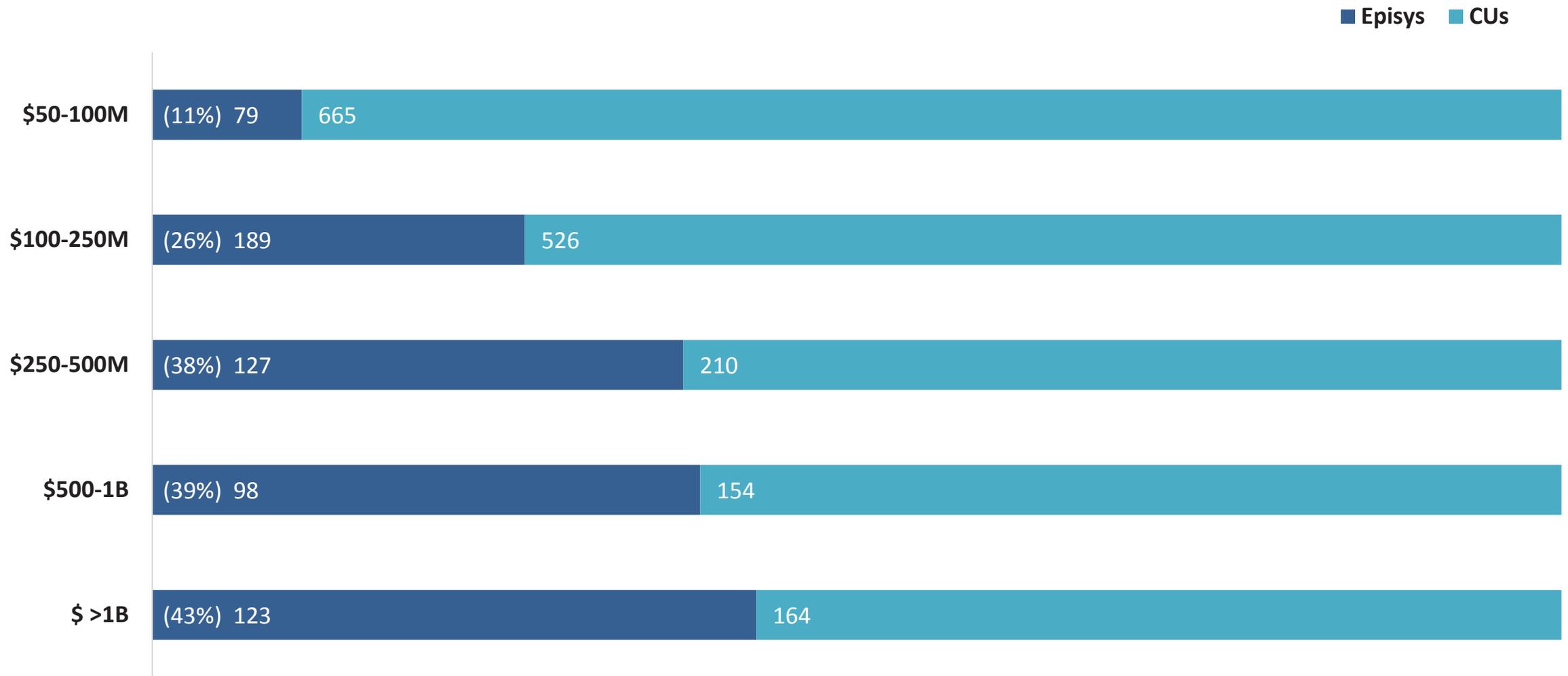
Credit Union Platform Landscape



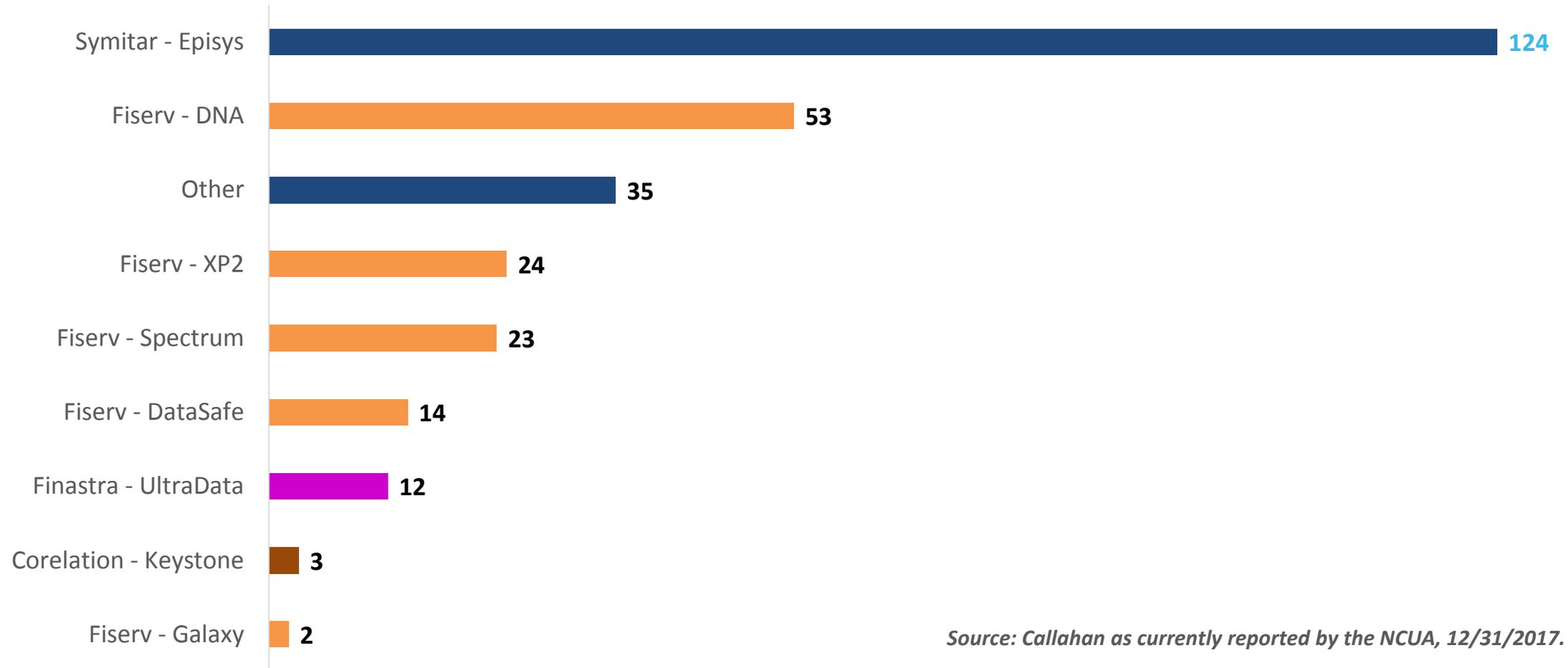
Net Client Change by Vendor



Episys[®] Market Share



The Billion-Dollar Credit Union Market



Source: Callahan as currently reported by the NCUA, 12/31/2017.

Direction and Focus

Elements of Symitar

Core

Cr

We win more competitive core deals than any other provider.

Co-opetition

Co

We embrace "co-opetition" for the betterment of our industry.

Service

Sr

We define amazing service for our customers.

Symitar Direction and Focus

- Two core platforms: Episys[®] and CruiseNet[®]
 - 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
- 

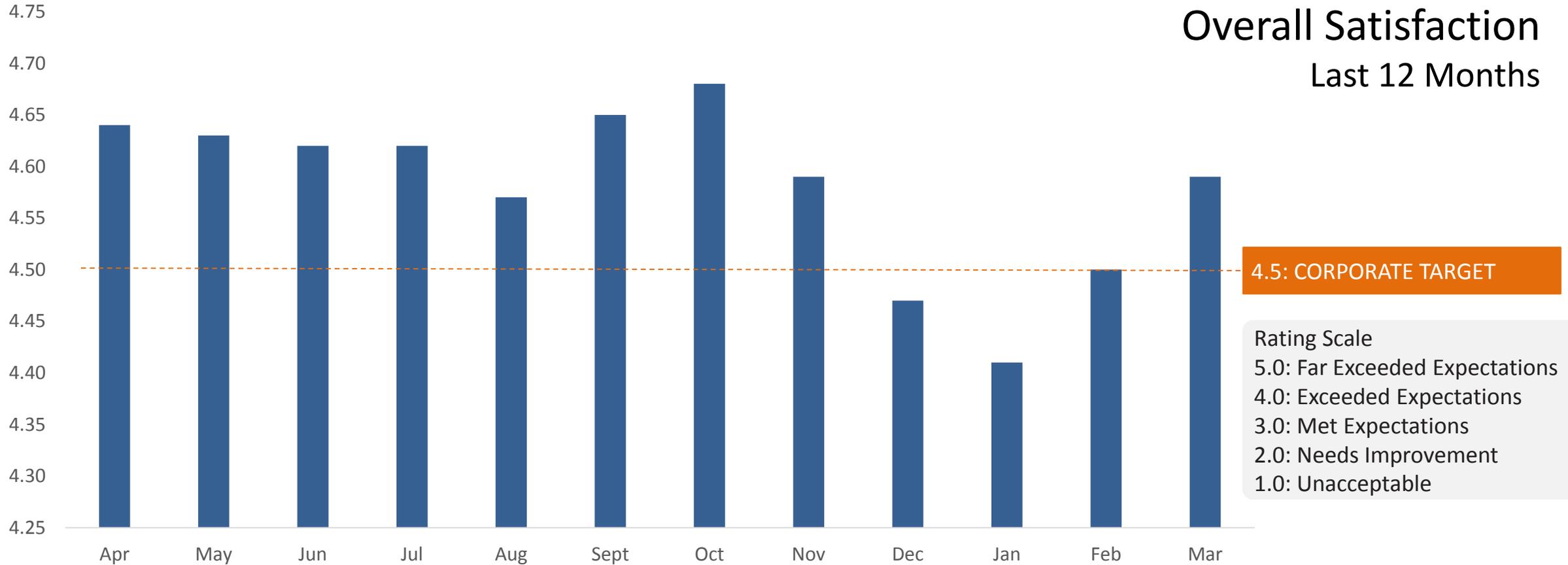
Symitar Sales and Service Strategy

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



Service Excellence

Episys Excellent Service



Average Employee Tenure



SymAdvisor™

Symitar Consulting Services

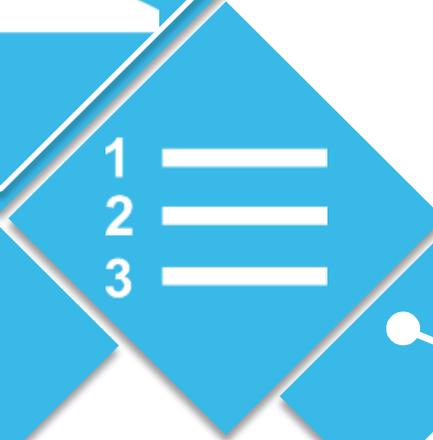
Trusted advisor



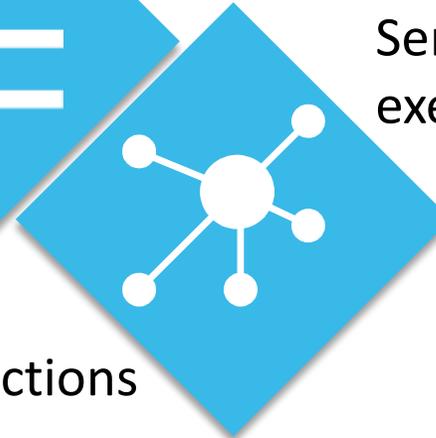
On-premise review of
business operations



Suggested actions



Services to help CUs
execute



Technology Evolution Update

Episys Technology Vision

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

Episys: The Open Platform Choice

Self-service tools



Extensible database



Extensible user interface



Micro Apps



Episys Core
release cycle
2x12 months

Micro Apps



Micro Apps



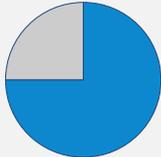
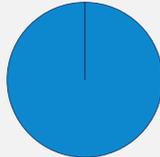
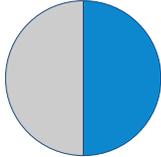
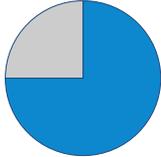
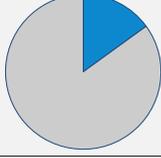
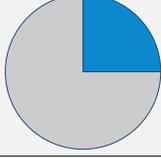
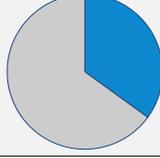
PowerOn Marketplace[®]



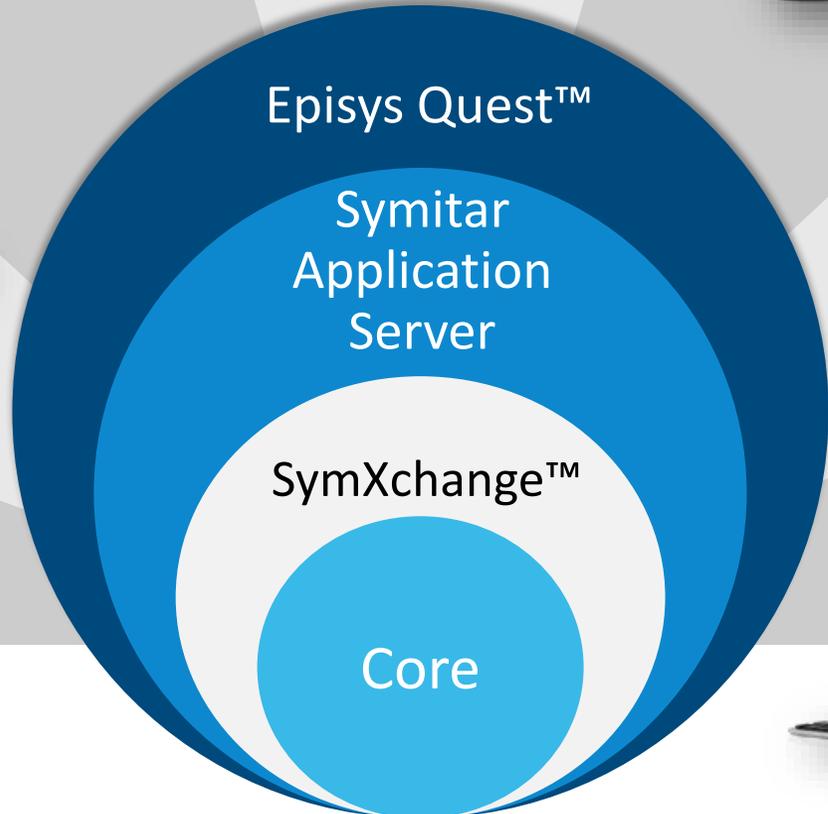
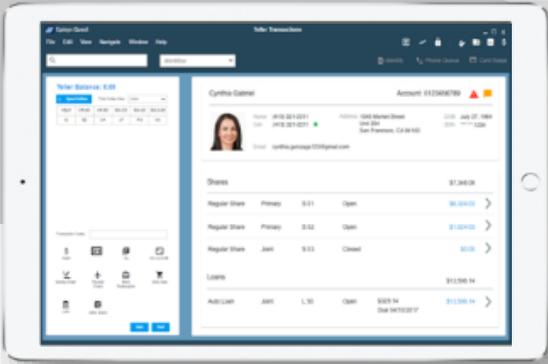
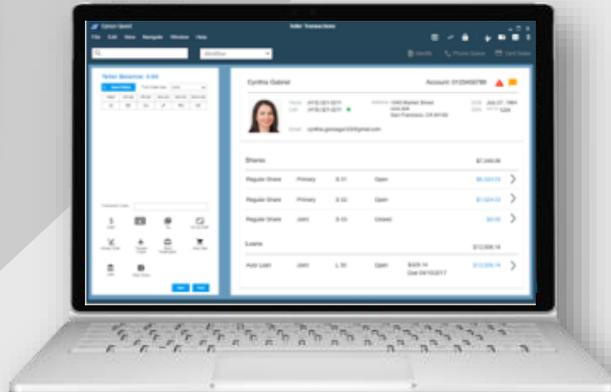
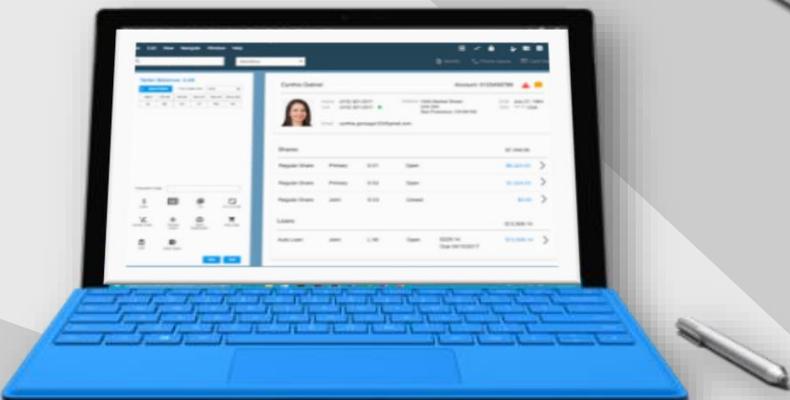
Micro Apps

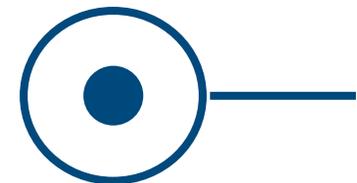


Key Initiatives Update

	2017.01	2018.00	2018.01
Database Evolution			
PowerOn2™			
User Experience			

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





It's all about **INTEGRATION!**

Integrated Solutions



- Banno Mobile™
- *jha*Enterprise Workflow™
- *jha*Call Center™
- *jha*Enterprise Notification System™
- JHA Enterprise Risk Mitigation Solutions™
- Current Expected Credit Loss (CECL) model
- Faster Payments

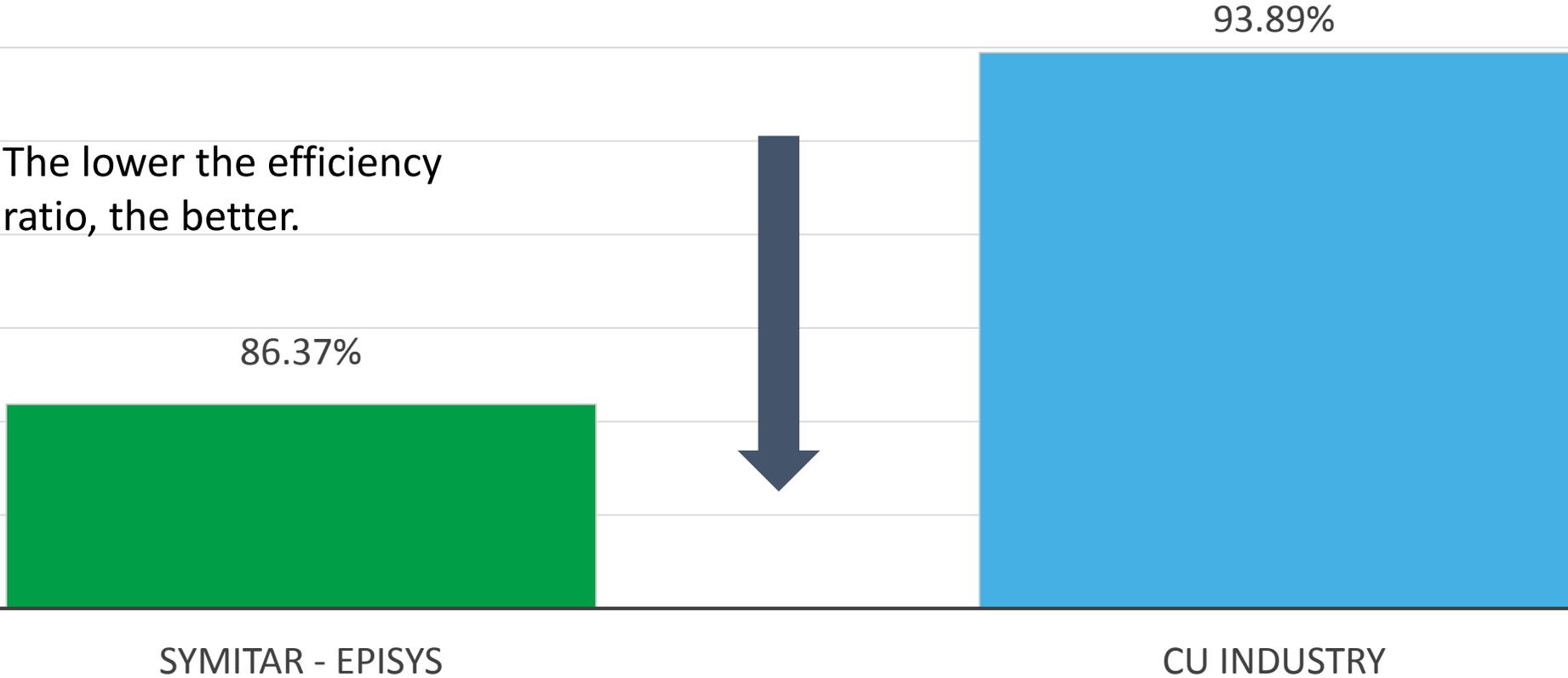


Integrated
solutions
NEW

- iPay Bill Pay
- Branch Anywhere™
- JHA Faster Payments Hub
- Synapsys® CRM
- Episys Contact Event ManagerSM
- Commercial Lending Center Suite
- Positive Pay (ACH Alert)

Improving Our Customers' Bottom Line

Average Efficiency Ratio



Source: Callahan as currently reported by the NCUA as of 12/31/2017.

Questions?



ProfitStars

Russ Bernthal
President



Agenda

- ProfitStars Overview
- Updates and New Offerings
- Questions

ProfitStars

any core processing system | all asset sizes



FIVE PRODUCT SUITES

Enhance and support customer performance
——
Serve diverse corporate entities



HIGH CUSTOMER SATISFACTION

Maintain a high level of customer service



SALES AND PARTNERSHIPS

Use an independent sales team
——
Reseller partnerships



STRATEGIC ACQUISITIONS

Seek out and absorb additional acquired companies

ProfitStars

~1,000

Jack Henry Banking®
core clients

~800

Symitar®
core clients

~8,800*
clients

100+
products
and services

~420
\$1 Billion+ Banks ~220
\$1 Billion+ Credit Unions

50
of the top 100
banks are
PS clients

20+
acquisitions

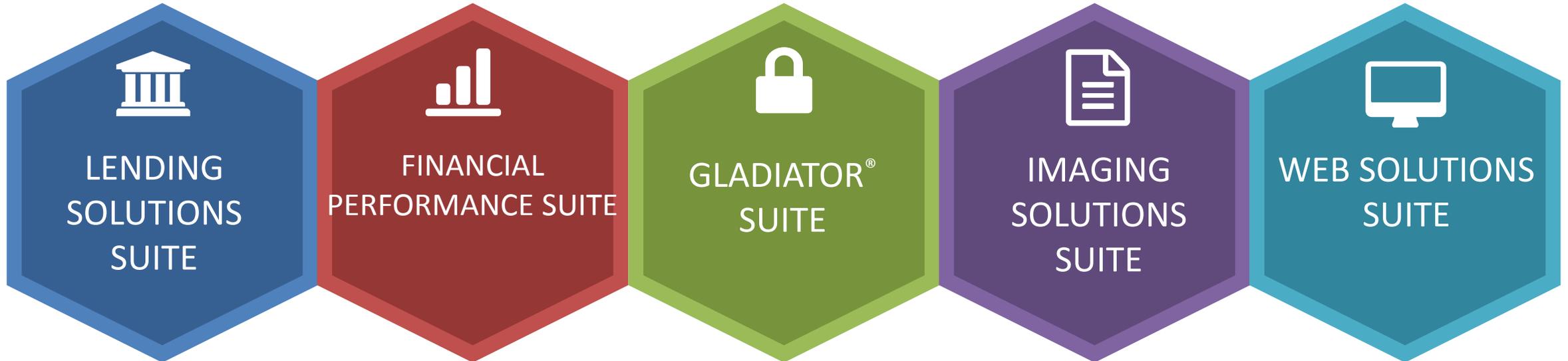
Range of Industries
Insurance
Healthcare
Utilities Transportation

80+
core
processing
systems

3.2
products/customer

* Includes core customers

5 Major Suites of Products



5 Major Suites of Products



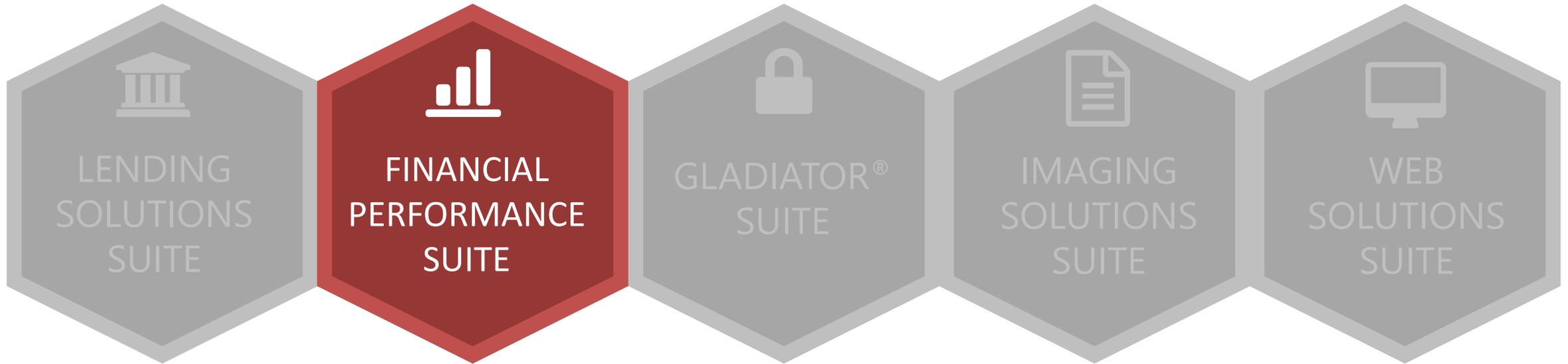
Digital End-to-End Process

Loan Spreading & Underwriting

Automated Loan Approval

Factoring & AR Financing

5 Major Suites of Products



Asset/Liability Management

Budgeting and Financial Reporting

Profitability, Reporting and Pricing

CECL

5 Major Suites of Products



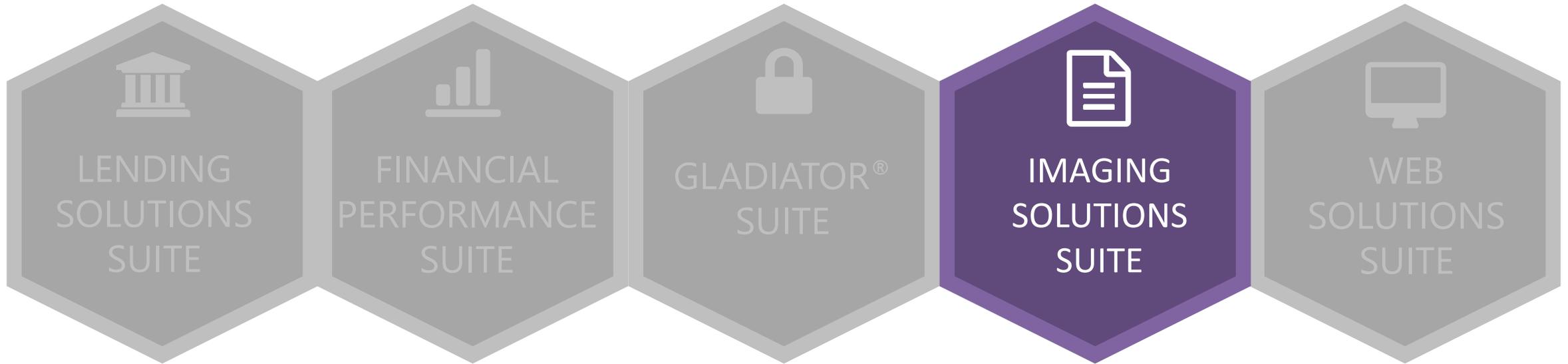
Business Continuity
& Disaster Recovery

Enterprise Security
Monitoring

Managed IT
Services

Hosted Network
Solutions

5 Major Suites of Products



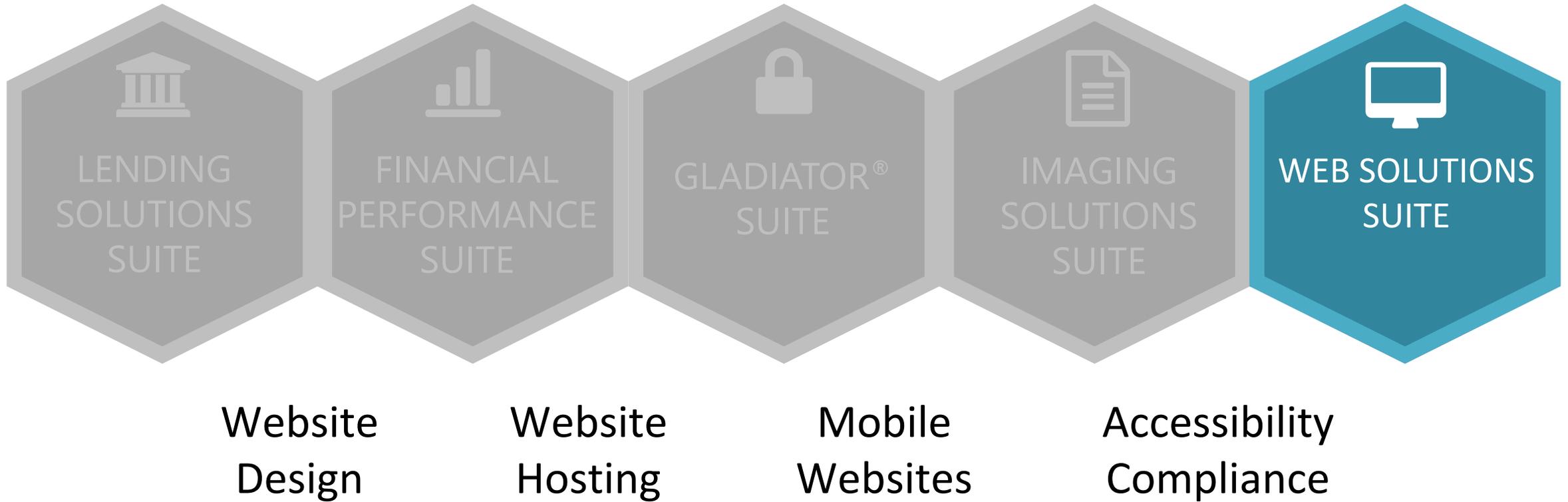
Document Imaging

Check Imaging

Remittance Solutions

Enterprise Conversion Services

5 Major Suites of Products



ProfitStars Updates & New Offerings

Commercial Lending Center Suite

- Manages the entire loan cycle
- Integrates with all JHA cores and many others
- Improves user and lender experience
- Automates decisioning for smaller loans
- Digital process
- Faster loan processing



487
Fls using
suite

Current Expected Credit Loss (CECL)

- Regulatory requirement affecting all banks/CUs
- Helps FIs set aside reserves at the time of loan origination
- Required 2020–2022 depending the type of FI
- Built on ProfitStars Financial Performance SuiteSM platform

ProfitStars CECL DataStore & ValidationSM

✓ Available today

ProfitStars CECL Analysis & ReportingSM

✓ Available today



Gladiator Hosted Network Solutions™

Cloud-based infrastructure-as-a-service solution

- Minimize on-premise hardware
- Transfer responsibilities to ProfitStars
- Focus IT on strategic initiatives

Add-on Services

- ✓ Gladiator Managed IT Services™
- ✓ Gladiator CoreDEFENSE Managed Security Services™
- ✓ Gladiator Help Desk ServiceSM



~1,700
Servers running
on HNS

Financial Performance Suite Budgeting

- Budgeting, reforecasting, and variance reporting
- Instrument level detail providing accurate cash flows
- Ability to create “What If” models
- Historical and forecasted reporting and report packets
- Built on the Financial Performance Suite platform

Gladiator Total Protect™

New
Product

Combining the
unique strengths of:

Managed Security
Services and
Managed IT Services

- ✓ CoreDEFENSE
- ✓ Advanced Malware Protection
- ✓ Vulnerability Scanning
- ✓ Security Monitoring
- ✓ Mobility Management
- ✓ Patch Management
- ✓ Secure, Offsite Data Vaulting

Gladiator Enterprise Security Monitoring™ for iPay

New
Product

- Extension of Gladiator Enterprise Security Monitoring
- Managed fraud monitoring for FIs using iPay
- Near-real-time alerts on suspicious bill pay activity
- Core-agnostic

Commercial Lending DecisionCenter™

- Decision in minutes
- Application flow tailored to borrower's needs
- Multiple offers presented with preset terms
- Third-party data augments decision process
- Automation of required documents
- FIs can apply on borrower's behalf
- Digital closing



New
Offering

Expanded Web Service Packages

- Financial Literacy Package
- Social Campaign Package
- Search Engine Package
- Additional Services

2,500
websites
designed since
2005

New Products Join Commercial Lending Center Suite

- Three-phase integration for document archival
 - Phase I – Supports basic filing of documents from Commercial Lending FinancialCenter™ to Synergy Document Management™
 - Phase II – Enhanced integration
 - Phase III – Allows documents to be electronically signed via Synergy eSign™

New Products Join Commercial Lending Center Suite

New
Offering

- RemitPlus[®] integrated with FactorSoft[®] for transaction processing and accounts receivable posting
- Allows Commercial Lending Center Suite customers to image, validate, and consolidate their remittance processing needs

What's Important to ProfitStars Going Forward?



Grow add-on sales by expanding adjacent product offerings.



Drive additional sales and customers outside the JHA base.



Expand fintech relationships for rapid integration of new technologies.



Increase ProfitStars products through acquisitions and partnerships.



Grow the ProfitStars brand.



Enhance uniformity in software development, implementation, and support.



Cultivate, develop, and empower employees.

Elements of ProfitStars

Co-opetition

Co

We embrace
"co-opetition" for the
betterment of our
industry.

Solutions

S1

We build, buy, and
sell industry-leading
solutions.

Success

Se

We do the right thing
and whatever it takes
to ensure the success
of our customers.

Questions?



JHA Payment Solutions

Greg Adelson

General Manager





**JHA
Payment
Solutions**

1,150+

JHA Card Processing Solutions™

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

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

1,600+

4,000+

iPay Solutions™

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

JHA PayCenter™

- Single point of access to new faster payment networks: Zelle® by Early Warning, RTP® by The Clearing House
- Releasing in 2018

JHA Payment Solutions

IMPACT AT JHA

18% *of JHA
employee base*

33% *of
YTD FY18
JHA revenue*

16%

*annual same-store
transaction growth*

~6,700
FI clients

\$116B+
*monthly
processed volume*

451M+ *monthly
transactions*

jha

Our Strategic Goals



Elements of JHA Payment Solutions

Payments

Pt

We make payment processing less complex.

Co-opetition

Co

We embrace "co-opetition" for the betterment of our industry.

Success

Se

We do the right thing and whatever it takes to ensure the success of our customers.

JHA Payment Solutions Product Vision

Tomorrow's strategic needs define today's priorities.

FORESIGHT



We focus on the future to keep you at the forefront of payments.

Systems that do more so your customers can be more.

INNOVATION



Through iterative innovation, we make payments simpler, safer, and better.

Profitable solutions that optimize your growth.

REVENUE



We offer a complete array of services to support and amplify your success.

Simplifying the complexity of payments.

SIMPLICITY



We simplify payments to improve the user experience for you and your customers.

We get risk management right.

THREAT MITIGATION



We offer strong, cost-effective tools that help fight fraud and bolster compliance.

JHA Card Processing Solutions Update

Card Processing Solutions: New Platform

Full-service credit card processing

Streamlined client portal

Comprehensive data analytics

Integrated loyalty solutions

Active/active transaction processing

Real-time fraud monitoring

Superior service levels

MyCardRules™

Control **when, where, and how** cards can be used

Set and **monitor** card usage

Powerful **risk management** tool

Detect fraud quicker; 1.2 transactions

More monthly interchange generation:
\$242 enrolled vs. \$103 not enrolled

JHA Card Fraud Advisory ServicesSM

- Monthly FAS report package
- Assigned fraud advisor
- BIN level analysis
- Requirements
 - Routine calls to review FAS report findings
 - Minimum two-month engagement
 - Must be a JHA Fraud CenterTM client



Enterprise Payment Solutions (EPS) Update

Benefits of Acquiring Ensenta

Together, service
~2,300 FIs

~2,300

2.5
Times

Increases penetration into the
credit union segment by 2.5 times

Cross-
Sell

Enhances ability to
cross-sell JHA/ProfitStars® solutions to
credit unions

Industry's largest provider
of consumer remote
deposit capture solutions

RDC

Payment
Options

Allows additional payment
options for small businesses

JHA SmartMonitorSM for Remote Deposit AnywhereTM

- Provided embedded “just right” fraud mitigation tools to help FIs police consumer/microbusiness mobile deposits
- Combined FI thresholds, transaction history, customer data, and user behavior to identify anomalous deposits
- Improved the workflow for FI users who review suspicious deposits



JHA SmartPay™ Manager

- Replaces current administrative sites with a consolidated, updated portal
- Simplifies workflows, reduces the learning curve for new resources, and increases FI user productivity
- Leverages the Enterprise Payment Solutions SmartPay framework to provide enhanced usability and support for multiple devices



iPay Update

AUTOBOOKS

Small/Medium-Sized Business
Complementary
Solutions

Accounting package
integration with AR/AP
management

Single sign-on with internet
banking platforms

JHA core, Enterprise Payment
Solutions, and iPay
integration completed

Larger SMB business bill
pay solution

IPAY QUICKPAYSM

Voice Bill Pay
Enablement

Amazon's Alexa-enabled
devices for bill payment
and inquiries

Easy FI set up

Secure authentication through
Alexa Skill Application

Plans to enable through other
services (Google Home,
Siri, etc.)

INNOVATIVE BILL PAY

Bill Management &
Payment Platform

Card-funded bill payment
functionality creating
interchange revenue

Fee income opportunity for
same day (near-real-time) bill
payments

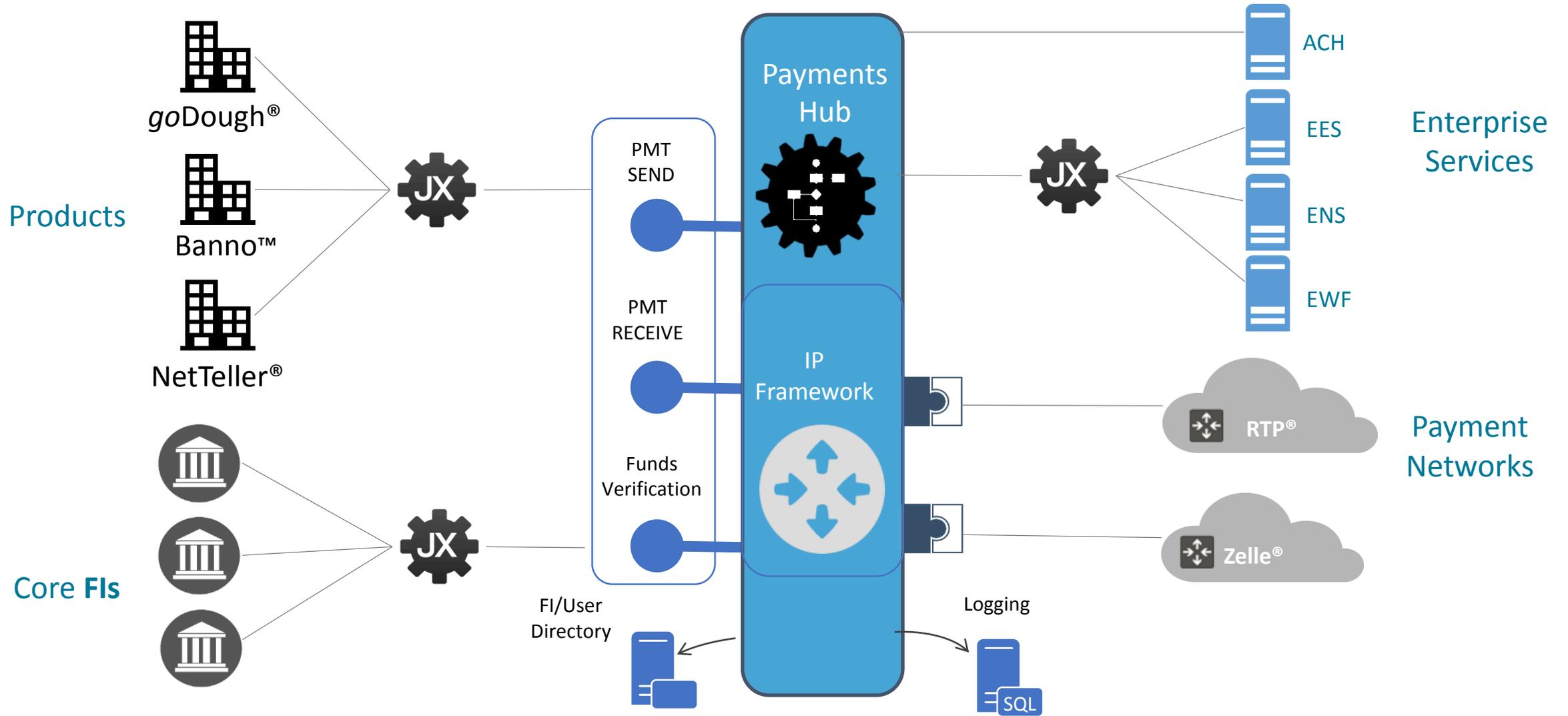
Attract millennials through
easy bill pay solution

Stand-alone bill pay mobile
app option

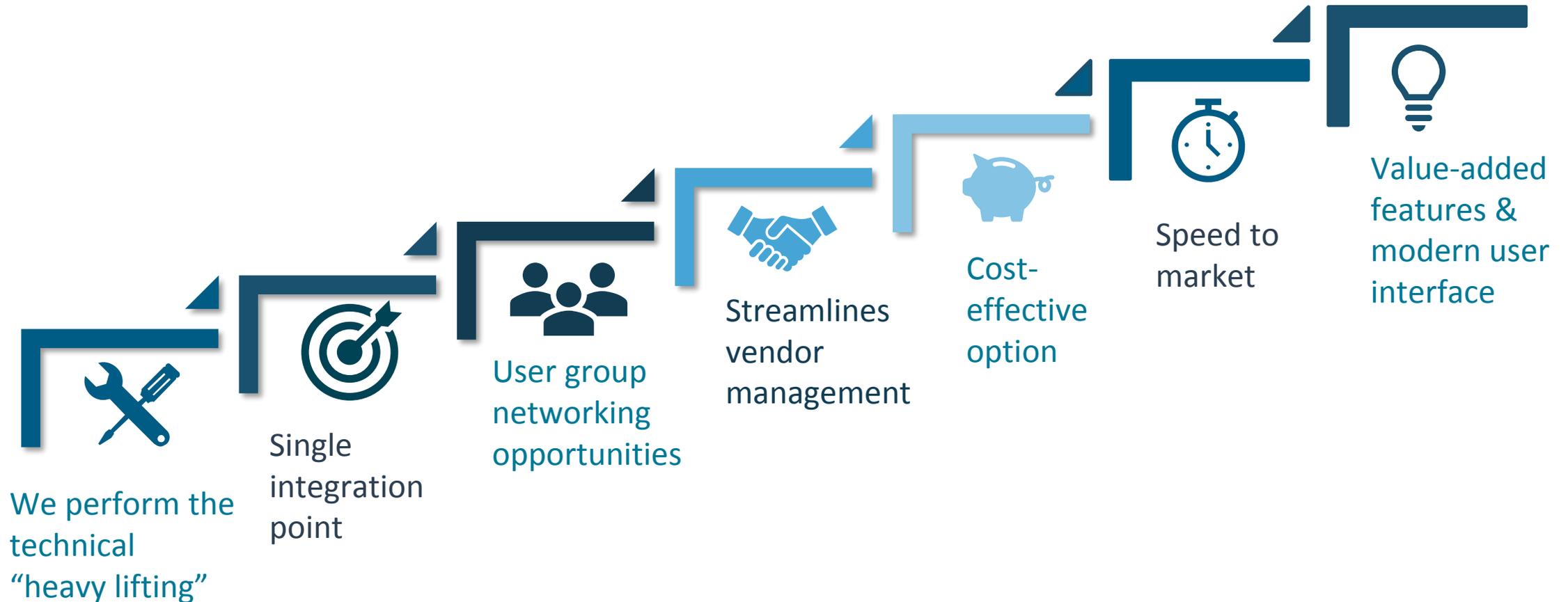
JHA Payments Hub

JHA PayCenter™

JHA PayCenter Ecosystem



Advantages with JHA PayCenter



JHA PayCenter Progress

INFRASTRUCTURE

- Access both Zelle and TCH RTP networks
- Server with two data centers for 24/7/365 support

INTEGRATION

- Testing between SilverLake System[®] core, goDough, PayCenter/Zelle & RTP **targeting Q3'18**
- Banno availability **targeting Q4'18**

CERTIFICATION

- Initial EWS certification for FI-branded Zelle app through goDough
- Zelle pilot upon completion of network certification process **targeting Q3'18**

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

Questions?



JHA Sales & Marketing

Steve Tomson
General Manager



Our JHA Sales & Marketing Priorities

- Raise the consultative benefits to and impact upon our buyers through our professionals
- Deliver and differentiate through Marketing and Sales customer service
- Expand our overall market share and our share within each customer
- Bring to bear the full resources of JHA to our sales engagements
- Upgrade our field force – measured expectations, tools, external hires, thinning the herd
- Lead our sales operations task force to improve productivity and standardization
- Strengthen relationships with consultants as they drive price compression/contract elongation
- Achieve all with the highest degree of integrity

FY18 Summary

- The JHA Sales organization is at plan YTD
- The JHA Sales organization has achieved quota for all three quarters and should do so in Q4
- New Core Account Units will up year-over-year

Marketing Update

- More tightly align Sales & Marketing as we transition leadership – from the buyer’s eyes
- Salesforce marketing implementation is progressing – we go live in July
- Corporate Visions Training to materially improve messaging and differentiating
- Strategic Initiatives (SI-18) meeting this week with an increase in attendees/prospects
- Phase three of our MasterCard consumer adoption sweepstakes is underway

Top 10 Key Solutions

1. Ensenta – upgraded capture solution
2. Commercial Lending Center/Vanguard – powerful lending suite
3. JHA Enterprise Risk Management Solutions™ – fraud avoidance/protection
4. JHA Treasury Management™ – addressing a hole
5. World class digital platform – material uplift to our environment
6. Current Expected Credit Loss (CECL) – FASB standard
7. Card Processing Solutions™ – truly material improvement
8. Gladiator Hosted Network Solutions™ – reduced risk and operational overhead
9. *jha*Enterprise Workflow™ – improved efficiency and performance ratios
10. New core account wins – purely competitive displacements/de novos

Jack Henry Banking[®] Sales Update

Jack Henry Banking Priorities

- Drive de novo and new core footprints (includes traditional and “Direct” banks)
- Continued focus on multi-billion-dollar core opportunities
- Aggressively pursue opportunities impacted by M&A activity (Win-a-Merger)
- In-to-Out migrations – continue pushing demand in larger FIs
- Capitalize on Commercial Lending Center as a market differentiator

Jack Henry Banking Priorities

- Build on Cash/Treasury Management sales successes
- Exploit recent successful deployment of Banno™ platform to drive additional sales
- Emphasize competitive advantages (*jha*Enterprise Workflow™, Gladiator Hosted Network Solutions™, *jha*Call Center™, and “The Mountain”)
- Leverage partner offerings:
 - JHA Enterprise Risk Mitigation Solutions™ (SAS), JHA Card Processing Solutions™ (PSCU/FD), Geezeo (OFM)

Symitar[®] Sales Update

Symitar Environment

- Serving most aggressively the mid-tier space (\$250M – \$1B)
- Virtually all business is from CUs greater than \$50M
- We enjoy multiple delivery methods – in-house, outsourced, CUSOs
- More buyers are going with our hosted offerings

Symitar Priorities

- Continuing to focus on engagement strategies
 - Rediscover the Power, SymAdvisor™ engagements, C-level face time, CRM at risk report
- Continue to target declining competing solutions
- In-to-Out migrations to EASE coupled with Gladiator Hosted Network Solutions is building momentum
- New product offerings are creating excitement
 - *jha*Call Center, SymApp™, *jha*Enterprise Workflow, and Enterprise Risk Management
- Making progress partnering with PSCU/FD to cross/up-sell our Card Processing Solutions

ProfitStars[®] Sales Update

ProfitStars Priorities

- Continue driving key solutions including:
 - Lending Suite, Enterprise Risk Mitigation Solutions, Gladiator Hosted Network Solutions, Current Expected Credit Loss (CECL) solutions
- Expand partnership base via the Ensenta addition and its coverage model
- Continued focus on Card Processing Solutions penetration into Symitar base – Episys beta to be completed October 2018
- Ongoing market education surrounding our Card Processing Solutions for JHA associates and consultants
- Ignite our credit card business
- Account Management Group remains charged with upselling to non-core clients plus finding new core leads

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

ProfitStars Highlights

ProfitStars customer counts

- 7,013 = Non-JHA core customers with at least one ProfitStars solution
- 8,923 = JHA's total client count for ProfitStars to upsell/cross sell
- 22,668 = PS products installed in non-core accounts, therefore an average of 3.2/PS-only client

YTD sales allocation

- Currently stands at 54.2% core/45.8% non-core
- Nearly half of our ProfitStars sales are into our core competitors' FIs

Questions?



Thank You

Wrap-Up & Q&A

Thank you for attending the Jack Henry & Associates, Inc. 2018 Analyst Conference