

Computer Services, Inc.

Profile

Ticker **CSVI** | Primary Stock Exchange **OTCQX**

Overview: This company provides service and software solutions for financial institutions in both a service bureau and in-house environment.

Incorporated: INCORPORATED in Kentucky Mar. 19, 1965. November 1, 2005, acquired McCoy Myers & Associates, Inc. for approximately \$23.2 million.

Background: Computer Services, Inc., together with its subsidiaries, provides services and information technology solutions for financial institutions in a service bureau and an in-house environment. The company offers processing, maintenance, and support services; software licensing and installation services; and eBusiness services, as well as sells equipment. It also provides integrated banking solutions, including check imaging, cash management, branch and merchant capture, Internet banking, corporate intranets, secure Web hosting, e-messaging, teller and platform services, ATM and debit card service and support, risk assessment, and network management, as well as compliance software and services for regulatory compliance, homeland security, and fraud prevention. In addition, the company offers Internet services, such as fiber optic backbone for high bandwidth data, voice, and video; and telephone services that comprise voice over Internet protocol and competitive. **(Continued on the next page of this report)**

Stock Data (Capitalization as of: May 31, 2009)

Stock: **Common no par** | Authorized Shares **20,000,000** | Outstanding Shares **7,355,171**

Stock: **Preferred no par** | Authorized Shares **5,000,000** | Outstanding Shares **None**

Long Term Debt **\$7,000,000.**

Stockholders (as of May 31, 2009): **1,748**

Principal Stockholder: **February 28, 2009, officers and directors owned or controlled 10.9% of the Common.**

Transfer Agent: **BNY Mellon Shareowner Services, Jersey City, NJ**

Additional Notes:

Dividends

0.58 2009

Common Stock

Exchange	Year	High	Low
OTCQX	2008	35.9000	15.0000
	¹ 2007	42.0000	28.0500
	2006	30.5000	29.2000
Over The Counter	2005	37.5000	29.8000
	² 2004	34.0000	14.5500
	³ 2003	16.0000	13.7000

Footnote:

1 Moved from Over The Counter Mar. 5.

2 Adjtd. for 2-for-1 split Oct. 18.

3 Adjtd. for 2-for-1 split Oct. 18, 2004.

Corporate Information

Address:

3901 Technology Drive
Paducah, KY 42001-5201

Phone: 270-442-7361

Fax: 270-575-6716

Web Site:

http://www.csiweb.com

Auditors:

MCGLADREY & PULLEN

I.R. Contact:

David L. Simon

Employees: 902

Shareholders: 1,748

Founded: 1965

Domicile: Kentucky

Officers:

John A. Williams Chairman

Steven A. Powless President & Chief Executive Officer

David L. Simon Treasurer, Chief Financial Officer & Investor Relations Contact

Tammy D. Souder Secretary & Chief Administrative Officer

Richard J. Wynn SR VP & Chief Technology Officer

R. Stanley Eckenberg Exec VP

Andrew T. Elliott SR VP

Joe Zugmire Controller

Directors:

Constantine W. Curris

Basil N. Drossos

Bruce R. Gall

David Paxton

Steven A. Powless

Linda Johnson Vitale

Robert L. Walker

John A. Williams

Subsidiaries:

ATTUS Technologies, Inc.

CSI Air LLC

Heartland Communications Internet Services, Inc.

McCoy Myers & Associates, Inc.

Summit Financial Solutions, Inc.

Tran Tec, Inc.

Profile

Background: (Continued from Page 1) local exchange carrier. Further, it provides payments processing applications, including remote image capture, remote deposit, cash letter manager, branch capture, merchant capture, document storage, and securities modules. The company's customers include community banks, regional banks, and multibank holding companies, as well as various other business enterprises with a set of information, technology, and service requirements in the United States. Computer Services, Inc. was founded in 1965 and is headquartered in Paducah, Kentucky.

Annual Report

Income Statement as of Feb. 28 (Thou. US Dollar)	2009	2008	2007	Balance Sheet as of Feb. 28 (Thou. US Dollar)	2009	2008
Revenues	150,649	145,618	124,501	Assets:		
Operating exps.	116,364	116,370	99,107	Cash & equiv.	1,320	2,249
Interest expense, net	271	683	372	Accts. rec., net	16,026	15,922
Other income	(77)	(383)	(201)	Other curr. assets	7,180	4,161
Income tax	13,235	10,516	9,513	Tot. curr assets	24,526	22,332
Minority interest	(12)	(427)	(284)	Net property	28,357	30,005
Net income	20,714	18,093	15,592	Intangibles	52,907	48,963
Share earns. basic	2.71	\$2.30	\$1.98	Other assets	2,895	5,413
Share earns. diluted	2.62	\$2.20	\$1.89	Total assets	108,685	106,713
				Liabilities:		
				Notes pay.	41	127
				Depr. revenue	5,382	4,713
				Income tax	662	662
				Accts. pay. & accruals	9,942	7,380
				Tot. curr. liabs.	15,365	12,882
				Notes pay.	5,000	9,990
				Long term depr. inc. tax	3,084	948
				Other liabs.	1,003	1,067
				Minority interest	437	437
				Com. stk. n.p.	13,917	12,819
				Other stockholders equity	(2,274)	(1,663)
				Retained earns.	72,590	70,233
				Total liabs. and equity	108,685	106,713
				Common Shares (Thou.)	7,814	7,814