

FOR IMMEDIATE RELEASE

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

Third quarter summary:

- GAAP revenue increased 8.6% and GAAP operating income increased 23.8% for the fiscal three months ended March 31, 2025, compared to the prior fiscal year quarter.
- Non-GAAP adjusted revenue increased 7.0% and non-GAAP adjusted operating income increased 17.6% for the fiscal three months ended March 31, 2025, compared to the prior fiscal year quarter.¹
- GAAP EPS was \$1.52 per diluted share for the fiscal three months ended March 31, 2025, compared to \$1.19 per diluted share in the prior fiscal year quarter.

Fiscal year-to-date summary:

- GAAP revenue increased 6.3% and GAAP operating income increased 13.5% for the fiscal year-to-date period ended March 31, 2025, compared to the prior fiscal year-to-date period.
- Non-GAAP adjusted revenue increased 6.1% and non-GAAP adjusted operating income increased 8.2% for the fiscal year-to-date period ended March 31, 2025, compared to the prior fiscal year-to-date period.¹
- GAAP EPS was \$4.49 per diluted share for the fiscal year-to-date period ended March 31, 2025, compared to \$3.85 per diluted share in the prior fiscal year-to-date period.
- Cash and cash equivalents were \$39.9 million at March 31, 2025, and \$27.3 million at March 31, 2024.
- Debt outstanding related to credit facilities was \$170 million at March 31, 2025, and \$250 million at March 31, 2024.

Full year fiscal 2025 guidance (Dollars In millions):²

| | Current | |
|-------------------------------|----------------|----------------|
| GAAP | Low | High |
| Revenue | \$2,353 | \$2,370 |
| Operating margin ³ | 23.5% | 23.7% |
| EPS | \$6.00 | \$6.09 |
| Non-GAAP ⁴ | | |
| Adjusted revenue | \$2,331 | \$2,342 |
| Adjusted operating margin | 23.0% | 23.1% |

| Third Qtr Revenue | | Third Qtr Operating Income | | F'25 YTD Net Income | |
|-------------------|-----------------------|----------------------------|-----------------------|-----------------------|-----------------------|
| GAAP | Non-GAAP ¹ | GAAP | Non-GAAP ¹ | GAAP | Non-GAAP ¹ |
| increased | increased | increased | increased | increased | increased |
| 8.6% | 7.0% | 23.8% | 17.6% | 16.9% | 11.6% |
| F'25 YTD Revenue | | F'25 YTD Operating Income | | F'25 YTD EBITDA | |
| GAAP | Non-GAAP ¹ | GAAP | Non-GAAP ¹ | Non-GAAP ⁵ | |
| increased | increased | increased | increased | increased | |
| 6.3% | 6.1% | 13.5% | 8.2% | 6.6% | |

Monett, MO, May 6, 2025 – Jack Henry & Associates, Inc. (Nasdaq: JKHY), a leading financial technology provider, today announced results for fiscal third quarter ended March 31, 2025.

¹ See tables below on page 4 reconciling non-GAAP financial measures to GAAP.

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

³ Operating margin is calculated by dividing operating income by revenue.

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

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

According to **Greg Adelson, President and CEO**, “Our third quarter results reflect solid overall performance. We continued to see strong growth in key revenue areas such as public and private cloud as well as processing. We are successfully winning deals with larger financial institutions through our unwavering focus on culture, service, innovation, strategy, and execution. We are making significant progress with our technology modernization and our small & medium-sized business (SMB) strategies. We remain confident in the demand environment, our robust sales pipeline, and our long-term financial performance.”

Operating Results

Revenue, operating expenses, operating income, and net income for the three and nine months ended March 31, 2025, compared to the three and nine months ended March 31, 2024, were as follows:

Revenue

| (Unaudited, dollars in thousands) | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|-----------------------------------|---------------------------------|-------------------|--------------|--------------------------------|---------------------|--------------|
| | 2025 | 2024 | | 2025 | 2024 | |
| Revenue | | | | | | |
| Services and Support | \$ 330,792 | \$ 305,017 | 8.5 % | \$ 1,010,498 | \$ 959,214 | 5.3 % |
| Percentage of Total Revenue | 56.5 % | 56.6 % | | 57.4 % | 57.9 % | |
| Processing | 254,295 | 233,545 | 8.9 % | 749,418 | 696,417 | 7.6 % |
| Percentage of Total Revenue | 43.5 % | 43.4 % | | 42.6 % | 42.1 % | |
| REVENUE | \$ 585,087 | \$ 538,562 | 8.6 % | \$ 1,759,916 | \$ 1,655,631 | 6.3 % |

- Services and support revenue increased for the three months ended March 31, 2025, primarily driven by growth in data processing and hosting revenue within cloud of 12.0% and higher deconversion revenue by \$8,801, partially offset by the decrease in license and hardware revenues of 35.0%. Processing revenue increased for the three months ended March 31, 2025, primarily driven by growth in card revenue of 8.1%, transaction and digital revenue of 14.6%, and payment processing revenue of 10.4%.
- Services and support revenue increased for the nine months ended March 31, 2025, primarily driven by growth in data processing and hosting revenue within cloud of 12.1% and higher deconversion revenue by \$3,549, partially offset by a decrease in license and hardware revenues of 30.7%. Processing revenue increased for the nine months ended March 31, 2025, primarily driven by growth in card revenue of 6.6% and transaction and digital revenue of 11.9%. Another driver was an increase in payment processing revenues.
- For the three months ended March 31, 2025, core segment revenue increased 8.4%, payments segment revenue increased 7.7%, complementary segment revenue increased 12.2%, and corporate and other segment revenue decreased 6.2%. For the three months ended March 31, 2025, core segment non-GAAP adjusted revenue increased 6.4%, payments segment non-GAAP adjusted revenue increased 7.0%, complementary segment non-GAAP adjusted revenue increased 9.6%, and corporate and other non-GAAP adjusted segment revenue decreased 6.6% (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 nine months ended March 31, 2025, core segment revenue increased 5.9%, payments segment revenue increased 6.5%, complementary segment revenue increased 8.0%, and corporate and other segment revenue decreased 3.9%. For the nine months ended March 31, 2025, core segment non-GAAP adjusted revenue increased 5.8%, payments segment non-GAAP adjusted revenue increased 6.4%, complementary segment non-GAAP adjusted revenue increased 7.7%, and corporate and other non-GAAP adjusted segment revenue decreased 3.9% (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, dollars in thousands) | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|------------------------------------------|---------------------------------|-------------------|---------------|--------------------------------|-------------------|--------------|
| | 2025 | 2024 | | 2025 | 2024 | |
| Cost of Revenue | \$ 340,586 | \$ 328,224 | 3.8 % | \$ 1,016,868 | \$ 972,205 | 4.6% |
| Percentage of Total Revenue ⁶ | 58.2 % | 60.9 % | | 57.8% | 58.7% | |
| Research and Development | 39,411 | 35,993 | 9.5 % | 120,192 | 108,363 | 10.9% |
| Percentage of Total Revenue ⁶ | 6.7 % | 6.7 % | | 6.8% | 6.5% | |
| Selling, General, and Administrative | 66,350 | 62,246 | 6.6 % | 209,839 | 211,298 | (0.7)% |
| Percentage of Total Revenue ⁶ | 11.3 % | 11.6 % | | 11.9 % | 12.8 % | |
| OPERATING EXPENSES | 446,347 | 426,463 | 4.7 % | 1,346,899 | 1,291,866 | 4.3% |
| OPERATING INCOME | \$ 138,740 | \$ 112,099 | 23.8 % | \$ 413,017 | \$ 363,765 | 13.5% |
| Operating Margin ⁶ | 23.7 % | 20.8 % | | 23.5% | 22.0% | |

- Cost of revenue increased for the three months ended March 31, 2025, primarily due to higher direct costs generally consistent with increases in the related lines of revenue and increased internal licenses and fees, partially offset by a rise in labor cost deferral. Cost of revenue increased for the nine months ended March 31, 2025, primarily due to higher direct costs generally consistent with increases in the related lines of revenue, compensation increases in the trailing twelve months, higher internal licenses and fees from increased deployments and prices, a rise in amortization from capital development projects placed into service in the trailing twelve months, and increased cloud consumption fees, partially offset by a decrease in license and hardware costs consistent with the decrease in related lines of revenue and a rise in labor cost deferral.
- Research and development expense increased for the three and nine months ended March 31, 2025, primarily due to higher personnel costs (net of capitalization) from compensation increases and employee headcount additions in the trailing twelve months. For the nine months ended March 31, 2025, increased internal licenses and fees was also a contributor.
- Selling, general, and administrative expense increased for the three months ended March 31, 2025, primarily due to higher personnel costs from compensation increases related to a rise in employee headcount in the trailing twelve months. Selling, general, and administrative expense decreased for the nine months ended March 31, 2025, primarily due to the decrease in non-recurring personnel costs when compared to the prior fiscal year period, partially offset by an increase in recurring personnel costs from higher commissions expense and compensation increases related to a rise in employee headcount in the trailing twelve months.

Net Income

| (Unaudited, in thousands, except per share data) | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|--------------------------------------------------|---------------------------------|------------------|---------------|--------------------------------|-------------------|--------------|
| | 2025 | 2024 | | 2025 | 2024 | |
| Income Before Income Taxes | \$ 141,908 | \$ 114,165 | 24.3 % | \$ 426,087 | \$ 367,635 | 15.9 % |
| Provision for Income Taxes | 30,800 | 27,066 | 13.8 % | 97,943 | 86,892 | 12.7 % |
| NET INCOME | \$ 111,108 | \$ 87,099 | 27.6 % | \$ 328,144 | \$ 280,743 | 16.9% |
| Diluted earnings per share | \$ 1.52 | \$ 1.19 | 27.6 % | \$ 4.49 | \$ 3.85 | 16.8% |

- Effective tax rates for the three months ended March 31, 2025, and 2024, were 21.7% and 23.7%, respectively. Effective tax rates for the nine months ended March 31, 2025, and 2024, were 23.0% and 23.6%, respectively.

According to **Mimi Carsley, CFO and Treasurer**, "Our third quarter results included strong growth in key areas of our revenue, led by public and private cloud at 12% and processing at nearly 9%. Those results were tempered by mostly non-recurring contraction in some of our non-key revenue areas, including licenses and hardware, leading to overall non-GAAP revenue growth of 7%. That strong revenue growth and our disciplined approach to controlling costs led to non-GAAP operating income growth of over 17%."

⁶Operating 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 nine months ended March 31, 2025, compared to the three and nine months ended March 31, 2024, excluding the impacts of deconversions and the VEDIP program expense.*

| (Unaudited, dollars in thousands) | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|----------------------------------------------|------------------------------|-------------------|---------------|-----------------------------|---------------------|---------------|
| | 2025 | 2024 | | 2025 | 2024 | |
| GAAP Revenue** | \$ 585,087 | \$ 538,562 | 8.6 % | \$ 1,759,916 | \$ 1,655,631 | 6.3% |
| Adjustments: | | | | | | |
| Deconversion revenue | (9,644) | (843) | | (13,410) | (9,861) | |
| NON-GAAP ADJUSTED REVENUE** | \$ 575,443 | \$ 537,719 | 7.0 % | \$ 1,746,506 | \$ 1,645,770 | 6.1% |
| GAAP Operating Income | \$ 138,740 | \$ 112,099 | 23.8 % | \$ 413,017 | \$ 363,765 | 13.5% |
| Adjustments: | | | | | | |
| Operating (income) loss from deconversions | (6,851) | 6 | | (9,724) | (7,552) | |
| VEDIP program expense* | — | — | | — | 16,443 | |
| NON-GAAP ADJUSTED OPERATING INCOME | \$ 131,889 | \$ 112,105 | 17.6 % | \$ 403,293 | \$ 372,656 | 8.2% |
| <i>Non-GAAP Adjusted Operating Margin***</i> | 22.9 % | 20.8 % | | 23.1 % | 22.6 % | |
| GAAP Net Income | \$ 111,108 | \$ 87,099 | 27.6 % | \$ 328,144 | \$ 280,743 | 16.9 % |
| Adjustments: | | | | | | |
| Net (income) loss from deconversions | (6,851) | 6 | | (9,724) | (7,552) | |
| VEDIP program expense* | — | — | | — | 16,443 | |
| Tax impact of adjustments**** | 1,645 | (1) | | 2,334 | (2,133) | |
| NON-GAAP ADJUSTED NET INCOME | \$ 105,902 | \$ 87,104 | 21.6 % | \$ 320,754 | \$ 287,501 | 11.6 % |

*The VEDIP program expense for the fiscal nine months ended March 31, 2024, 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 March 31, 2025, and 2024 which was \$9,644 for the current fiscal year quarter and \$843 for the prior fiscal year quarter, results in non-GAAP adjusted services and support revenue growth of 5.6% quarter over quarter. There were no non-GAAP adjustments to processing revenue for the three months ended March 31, 2025, or 2024.

Reducing services and support revenue by deconversion revenue for the nine months ended March 31, 2025, and 2024, which was \$13,410 for the current fiscal year period and \$9,861 for the prior fiscal year period, results in non-GAAP adjusted services and support revenue growth of 5.0% period over period. There were no non-GAAP adjustments to processing revenue for the nine months ended March 31, 2025, or 2024.

***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 nine months ended March 31, 2025, and 2024. 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.

| Three Months Ended March 31, 2025 | | | | | |
|---------------------------------------------------|------------|------------|---------------|---------------------|------------|
| (Unaudited, dollars in thousands) | Core | Payments | Complementary | Corporate and Other | Total |
| GAAP REVENUE | \$ 180,725 | \$ 217,449 | \$ 167,442 | \$ 19,471 | \$585,087 |
| Non-GAAP adjustments* | (4,838) | (2,394) | (2,324) | (88) | (9,644) |
| NON-GAAP ADJUSTED REVENUE | 175,887 | 215,055 | 165,118 | 19,383 | 575,443 |
| GAAP COST OF REVENUE | 75,258 | 116,266 | 67,836 | 81,226 | 340,586 |
| Non-GAAP adjustments* | (1,240) | (109) | (519) | (5) | (1,873) |
| NON-GAAP ADJUSTED COST OF REVENUE | 74,018 | 116,157 | 67,317 | 81,221 | 338,713 |
| GAAP SEGMENT INCOME | \$ 105,467 | \$ 101,183 | \$ 99,606 | \$ (61,755) | |
| Segment Income Margin** | 58.4 % | 46.5 % | 59.5 % | (317.2)% | |
| NON-GAAP ADJUSTED SEGMENT INCOME | \$ 101,869 | \$ 98,898 | \$ 97,801 | \$ (61,838) | |
| Non-GAAP Adjusted Segment Income Margin** | 57.9 % | 46.0 % | 59.2 % | (319.0)% | |
| Research and Development | | | | | 39,411 |
| Selling, General, and Administrative | | | | | 66,350 |
| Non-GAAP adjustments unassigned to a segment*** | | | | | (920) |
| NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES | | | | | 443,554 |
| NON-GAAP ADJUSTED OPERATING INCOME | | | | | \$ 131,889 |

*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 March 31, 2024

(Unaudited, dollars in thousands)

| | Core | Payments | Complementary | Corporate and Other | Total |
|---------------------------------------------------|------------------|------------------|----------------------|----------------------------|-------------------|
| GAAP REVENUE | \$ 166,655 | \$ 201,919 | \$ 149,231 | \$ 20,757 | \$ 538,562 |
| Non-GAAP adjustments* | (1,291) | (910) | 1,366 | (8) | (843) |
| NON-GAAP ADJUSTED REVENUE | <u>165,364</u> | <u>201,009</u> | <u>150,597</u> | <u>20,749</u> | <u>537,719</u> |
| GAAP COST OF REVENUE | 72,153 | 109,848 | 64,219 | 82,004 | 328,224 |
| Non-GAAP adjustments* | (225) | (95) | (348) | (3) | (671) |
| NON-GAAP ADJUSTED COST OF REVENUE | <u>71,928</u> | <u>109,753</u> | <u>63,871</u> | <u>82,001</u> | <u>327,553</u> |
| GAAP SEGMENT INCOME | <u>\$ 94,502</u> | <u>\$ 92,071</u> | <u>\$ 85,012</u> | <u>\$ (61,247)</u> | |
| Segment Income Margin** | 56.7 % | 45.6 % | 57.0 % | (295.1)% | |
| NON-GAAP ADJUSTED SEGMENT INCOME | <u>\$ 93,436</u> | <u>\$ 91,256</u> | <u>\$ 86,726</u> | <u>\$ (61,252)</u> | |
| Non-GAAP Adjusted Segment Income Margin | 56.5 % | 45.4 % | 57.6 % | (295.2)% | |
| Research and Development | | | | | 35,993 |
| Selling, General, and Administrative | | | | | 62,246 |
| Non-GAAP adjustments unassigned to a segment*** | | | | | (178) |
| NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES | | | | | <u>425,614</u> |
| NON-GAAP ADJUSTED OPERATING INCOME | | | | | <u>\$ 112,105</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.

Nine Months Ended March 31, 2025

(Unaudited, dollars in thousands)

| | Core | Payments | Complementary | Corporate and Other | Total |
|---------------------------------------------------|-------------------|-------------------|----------------------|----------------------------|-------------------|
| GAAP REVENUE | \$ 549,523 | \$ 644,207 | \$ 500,080 | \$ 66,106 | \$ 1,759,916 |
| Non-GAAP adjustments* | (6,105) | (4,341) | (2,857) | (107) | (13,410) |
| NON-GAAP ADJUSTED REVENUE | <u>543,418</u> | <u>639,866</u> | <u>497,223</u> | <u>65,999</u> | <u>1,746,506</u> |
| GAAP COST OF REVENUE | 227,417 | 344,023 | 197,188 | 248,240 | 1,016,868 |
| Non-GAAP adjustments* | (1,365) | (180) | (678) | (5) | (2,228) |
| NON-GAAP ADJUSTED COST OF REVENUE | <u>226,052</u> | <u>343,843</u> | <u>196,510</u> | <u>248,235</u> | <u>1,014,640</u> |
| GAAP SEGMENT INCOME | <u>\$ 322,106</u> | <u>\$ 300,184</u> | <u>\$ 302,892</u> | <u>\$ (182,134)</u> | |
| Segment Income Margin** | 58.6 % | 46.6 % | 60.6 % | (275.5)% | |
| NON-GAAP ADJUSTED SEGMENT INCOME | <u>\$ 317,366</u> | <u>\$ 296,023</u> | <u>\$ 300,713</u> | <u>\$ (182,236)</u> | |
| Non-GAAP Adjusted Segment Income Margin | 58.4 % | 46.3 % | 60.5 % | (276.1)% | |
| Research and Development | | | | | 120,192 |
| Selling, General, and Administrative | | | | | 209,839 |
| Non-GAAP adjustments unassigned to a segment*** | | | | | (1,458) |
| NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES | | | | | <u>1,343,213</u> |
| NON-GAAP ADJUSTED OPERATING INCOME | | | | | <u>\$ 403,293</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.

Nine Months Ended March 31, 2024

(Unaudited, dollars in thousands)

| | Core | Payments | Complementary | Corporate and Other | Total |
|---------------------------------------------------|-------------|-----------------|----------------------|----------------------------|--------------|
| GAAP REVENUE | \$ 518,696 | \$ 605,115 | \$ 463,064 | \$ 68,756 | \$ 1,655,631 |
| Non-GAAP adjustments* | (4,885) | (3,470) | (1,440) | (66) | (9,861) |
| NON-GAAP ADJUSTED REVENUE | 513,811 | 601,645 | 461,624 | 68,690 | 1,645,770 |
| GAAP COST OF REVENUE | 217,449 | 330,297 | 188,002 | 236,457 | 972,205 |
| Non-GAAP adjustments* | (650) | (193) | (715) | (4) | (1,562) |
| NON-GAAP ADJUSTED COST OF REVENUE | 216,799 | 330,104 | 187,287 | 236,453 | 970,643 |
| GAAP SEGMENT INCOME | \$ 301,247 | \$ 274,818 | \$ 275,062 | \$ (167,701) | |
| Segment Income Margin** | 58.1 % | 45.4 % | 59.4 % | (243.9)% | |
| NON-GAAP ADJUSTED SEGMENT INCOME | \$ 297,012 | \$ 271,541 | \$ 274,337 | \$ (167,763) | |
| Non-GAAP Adjusted Segment Income Margin | 57.8 % | 45.1 % | 59.4 % | (244.2)% | |
| Research and Development | | | | | 108,363 |
| Selling, General, and Administrative | | | | | 211,298 |
| Non-GAAP adjustments unassigned to a segment*** | | | | | (17,190) |
| NON-GAAP TOTAL ADJUSTED OPERATING EXPENSES | | | | | 1,273,114 |
| NON-GAAP ADJUSTED OPERATING INCOME | | | | | \$ 372,656 |

*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 \$747. The VEDIP program expense for the fiscal nine months ended March 31, 2024, 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 (Dollars in millions, except per share data) | Annual FY25 | |
|------------------------------------------------------------------------|-----------------|-----------------|
| | Low | High |
| GAAP REVENUE | \$ 2,353 | \$ 2,370 |
| <i>Growth</i> | 6.2 % | 7.0 % |
| Deconversions* | \$ 22 | \$ 28 |
| NON-GAAP ADJUSTED REVENUE** | \$ 2,331 | \$ 2,342 |
| <i>Non-GAAP Adjusted Growth</i> | 6.0 % | 6.5 % |
| GAAP OPERATING EXPENSES | \$ 1,799 | \$ 1,808 |
| <i>Growth</i> | 4.2 % | 4.7 % |
| Deconversion costs* | \$ 5 | \$ 7 |
| NON-GAAP ADJUSTED OPERATING EXPENSES** | \$ 1,794 | \$ 1,801 |
| <i>Non-GAAP Adjusted Growth</i> | 5.1 % | 5.5 % |
| GAAP OPERATING INCOME | \$ 554 | \$ 562 |
| <i>Growth</i> | 13.2 % | 14.8 % |
| GAAP OPERATING MARGIN | 23.5 % | 23.7 % |
| NON-GAAP ADJUSTED OPERATING INCOME** | \$ 537 | \$ 541 |
| <i>Non-GAAP Adjusted Growth</i> | 9.0 % | 9.8 % |
| NON-GAAP ADJUSTED OPERATING MARGIN | 23.0 % | 23.1 % |
| GAAP EPS*** | \$ 6.00 | \$ 6.09 |
| <i>Growth</i> | 14.8 % | 16.5 % |
| Non-GAAP EPS*** | \$ 5.83 | \$ 5.87 |
| <i>Growth</i> | 10.7 % | 11.5 % |

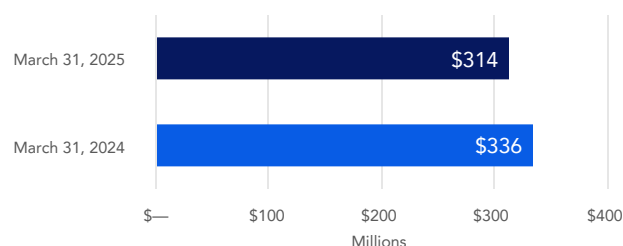
*Deconversion revenue and related operating expenses are based on actual results for the nine months ended March 31, 2025, and estimates for the remainder of fiscal year 2025, based on the lowest actual recent historical results. See the Company's Form 8-K filed with the Securities and Exchange Commission on April 30, 2025.

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

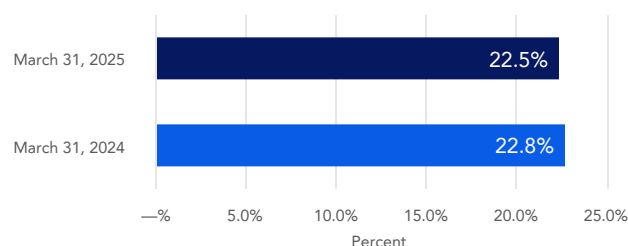
***The GAAP to Non-GAAP EPS reconciliation table is below on page 15.

Balance Sheet and Cash Flow Review

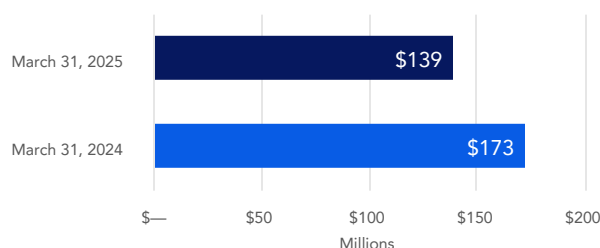
Net Cash Provided by Operating Activities*



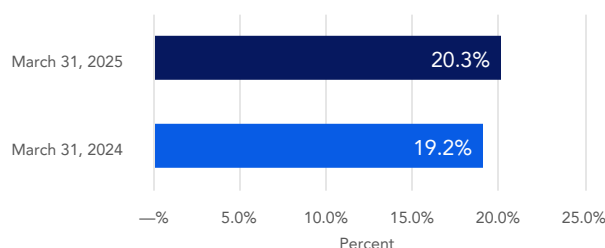
Return on Average Shareholders' Equity*



Free Cash Flow*



ROIC*



- Cash and cash equivalents were \$40 million at March 31, 2025, and \$27 million at March 31, 2024.
- Trade receivables were \$282 million at March 31, 2025, compared to \$263 million at March 31, 2024.
- The Company had \$170 million of borrowings at March 31, 2025 compared to \$250 million of borrowings at March 31, 2024.
- Deferred revenue was \$222 million at March 31, 2025, and \$214 million at March 31, 2024.
- Stockholders' equity increased to \$2,036 million at March 31, 2025, compared to \$1,780 million at March 31, 2024.

*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)

| | Nine Months Ended March 31, | |
|-------------------------------------------|-----------------------------|-------------------|
| | 2025 | 2024 |
| Net income | \$ 328,144 | \$ 280,743 |
| Depreciation | 33,125 | 34,943 |
| Amortization | 120,136 | 114,270 |
| Change in deferred income taxes | (12,765) | (15,325) |
| Other non-cash expenses | 22,411 | 22,677 |
| Change in receivables | 50,871 | 97,835 |
| Change in deferred revenue | (167,104) | (185,784) |
| Change in other assets and liabilities* | (60,426) | (13,117) |
| NET CASH FROM OPERATING ACTIVITIES | \$ 314,392 | \$ 336,242 |

*For the nine months ended March 31, 2025, includes the change in prepaid cost of product and other of \$(42,989), accrued expenses of \$(23,436), and income taxes of \$15,540. For the nine months ended March 31, 2024, includes the change in prepaid cost of product and other of \$(60,520), income taxes of \$30,938, and the change in accrued expenses of \$20,265.

The following table summarizes net cash from investing activities:

(Unaudited, in thousands)

| | Nine Months Ended March 31, | |
|-------------------------------------------|-----------------------------|---------------------|
| | 2025 | 2024 |
| Capital expenditures | (41,186) | (34,347) |
| Proceeds from dispositions | — | 900 |
| Purchased software | (3,833) | (4,561) |
| Computer software developed | (130,298) | (125,351) |
| Purchase of investments | (2,000) | (1,146) |
| Proceeds from investments | 1,000 | — |
| NET CASH FROM INVESTING ACTIVITIES | \$ (176,317) | \$ (164,505) |

The following table summarizes net cash from financing activities:

(Unaudited, in thousands)

| | Nine Months Ended March 31, | |
|-----------------------------------------------------------------------------|-----------------------------|---------------------|
| | 2025 | 2024 |
| Borrowings on credit facilities | \$ 255,000 | \$ 335,000 |
| Repayments on credit facilities | (235,000) | (360,000) |
| Purchase of treasury stock | (35,052) | (20,000) |
| Dividends paid | (122,464) | (115,792) |
| Net cash from issuance of stock and tax related to stock-based compensation | 1,027 | 4,066 |
| NET CASH FROM FINANCING ACTIVITIES | \$ (136,489) | \$ (156,726) |

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 centricity — 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.

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.



Quarterly Conference Call

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



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Condensed Consolidated Statements of Income (Unaudited)

(Dollars in thousands, except per share data)

| | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|---------------------------------------------|------------------------------|-------------------|---------------|-----------------------------|---------------------|----------------|
| | 2025 | 2024 | | 2025 | 2024 | |
| REVENUE | \$ 585,087 | \$ 538,562 | 8.6 % | \$ 1,759,916 | \$ 1,655,631 | 6.3 % |
| Cost of Revenue | 340,586 | 328,224 | 3.8 % | 1,016,868 | 972,205 | 4.6 % |
| Research and Development | 39,411 | 35,993 | 9.5 % | 120,192 | 108,363 | 10.9 % |
| Selling, General, and Administrative | 66,350 | 62,246 | 6.6 % | 209,839 | 211,298 | (0.7)% |
| EXPENSES | 446,347 | 426,463 | 4.7 % | 1,346,899 | 1,291,866 | 4.3 % |
| OPERATING INCOME | 138,740 | 112,099 | 23.8 % | 413,017 | 363,765 | 13.5 % |
| Interest income | 5,899 | 6,499 | (9.2)% | 21,406 | 16,365 | 30.8 % |
| Interest expense | (2,731) | (4,433) | (38.4)% | (8,336) | (12,495) | (33.3)% |
| Interest Income (Expense), net | 3,168 | 2,066 | 53.3 % | 13,070 | 3,870 | 237.7 % |
| INCOME BEFORE INCOME TAXES | 141,908 | 114,165 | 24.3 % | 426,087 | 367,635 | 15.9 % |
| Provision for Income Taxes | 30,800 | 27,066 | 13.8 % | 97,943 | 86,892 | 12.7 % |
| NET INCOME | \$ 111,108 | \$ 87,099 | 27.6 % | \$ 328,144 | \$ 280,743 | 16.9 % |
| Diluted net income per share | \$ 1.52 | \$ 1.19 | | \$ 4.49 | \$ 3.85 | |
| Diluted weighted average shares outstanding | 73,013 | 73,031 | | 73,058 | 73,010 | |

Consolidated Balance Sheet Highlights (Unaudited)

(In thousands)

| | March 31, | | % Change |
|---------------------------------------|-------------------|------------|----------|
| | 2025 | 2024 | |
| Cash and cash equivalents | \$ 39,870 | \$ 27,254 | 46.3 % |
| Receivables | 282,162 | 263,416 | 7.1 % |
| Total assets | 2,932,018 | 2,770,498 | 5.8 % |
| Accounts payable and accrued expenses | \$ 201,389 | \$ 227,715 | (11.6)% |
| Current and long-term debt | 170,000 | 250,000 | (32.0)% |
| Deferred revenue | 221,828 | 213,945 | 3.7 % |
| Stockholders' equity | 2,036,431 | 1,779,931 | 14.4 % |

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

| | Three Months Ended March 31, | | % Change | Nine Months Ended March 31, | | % Change |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|---------------|-----------------------------|-------------------|--------------|
| (Dollars in thousands) | 2025 | 2024 | | 2025 | 2024 | |
| Net income | \$ 111,108 | \$ 87,099 | | \$ 328,144 | \$ 280,743 | |
| Net interest | (3,168) | (2,066) | | (13,069) | (3,870) | |
| Taxes | 30,800 | 27,066 | | 97,943 | 86,893 | |
| Depreciation and amortization | 51,013 | 50,083 | | 153,261 | 149,214 | |
| Less: Net income before interest expense, taxes, depreciation and amortization attributable to eliminated one-time adjustments* | (6,851) | 6 | | (9,724) | 8,892 | |
| NON-GAAP EBITDA | \$ 182,902 | \$ 162,188 | 12.8 % | \$ 556,555 | \$ 521,872 | 6.6 % |

*The fiscal third 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 \$(7,551) and \$16,443, respectively. The VEDIP program expense for the fiscal nine months ended March 31, 2024, 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) | Nine Months Ended March 31, | |
|------------------------------------|-----------------------------|-------------------|
| | 2025 | 2024 |
| Net cash from operating activities | \$ 314,392 | \$ 336,242 |
| Capitalized expenditures | (41,186) | (34,347) |
| Internal use software | (3,833) | (4,561) |
| Proceeds from sale of assets | — | 900 |
| Capitalized software | (130,298) | (125,351) |
| FREE CASH FLOW | \$ 139,075 | \$ 172,883 |

Calculation of the Return on Average Shareholders' Equity

| (In thousands) | March 31, | |
|---------------------------------------------------------------------|--------------|--------------|
| | 2025 | 2024 |
| Net income (trailing four quarters) | \$ 429,217 | \$ 378,516 |
| Average stockholder's equity (period beginning and ending balances) | 1,908,181 | 1,659,120 |
| RETURN ON AVERAGE SHAREHOLDERS' EQUITY | 22.5% | 22.8% |

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

| (In thousands) | March 31, | |
|----------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| | 2025 | 2024 |
| Net income (trailing four quarters) | \$ 429,217 | \$ 378,516 |
| Average stockholder's equity (period beginning and ending balances) | 1,908,181 | 1,659,120 |
| Average current maturities of long-term debt and financing leases (period beginning and ending balances) | 45,000 | 1 |
| Average long-term debt (period beginning and ending balances) | 165,000 | 312,500 |
| Average invested capital | \$ 2,118,181 | \$ 1,971,621 |
| ROIC | 20.3% | 19.2% |

GAAP to Non-GAAP EPS Reconciliation Table

| | FY25 Guidance |
|---------------------------------------|----------------------|
| GAAP EPS | \$6.00–\$6.09 |
| <i>Excluded Activity, net of Tax:</i> | |
| Deconversion* | \$0.17–\$0.22 |
| Non-GAAP EPS | \$5.83–\$5.87 |

*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 year-to-date 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 April 30, 2025.

FAQ for Analysts / Investors

1. What caused the slowing of non-GAAP revenue growth in the 3rd quarter?

- Hardware revenue was down \$4 million from the prior year quarter. Revenue growth would have been 7.8% overall had hardware revenue remained consistent.
- Growth in our key areas of revenue (Cloud and Processing revenue) grew at 9.8%, compared to 8.8% a year ago.

2. What are the key factors lowering annual non-GAAP revenue guidance?

- The outlook for hardware revenue is down as we are seeing customers delay large capital purchases, possibly due to economic uncertainty.
- Similar to hardware, we are seeing customers delaying the start of signed non-recurring projects and the implementation of post-core products.
- Given the recent decline in consumer sentiment, there is risk that we could see lower transaction volumes in the coming months.

3. What caused Core segment revenue growth for the 3rd quarter to lag behind Payments and Complementary?

- License and credit union hardware revenue was a drag on Core revenue growth in the 3rd quarter.
- However, growth in our key areas of revenue, like Cloud, outperformed the prior year's quarter.

4. What is driving the growth in operating margins?

- Growth in the key areas of our business has added new high incremental margin revenue, and we have been disciplined in our approach to compensation, headcount and infrastructure costs throughout the fiscal year.

5. What is the M&A outlook for Jack Henry financial institutions?

- We have seen an acceleration of merger activity, including acquisitions of financial institutions by Jack Henry customers.