UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A

CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **May 14, 2008**

ACXIOM CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE
(State or Other Jurisdiction of Incorporation)

0-13163	**71-0581897**
(Commission File Number)	(IRS Employer Identification No.)

1 Information Way, P.O. Box 8180, Little Rock, Arkansas	**72203-8180**
(Address of Principal Executive Offices)	(Zip Code)

501-342-1000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note: On May 14, 2008, Acxiom Corporation (the "Company") filed a Form 8-K (the "Initial 8-K") concerning, among other things, the Company's decision to amend and restate its previously issued audited consolidated financial statements and other financial information for the years ended March 31, 2006 and March 31, 2007, and the unaudited consolidated financial statements for the quarters ended June 30, 2007, September 30, 2007 and December 31, 2007 (the "Restatements"). This Form 8-K/A amends and restates the Initial 8-K in its entirety to correct certain typographical errors and to remove premature disclosures regarding the Restatements contained therein. The Company and its independent auditor continue to review the circumstances surrounding the Restatements and have yet to make a final determination as to the appropriate disclosure to be included under Item 4.02(a). Following final determination of the appropriate disclosure, the Company will disclose such information under Item 4.02(a) of Form 8-K.

Item 2.02. Results of Operations and Financial Condition.

On May 14, 2008, Acxiom Corporation (the "Company") issued a press release announcing the results of its financial performance for the fourth quarter of fiscal year 2008 and the year ended March 31, 2008. At 4:30pm (CDT) on the same day, the Company held a conference call to discuss this information further. The press release and a transcript of the conference call are furnished herewith as Exhibits 99.1 and 99.2, respectively.

The Company's press release and other communications from time to time include certain non-GAAP financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in the Company's financial statements.

The attached press release utilizes a non-GAAP measure of free cash flow available to equity. Free cash flow available to equity is defined as operating cash flow less cash used by investing activities (excluding the impact of cash paid in acquisitions), less required payments of debt. The Company's management believes that this measure of free cash flow available to equity is superior to the previously reported free cash flow, since it represents the amount of money available for the Company's discretionary spending after funding all required obligations including scheduled debt payments, and it therefore provides a useful measure of liquidity for assessing the amount of cash available for general corporate and strategic purposes. Free cash flow available to equity is reconciled to operating cash flow, the nearest comparable GAAP measure, in a schedule to the press release.

The attached press release also presents a schedule showing management's calculation of full-year and fourth quarter diluted earnings per share on a non-GAAP basis by excluding the earnings-per-share impact of unusual items. Management believes this is a meaningful measure since unusual items are not indicative of the Company's operations in the future. The non-GAAP measure of diluted earnings per share is reconciled to GAAP diluted earnings per share within the schedule, by disclosing the unusual items which have been excluded for the fourth quarter and full fiscal year.

The non-GAAP financial measures used by the Company in the attached press release may not be comparable to similarly titled measures used by other companies and should not be considered in isolation or as a substitute for measures of performance or liquidity prepared in accordance with GAAP.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(c) Appointment of Chief Operating Officer

Effective May 14, 2008, John A. Adams will become the Chief Operating Officer and Executive Vice President of the Company pursuant to an agreement entered into between the Company and Mr. Adams dated May 14, 2008 (the "Employment Agreement"). Pursuant to the Employment Agreement, Mr. Adams will serve as Chief Operating Officer and Executive Vice President of the Company until May 14, 2011, with such term renewable by the Company for one-year terms following the expiration of the initial term. Mr. Adams will receive an initial base salary of $500,000 per annum and will be eligible to receive a target cash bonus in an amount equal to 75% of his base salary during each contract year. In addition, pursuant to the terms of the Employment Agreement, the Compensation Committee (the "Committee") of the Board of Directors has approved grants to be made to Mr. Adams on May 22, 2008 (the "Grant Date") of 200,000 nonqualified stock options, 53,000 performance-based restricted stock units, and 27,000 time-vested restricted stock units.

The 200,000 stock options will be granted out of the 2005 Equity Compensation Plan of Acxiom Corporation (the "2005 Plan"). They will have a 10-year term, will have an exercise price equal to the fair market value of the Company's common stock on the Grant Date, and will vest ratably over four years at the rate of 25% per year, beginning on the first anniversary of the Grant Date. With respect to the 53,000 performance-based restricted stock units, 50,000 units will be granted out of the 2005 Plan and 3,000 units will be granted out of the 2008 Nonqualified Equity Compensation Plan of Acxiom Corporation (the "Inducement Plan"), all of which awards shall vest three years from the Grant Date, provided the Company has achieved the financial objectives established by the committee. With respect to the 27,000 time-vested restricted stock units, all of such units will be granted out of the Inducement Plan, with the restrictions to lapse ratably over four years at the rate of 25% per year beginning on the first anniversary of the Grant Date.

The Employment Agreement is attached to this Current Report as Exhibit 10.1. The foregoing description of the Employment Agreement is qualified in its entirety by reference to Exhibit 10.1.

The Board of Directors has approved an amendment to the Inducement Plan, a copy of which is attached hereto as Exhibit 10.2, whereby the number of shares available for grant thereunder was increased from 525,000 to 605,000.

Prior to joining the Company, Mr. Adams was executive vice president of customer solutions for Eclipsys, a healthcare information software and services vendor. In that capacity, he was responsible for the company's outsourcing and hosting units as well as a number of administrative functions. From 2003 – 2004, he served as chief financial officer for Exult, Inc., a human resources business process outsourcing company that was subsequently sold to Hewitt Associates during Mr. Adams' tenure. From 2000 – 2003 Mr. Adams served as chief financial officer and vice president of AT&T Business Services, a subsidiary of AT&T Corporation. In this role, he led a successful restructuring of the subsidiary's operations. Prior to that, Mr. Adams was employed by Electronic Data Systems Corporation (EDS) for 15 years, serving most recently as its vice president and controller, in which capacity he oversaw the accounting and finance functions for EDS worldwide. Mr. Adams, a British citizen, is a member of the Institute of Chartered Accountants in England and Wales. He holds a bachelor of arts degree with honors in economics from the University of Exeter, England.

(e) Entry into Material Agreement with a Named Executive Officer

Item 5.02(c) above is incorporated by reference herein, to the extent that it describes the Company's entry into a material agreement with a named executive officer.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

The following exhibits are furnished herewith:

Exhibit Number	Description
10.1	Employment Agreement dated May 14, 2008 between the Company and John A. Adams
10.2	2008 Nonqualified Equity Compensation Plan of Acxiom Corporation
99.1	Press Release of the Company dated May 14, 2008 announcing fourth quarter and full year earnings for fiscal year 2008
99.2	Transcript of the Company's fourth quarter and full year fiscal 2008 earnings call held at 4:30pm (CDT) on May 14, 2008

SIGNATURE

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

Dated: May 15, 2008

ACXIOM CORPORATION

By: /s/ Jerry C. Jones
Name: Jerry C. Jones
Title: Business Development/Legal Leader

EXHIBIT INDEX

Exhibit Number	Description
10.1	Employment Agreement dated May 14, 2008 between the Company and John A. Adams
10.2	2008 Nonqualified Equity Compensation Plan of Acxiom Corporation
99.1	Press Release of the Company dated May 14, 2008 announcing fourth quarter and full year earnings for fiscal year 2008
99.2	Transcript of the Company’s fourth quarter and full year fiscal 2008 earnings call held at 4:30pm (CDT) on May 14, 2008

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT, dated as of May 14, 2008, (the "Agreement"), is by and between Acxiom Corporation, a Delaware corporation (the "Company") and John A. Adams (the "Executive").

WHEREAS, the Company desires to hire the Executive to serve as Chief Operating Officer & Executive Vice President, and the Executive desires to hold such positions under the terms and conditions of this Agreement; and

WHEREAS, the parties desire to enter into this Agreement setting forth the terms and conditions of the employment relationship between the Executive and the Company.

NOW, THEREFORE, intending to be legally bound hereby, the parties agree as follows:

1. Employment. The Company hereby employs the Executive and the Executive hereby accepts employment with the Company as of the Effective Date, upon the terms and subject to the conditions set forth herein.

2. Term.

(a) Subject to termination pursuant to Section 9, the term of the employment by the Company of the Executive pursuant to this Agreement (as the same may be extended, the "Term") will commence on May 14, 2008 (the "Effective Date") and terminate on May 14, 2011.

(b) Commencing on May 14, 2011 and on each subsequent anniversary thereof, the Term may be extended by the Company for a period of one (1) additional year following the expiration of the applicable Term by notifying the Executive of such renewal in writing not later than one hundred eighty (180) days before any such date.

3. Position. During the Term, the Executive will serve as Chief Operating Officer & Executive Vice President performing duties commensurate with such positions and will perform such additional duties as the Chief Executive Officer of the Company ("CEO") will determine. The Executive will report directly to the CEO. The Executive agrees to serve, without any additional compensation as a member of the board of directors and/or as an officer of any subsidiary of the Company. If the Executive's employment is terminated for any reason, whether such termination is voluntary or involuntary, the Executive will resign as a director and/or officer of any of its subsidiaries, such resignation to be effective no later than the date of termination of the Executive's employment with the Company.

4. Duties. During the Term, the Executive will devote his full time and attention during normal business hours to the business and affairs of the Company and its subsidiaries (the "Business"); provided, however, that the Executive will be permitted to devote reasonable periods of time to charitable and community activities, so long as such activities do not interfere with the performance of the Executive's responsibilities under this Agreement.

5. Salary and Bonus, Signing Payment and Relocation.

(a) For purposes of this Agreement, the "Initial Contract Year" will mean the period commencing on the Effective Date and ending on May 14, 2009. A "Contract Year" will mean the Initial Contract Year and any anniversary thereof.

(b) During the Initial Contract Year, the Company will pay the Executive a base salary at an annual rate of $500,000 per calendar year. Thereafter, at or before the annual spring Board of Directors meeting, typically occurring in May, the CEO will, in good faith, review the Executive's annual base salary and will recommend to the Compensation Committee of the Board (the "Compensation Committee") such annual rate of salary as the CEO may deem advisable (such annual rate of salary, as the same may be increased, the "Base Salary"). The Compensation Committee may increase (but not decrease) the annual rate of salary. The Base Salary will be payable to the Executive in substantially equal installments in accordance with the Company's normal payroll practices.

(c) During each Contract Year, the Executive will be eligible for a target cash bonus opportunity of 75% of then-current Base Salary. The Executive's entitlement to such cash bonus, if any, will be determined by the Compensation Committee based on the terms of the executive bonus program then in effect.

(d) It is understood that the Executive will not initially reside in Little Rock, Arkansas. In the event that the Executive elects to live in the Little Rock area the Company will reimburse the Executive for all reasonable expenses incurred in connection with the relocation of his residence and family to the Little Rock area, including reasonable moving expenses and reasonable transaction costs associated with the sale of the Executive's current principal residence outside the State of Arkansas and the Executive's purchase of a new principal residence in the Little Rock area (but such costs will not include those associated with points to reduce the cost of mortgage loan payments) (collectively, "Moving Costs").

(e) Promptly following the Effective Date, the Company will reimburse the Executive for reasonable legal expenses up to an amount of $7,500 incurred by him in connection with the drafting and negotiation of this Agreement.

6. Long-Term Incentive Awards.

(a) No later than the later of: (a) the Effective Date; or (b) the regularly scheduled May 2008 Board meeting; the Company will grant the Executive:

(i) 200,000 Stock Options - the exercise price of the stock options will be the fair market value of the Company's common stock on the date of the grant, and the options will vest in equal increments over a four -ear vesting period;

(ii) 27,000 Restricted Stock Units (time vested over a four-year vesting period); and

(iii) 53,000 Restricted Stock Units (a performance share plan that has a three-year cliff vest and is based on the achievement of performance period financial objectives).

(b) Except as may be otherwise provided herein, in the event of termination of the employment of the Executive, all equity compensation will be governed by the standard Acxiom policies and procedures in effect at the time of termination.

(c) Annually, during the term of this Agreement, the independent members of the Board of Directors (or the Compensation Committee) will in good faith consider the grant, on or before the first regular Board meeting following the announcement of fiscal year financial results additional long-term equity incentive awards to the Executive.

(d) Notwithstanding any provision to the contrary in any equity incentive plan or related award agreement relating to any equity incentive award granted to the Executive pursuant to this Agreement or in the future, the definition of competitive business activities applicable to such equity incentive plan or award agreement shall be deemed to be the definition contained in Section 12(b) hereof, and any forfeitures required pursuant to such equity incentive plan or award agreement shall be net of all taxes paid or payable by the Executive.

7. **Vacation, Holidays and Sick Leave; Life Insurance**. During the Term, the Executive will be entitled to paid vacation in accordance with the Company's standard vacation accrual policies for its senior executive officers as may be in effect from time to time; provided, that the Executive will during each Contract Year be entitled to at least four (4) weeks of such vacation. During the Term, the Executive will also be entitled to participate in all applicable Company employee benefits plans as may be in effect from time to time for the Company's senior executive officers.

8. **Business Expenses**. The Executive will be reimbursed for all reasonable business expenses incurred by him in connection with his employment following timely submission by the Executive of receipts and other documentation in accordance with the Company's normal expense reimbursement policies.

9. **Termination of Agreement**. The Executive's employment by the Company pursuant to this Agreement will not be terminated before the end of the Term hereof, except as set forth in this Section 9.

(a) By Mutual Consent. The Executive's employment pursuant to this Agreement may be terminated at any time by the mutual written agreement of the Company and the Executive.

(b) Death. The Executive's employment pursuant to this Agreement will be terminated upon the death of the Executive, in which event the Executive's spouse or heirs will receive, when the same would have been paid to the Executive (whether or not the Term will have expired during such period), (i) all Base Salary and benefits (including any earned but unpaid cash bonus) to be paid or provided to the Executive under this Agreement through the Date of Termination (as defined in Section 9(j) hereof), (ii) any other unpaid benefits (including death benefits) to which they are entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination, (iii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid and (iv) the amount of any target cash bonus to which the Executive would otherwise have been entitled for the Contract Year in which the Date of Termination occurs, pro-rated based on the portion of the applicable Contract Year that the Executive worked for the Company.

(c) Disability. The Executive's employment pursuant to this Agreement may be terminated by delivery of written notice to the Executive by the Company (a "Notice of Termination") in the event that the Executive is unable, as determined by either the CEO or the independent members of the Board of Directors (or any committee of the Board comprised solely of independent directors), to perform the essential functions of his regular duties and responsibilities, with or without reasonable accommodation, due to a medically determinable physical or mental illness that has lasted (or can reasonably be expected to last) for a period of ninety (90) consecutive days, or for a total of ninety (90) days or more in any consecutive one hundred and eighty (180) day-period. If the Executive's employment is terminated pursuant to this Section 9(c), the Executive will be entitled to receive, when the same would have been paid to the Executive (whether or not the Term will have expired during such period), (i) all Base Salary and benefits, on the normal payroll cycle, that would have been paid or provided to the Executive under this Agreement through the Date of Termination, (ii) any other unpaid benefits (including disability benefits, subject to offsets as set forth in the disability plan) to which he is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination within the timeframe established by any such plan, policy or program or, if no timeframe is established, within 10 business days following Date of Termination, (iii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid and (iv) the amount of any target cash bonus to which the Executive would otherwise have been entitled for the Contract Year in which the Date of Termination occurs, pro-rated based on the portion of the applicable Contract Year that the Executive worked for the Company and paid at the same time such cash bonuses are paid to other similarly situated executives also receiving such bonuses.

(d) By the Company for Cause. The Executive's employment pursuant to this Agreement may be terminated by delivery of a Notice of Termination upon the occurrence of any of the following events (each of which will constitute "Cause" for termination): (i) the willful failure by the Executive to substantially perform his duties or follow the reasonable and lawful instructions of the CEO or the Board; provided, that the Executive will be allowed to cure such failure within thirty (30) days of delivery to the Executive by the Company of written demand for performance, which such written demand will specifically identify the manner in which the Company believes he has not substantially performed his duties; or (ii) the engaging by the Executive in willful misconduct that is materially injurious to the Company, monetarily or otherwise. If the Executive's employment is terminated pursuant to this Section 9(d), the Executive will be entitled to receive, within 10 business days following Date of Termination, all Base Salary and benefits to be paid or provided to the Executive under this Agreement through the Date of Termination, any other unpaid benefits to which he is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination (including, without limitation, the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid) and no more.

(e) By the Company Without Cause. The Executive's employment pursuant to this Agreement may be terminated by the Company at any time without Cause by delivery of a Notice of Termination. If the Executive's employment is terminated pursuant to this Section 9(e), the Executive will be entitled to receive (i) all Base Salary and benefits to be paid or provided to the Executive under this Agreement through the Date of Termination, (ii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid, (iii) an amount equal to one hundred percent (100%) of the Executive's Base Salary at the then-current rate of Base Salary, (iv) an amount equal to one hundred percent (100%) of the Executive's then-current target cash bonus payable pursuant to Section 5(c) , and (v) any other unpaid benefits to which the Executive is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination. The amounts referred to in clauses (i) through (iv) above will be paid to the Executive in a lump sum no later than ten (10) days following the Date of Termination. As a condition to receiving such payment, the Executive agrees to execute and deliver, at the time of termination of his employment, a general release in the form attached as Exhibit A.

(f) By the Executive for Good Reason. The Executive's employment pursuant to this Agreement may be terminated by the Executive by written notice of his resignation ("Notice of Resignation") delivered to the Company within ninety (90) days (provided that, in the case of clause (v), such time period will be extended through the end of the then-current Contract Year) of any of the following (each of which will constitute "Good Reason" for resignation): (i) a material reduction by the Company in the Executive's title or position, or a material reduction by the Company in the Executive's authority, duties or responsibilities or the assignment by the Company to the Executive of any duties or responsibilities that are materially inconsistent with such title, position, authority, duties or responsibilities; (ii) a reduction in Base Salary; (iii) any material breach of this Agreement by the Company; provided, that the Company will be allowed to cure such breach within thirty (30) days of delivery to the Company by the Executive of written demand for performance, which such written demand will specifically identify the manner in which the Executive believes the Company has breached this Agreement; or (iv) the Company's requiring the Executive to relocate his office location more than fifty (50) miles from his initial office location in Little Rock, Arkansas. For avoidance of doubt, "Good Reason" will exclude the death or Disability of the Executive. If the Executive resigns for Good Reason pursuant to this Section 9(f), the Executive will be entitled to receive (i) all Base Salary and benefits to be paid or provided to the Executive under this Agreement through the Date of Termination, (ii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid, (iii) an amount equal to one hundred percent (100%) of the Executive's Base Salary at the then-current rate of Base Salary, (iv) an amount equal to one hundred percent (100%) of the Executive's then-current target cash bonus payable pursuant to Section 5(c) , and (v) any other unpaid benefits to which the Executive is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination. The amounts referred to in clauses (i) through (iv) above will be paid to the Executive in a lump sum no later than ten (10) days following the Date of Termination. As a condition to receiving such payment, the Executive agrees to execute and deliver, at the time of termination of his employment, a general release in the form attached as Exhibit A.

(g) Non-Renewal by the Company. The Executive's employment pursuant to this Agreement may be terminated by the Executive by delivery of a Notice of Resignation following the Company's failure to extend the current Term of this Agreement consistent with the provisions of Section 2(b), which Notice of Resignation must be delivered within ninety (90) days of the Company's failure to extend such Term pursuant to Section 2(b). If the Executive resigns pursuant to this Section 9(g), or if his employment is terminated at the end of a Contract Year pursuant to Section 2(b), the Executive will be entitled to receive (i) all Base Salary and benefits to be paid or provided to the Executive under this Agreement through the Date of Termination, (ii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid, (iii) an amount equal to one hundred percent (100%) of the Executive's Base Salary at the then-current rate of Base Salary, (iv) an amount equal to one hundred percent (100%) of the Executive's then-current target cash bonus payable pursuant to Section 5(c) and (v) any other unpaid benefits to which the Executive is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination. The amounts referred to in clauses (i) through (iv) above will be paid to the Executive in a lump sum no later than ten (10) days following the Date of Termination. As a condition to receiving such payment, the Executive agrees to execute and deliver, at the time of termination of his employment, a general release in the form attached as Exhibit A.

(h) By the Executive Without Good Reason. The Executive's employment pursuant to this Agreement may be terminated by the Executive at any time by delivery of a Notice of Resignation to the Company. If the Executive's employment is terminated pursuant to this Section 9(h), the Executive will receive all Base Salary and benefits (including any earned but unpaid cash bonus) to be paid or provided to the Executive under this Agreement through the Date of Termination, any other unpaid benefits to which the Executive is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination (including, without limitation, the amount of any cash bonus related to any Contract Year ending before the Date of Termination which has been earned but remains unpaid) and no more.

(i) Before or Following a Change in Control. If after the initiation of discussions with a third party that ultimately result in a change of control or within twenty-four (24) months following a Change in Control, the Executive is (i) terminated without Cause, or (ii) resigns for Good Reason (as defined and qualified in Section 9(f) above), then the Executive will be entitled to receive (i) all Base Salary and benefits to be paid or provided to the Executive under this Agreement through the Date of Termination, (ii) the amount of any cash bonus related to any Contract Year ending before the Date of Termination that has been earned but remains unpaid, (iii) an amount equal to two hundred percent (200%) of the Executive's then-current target bonus payable pursuant to Section 5(c), (iv) an amount equal to two hundred percent (200%) of the Executive's Base Salary at the then-current rate of Base Salary, (v) notwithstanding anything to the contrary in any equity incentive plan or agreement, including, without limitation, the 2005 Equity Plan, the Inducement Plan or the related award agreements, all equity incentive awards, including, without limitation, those granted pursuant to Section 6 hereof, which are then outstanding, to the extent not then vested, shall vest, and (vi) any other unpaid benefits to which the Executive is otherwise entitled under any plan, policy or program of the Company applicable to the Executive as of the Date of Termination. The amounts referred to in clauses (i) through (iv) above will collectively be referred to as the "Change in Control Severance Amount." The Change in Control Severance Amount will be paid to the Executive in a lump sum no later than ten (10) days following the Date of Termination. The Executive agrees to execute and deliver, at the time of termination of his employment, a general release in the form attached as Exhibit A. Payments pursuant to this Section 9(i) will be made in lieu of, and not in addition to, any payment pursuant to any other paragraph of this Section 9.

(j) Date of Termination. The Executive's Date of Termination will be (i) if the Executive's employment is terminated pursuant to Section 9(b), the date of his death, (ii) if the Executive's employment is terminated pursuant to Section 9(c), Section 9(d) or Section 9(e), the date on which a Notice of Termination is given, (iii) if the Executive's employment is terminated pursuant to Section 9(f), the date specified in the Notice of Resignation, (iv) if the Executive's employment is terminated pursuant to Section 9(g), the date specified in the Notice of Resignation or, if no Notice of Resignation is delivered, the last day of the applicable Contract Year, (v) if the Executive's employment is terminated pursuant to Section 9(h), the date specified in the Notice of Resignation (provided that the Executive will deliver such Notice of Resignation to the Company not less than thirty (30) days before the Date of Termination specified therein) and (vi) if the Executive's employment is terminated pursuant to Section 9(i), the date specified in the Notice of Termination or the Notice of Resignation, as applicable.

(k) For the purposes of this Agreement, a "Change in Control" will mean any of the following events:

(i) An acquisition of any securities of the Company entitled to vote generally in the election of directors (the "Voting Securities") by any "person" (as the term person is used for purposes of Sections 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "1934 Act")) immediately after which such person has "Beneficial Ownership" (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of twenty percent (20%) or more of the combined voting power of the then outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities that are acquired in a "Non-Control Acquisition" (as hereinafter defined) will not constitute an acquisition that would cause a Change in Control. A "Non-Control Acquisition" will mean (i) an acquisition by an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a "Subsidiary"), (ii) any acquisition by or directly from the Company or any Subsidiary, or (iii) an acquisition pursuant to a Non-Qualifying Transaction (as defined in Section 9(j)(iii) below);

(ii) The individuals who, on the Effective Date, constitute the Board of Directors of the Company (the "Incumbent Directors") cease for any reason to constitute at least a majority of such board, provided, that, any person becoming a director after the Effective Date and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board of Directors will be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any "person" (such term for purposes of this definition being as defined in Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) and 14(d)(2) of the 1934 Act) other than the Board of Directors ("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, will be deemed an Incumbent Director; or

(iii) Consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition:

(A) The stockholders of the Company immediately before such Reorganization, Sale or Acquisition, beneficially own, directly or indirectly, immediately following such Reorganization, Sale or Acquisition, more than fifty percent (50%) of the combined voting power of the outstanding Voting Securities of the Company resulting from such Reorganization, Sale or Acquisition (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Corporation") in substantially the same proportion as their ownership of the Voting Securities immediately before such Reorganization, Sale or Acquisition;

(B) The individuals who were members of the Incumbent Board immediately before the execution of the agreement providing for such Reorganization, Sale or Acquisition constitute at least a majority of the members of the board of directors of the Surviving Corporation; and

(C) No person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any person who, immediately before such Reorganization, Sale or Acquisition, had Beneficial Ownership of twenty percent (20%) or more of the then outstanding Voting Securities), has Beneficial Ownership of twenty percent (20%) or more of the combined voting power of the Surviving Corporation's then outstanding Voting Securities;

Any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in subparts (A), (B) and (C) of this Section 9(j) above will be deemed to be a "Non-Qualifying Transaction."

Notwithstanding the foregoing, a "Change in Control" will not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities of the Company as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increased the proportional number of shares Beneficially Owned by the Subject Person.

(iv) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(l) Delay of Payment Required by Section 409A of the Code. It is intended that (i) each payment or installment of payments provided under this Agreement will be a separate "payment" for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) that the payments will satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code, including those provided under Treasury Regulations 1.409A-1(b)(4) (regarding short-term deferrals), 1.409A-1(b)(9)(iii) (regarding the two-times, two-year exception), and 1.409A-1(b)(9)(v) (regarding reimbursements and other separation pay). Notwithstanding anything to the contrary in this Agreement, if the Company determines (i) that on the date the Executive's employment with the Company terminates or at such other time that the Company determines to be relevant, the Executive is a "specified employee" (as such term is defined under Treasury Regulation 1.409A-1(i)(1)) of the Company and (ii) that any payments to be provided to the Executive pursuant to this Agreement are or may become subject to the additional tax under Section 409A(a)(1)(B) of the Code or any other taxes or penalties imposed under Section 409A of the Code if provided at the time otherwise required under this Agreement, then such payments will be delayed until the date that is six (6) months after the date of the Executive's "separation from service" (as such term is defined under Treasury Regulation 1.409A-1(h)) with the Company. Any payments delayed pursuant to this Section 9(k) will be made in a lump sum on the first day of the seventh month following the Executive's "separation from service" (as such term is defined under Treasury Regulation 1.409A-1(h)) and any remaining payments required to be made under this Agreement will be paid upon the schedule otherwise applicable to such payments under the Agreement. In addition, to the extent that any reimbursement, fringe benefit or other, similar plan or arrangement in which the Executive participates during the term of Executive's employment under this Agreement or thereafter provides for a "deferral of compensation" within the meaning of Section 409A of the Code, (i) the amount eligible for reimbursement or payment under such plan or arrangement in one calendar year may not affect the amount eligible for reimbursement or payment in any other calendar year (except that a plan providing medical or health benefits may impose a generally applicable limit on the amount that may be reimbursed or paid), and (ii) subject to any shorter time periods provided herein or the applicable plans or arrangements, any reimbursement or payment of an expense under such plan or arrangement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred.

10. Representations.

(a) The Company represents and warrants that this Agreement has been authorized by all necessary corporate action of the Company and is a valid and binding agreement of the Company enforceable against it in accordance with its terms.

(b) The Executive represents and warrants that he is not a party to any agreement or instrument which would prevent him from entering into or performing his duties in any way under this Agreement.

11. **Assignment; Binding Agreement**. This Agreement is a personal contract and the rights and interests of the Executive hereunder may not be sold, transferred, assigned, pledged, encumbered, or hypothecated by him, except as otherwise expressly permitted by the provisions of this Agreement. This Agreement will inure to the benefit of and be enforceable by the Executive and his personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to him hereunder had the Executive continued to live, all such amounts, unless otherwise provided herein, will be paid in accordance with the terms of this Agreement to his devisee, legatee or other designee or, if there is no such designee, to his estate.

12. Confidentiality; Non-Solicitation; Non-Competition.

(a) Non-Solicitation.

(i) The Executive specifically acknowledges that the Confidential Information described in this Section 12 includes confidential data pertaining to current and prospective customers of the Company, that such data is a valuable and unique asset of the Company's business and that the success or failure of the Company's specialized business is dependent in large part upon the Company's ability to establish and maintain close and continuing personal contacts and working relationships with such customers, and to develop proposals which are specifically designed to meet the requirements of such customers. Therefore, for a period of one (1) year after the Date of Termination, the Executive agrees that he will not, except on behalf of the Company or with the Company's express written consent, solicit, either directly or indirectly, on his own behalf or on behalf of any other person or entity, any customers with whom he had contact before the Date of Termination to take any action which could reasonably be expected to adversely affect the Company.

(ii) The Executive specifically acknowledges that the Confidential Information described in this Section 12 also includes confidential data pertaining to current and prospective employees and agents of the Company, and the Executive further agrees that until for a period of one (1) year after the Date of Termination, the Executive will not directly or indirectly solicit, on his own behalf or on behalf of any other person or entity, the services of any person who is an employee or agent of the Company or solicit any of the Company's employees or agents to terminate their employment or agency with the Company, except with the Company's express written consent.

(iii) The Executive specifically acknowledges that the Confidential Information described in this Section 12 also includes confidential data pertaining to current and prospective vendors and suppliers of the Company, and the Executive agrees that for a period of one (1) year after the Date of Termination, the Executive will not directly or indirectly solicit, on his own behalf or on behalf of any other person or entity, any vendor or supplier of the Company for the purpose of either providing products or services to do a business competitive with that of the Company, as described in Section 12(c)(i), or terminating or changing (in an adverse manner) such vendor's or supplier's relationship or agency with the Company.

(iv) For purposes of this Section 12(a), references to the Company mean the Company or any existing future subsidiary of the Company and any other entities that directly or indirectly, through one or more intermediaries, control, are controlled by or are under common control with the Company.

(b) Non-Competition.

(i) The Executive covenants and agrees that for a period of one (1) year after the Date of Termination, he will not engage in or carry on, directly or indirectly, as an owner, employee, agent, associate, consultant, or in any other capacity, a business competitive with that conducted by the Company. A "business competitive with that conducted by the Company" will mean any business or activity involved in information management products, marketing solutions and other services related to customer acquisition, growth and retention, including data collection, data integration technology and services, database services, information technology outsourcing, consulting and analytics services and consumer privacy products and services, or any other significant business in which the Company or any of its subsidiaries is engaged in, in each case where such products or services are competitive with products or services offered by the Company or any of its subsidiaries that constitute more than five percent (5%) of the Company's revenues in any of its eight (8) preceding fiscal quarters. To "engage in or carry on" will mean to have ownership in such business (excluding ownership of up to five percent (5%) of the outstanding shares of a publicly-traded company) or to consult, work in, direct or have responsibility for any area of such business, including but not limited to the following areas: operations, technology strategy, sales, marketing, product planning, research, design or development.

(ii) For a period of one (1) year after the Date of Termination, the Executive certifies and agrees that he will promptly notify the CEO in writing of his employment or other affiliation with any potentially competitive business or entity, before the commencement of such employment or affiliation.

(c) The parties intend that each of the covenants contained in this Section 12 will be construed as a series of separate covenants, one for each state of the United States, each county of each state of the United States, and each foreign jurisdiction in which the Company does business or is preparing to do business. Except for geographic coverage, each such separate covenant will be deemed identical in terms to the covenant contained in the preceding subsections of this Section 12. If, in any judicial proceeding, a court will refuse to enforce any of the separate covenants (or any part thereof) deemed included in those subsections, then such unenforceable covenant (or such part) will be deemed eliminated from this Agreement for the purpose of those proceedings to the extent necessary to permit the remaining separate covenants (or portions thereof) to be enforced. In the event that the provisions of this Section 12 should ever be deemed to exceed the time or geographic limitations, or the scope of this covenant is ever deemed to exceed that which is permitted by applicable law, then such provisions will be reformed to the maximum time, geographic limitations or scope, as the case may be, permitted by applicable law. The unenforceability of any covenant in this Section 12 will not preclude the enforcement of any other of said covenants or provisions of any other obligation of the Executive or the Company hereunder, and the existence of any claim or cause of action by the Executive or the Company against the other, whether predicated on the Agreement or otherwise, will not constitute a defense to the enforcement by the Company of any of said covenants.

(d) If the Executive will be in violation of any provision of this Section 12, then each time limitation set forth in this Section 12 will be extended for a period of time equal to the period of time during which such violation or violations occur. If the Company seeks injunctive relief from such violation in any court, then the covenants in this Section 12 will be extended for a period of time equal to the pendency of such proceedings, including all appeals by the Executive.

13. Ownership of Developments; Trade Secrets of Others. All copyrights, patents, trade secrets, or other intellectual property rights associated with any idea, concepts, techniques, inventions, processes, or works of authorship developed or created by the Executive during the course of his work for the Company or its clients, including past employment and with respect to the services to be provided hereunder (collectively, the "Work Product"), will belong exclusively to the Company and will, to the extent possible, be considered a work made by the Executive for hire for the Company within the meaning of Title 17 of the United States Code. To the extent the Work Product may not be considered work made by the Executive for hire for the Company, the Executive agrees to assign, and automatically assign at the time of creation of the Work Product, without any requirement of further consideration, any right, title, or interest the Executive may have in such Work Product. Upon the request of the Company, the Executive will take further actions, including execution and delivery of instruments of conveyance, as may be appropriate to give full and proper effect to such assignment. The Executive represents that he is not bound by, and covenants that he will not enter into, any agreements, either written or oral, which are in conflict with this Agreement. For purposes of this Section 13, the term "Company" also will include any existing or future affiliates of the Company.

14. Company Remedies. The Executive acknowledges and agrees that the restrictions and covenants contained in this Agreement are reasonable and necessary to protect the legitimate interests of the Company and that the services to be rendered by him hereunder are of a special, unique and extraordinary character. To that end, in the event of any breach by the Executive of Section 12 or Section 13 hereof, the Executive agrees that the Company would be entitled to injunctive relief, which entails that (i) it would be difficult to replace the Executive's services; (ii) the Company would suffer irreparable harm that would not be adequately compensated by monetary damages and (iii) the remedy at law for any breach of any of the provisions of Section 12 or Section 13 may be inadequate. The Executive further acknowledges that legal counsel of his choosing has reviewed this Agreement, that the Executive has consulted with such counsel, and that he agrees to the terms herein without reservation. Accordingly, the Executive specifically agrees that the Company will be entitled, in addition to any remedy at law or in equity, to (i) retain any and all payments not yet paid to him under this Agreement in the event of any breach by him of his covenants under Sections 12 and 13 hereunder, (ii) in the event of such breach, recover an amount equal to the after-tax payments previously made to the Executive under Section 9(e)(iii), 9(e)(iv), 9(f)(iii), 9(f)(iv), 9(g)(iii), 9(g)(iv), 9(i)(iii) or 9(i)(iv) and (iii) obtain preliminary and permanent injunctive relief and specific performance for any actual or threatened violation of Section 12 or Section 13 of this Agreement. This provision with respect to injunctive relief will not, however, diminish the right to claim and recover damages, or to seek and obtain any other relief available to it at law or in equity, in addition to injunctive relief.

15. Certain Additional Payments by the Company.

(a) Anything in this Agreement to the contrary notwithstanding and except as set forth below, if it will be determined that any payment or distribution by the Company to or for the benefit of the Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 15) (a "Payment") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Executive will be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by the Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, and taking account of any withholding obligation on the part of the Company, the Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments; provided, that the aggregate of all Gross-Up Payments will not exceed $4,000,000.

(b) Subject to the provisions of Section 15(c), all determinations required to be made under this Section 15, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be used in arriving at such determination, will be made by the Company's regular certified public accounting firm (the "Accounting Firm"), which will provide detailed supporting calculations both to the Company and the Executive within fifteen (15) business days of the receipt of notice from the Executive that there has been a Payment, or such earlier time as is requested by the Company. If the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the applicable Change in Control, the Company will appoint another nationally recognized accounting firm to make the determinations required hereunder (which accounting firm will then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm will be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Section 15, will be paid by the Company to the Executive, net of any of the Company's federal or state withholding obligations with respect to such Payment, within five (5) days of the receipt of the Accounting Firm's determination. Any determination by the Accounting Firm will be binding upon the Company and the Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments that will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. If the Company exhausts its remedies pursuant to Section 15(c) and the Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm will determine the amount of the Underpayment that has occurred and any such Underpayment will be promptly paid by the Company to or for the benefit of the Executive.

(c) The Executive will notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of a Gross-Up Payment (or an additional Gross-Up Payment). Such notification will be given as soon as practicable but no later than ten (10) business days after the Executive is informed in writing of such claim and will apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. The Executive will not pay such claim before the expiration of the thirty-day period following the date on which it gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies the Executive in writing before the expiration of such period that it desires to contest such claim, the Executive will:

(i) give the Company any information reasonably requested by the Company relating to such claim,

(ii) take such action in connection with contesting such claim as the Company will reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company,

(iii) cooperate with the Company in good faith in order effectively to contest such claim, and

(iv) permit the Company to participate in any proceedings relating to such claim; provided, however, that the Company will bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and will indemnify and hold the Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation of the foregoing provisions of this Section 15(c), the Company will control all proceedings taken in connection with such contest (to the extent applicable to the Excise Tax and the Gross-Up Payment) and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company will determine; provided, however, that if the Company directs the Executive to pay such claim and sue for a refund, the Company will advance the amount of such payment to the Executive, on an interest-free basis and will indemnify and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and provided, further, that any extension of the statute of limitations relating to payment of taxes for the taxable year of the Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest will be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and the Executive will be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 15(c), the Executive becomes entitled to receive any refund with respect to such claim, the Executive will (subject to the Company's complying with the requirements of Section 15(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by the Executive of an amount advanced by the Company pursuant to Section 15(c), a determination is made that the Executive will not be entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund before the expiration of thirty (30) days after such determination, then such advance will be forgiven and will not be required to be repaid and the amount of such advance will offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

(e) Notwithstanding any other provision of this Section 15, any Gross-Up Payment due to the Executive hereunder will be paid in accordance with this Section 15, but in no event may any such payments be made later than December 31 of the year following the year (i) any excise tax is paid to the Internal Revenue Service regarding this Section 15 or (ii) any tax audit or litigation brought by the Internal Revenue Service or other relevant taxing authority related to this Section 15 is completed or resolved.

16. Entire Agreement. This Agreement and the equity incentive plans and agreements referenced herein contain all the understandings between the parties hereto pertaining to the matters referred to herein, and supersede any other undertakings and agreements, whether oral or in writing, previously entered into by them with respect thereto. To the extent that any term or provision of any other document or agreement executed by the Executive with or for the Company during the Term of this Agreement, including, without limitation, Sections 4, 7, 8 and 11 of the Acxiom Corporation Associate Agreement, conflicts or is inconsistent with this Agreement, the terms and conditions of this Agreement shall prevail and supersede such inconsistent or conflicting term or provision. The Executive represents that, in executing this Agreement, he does not rely and has not relied upon any representation or statement not set forth herein made by the Company with regard to the subject matter or effect of this Agreement or otherwise and that the Executive has been represented by counsel selected by the Executive.

17. Amendment, Modification or Waiver. No provision of this Agreement may be amended or waived, unless such amendment or waiver is agreed to in writing, signed by the Executive and by a duly authorized officer of the Company. No waiver by any party hereto of any breach by another party hereto of any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of a similar or dissimilar condition or provision at the same time, any prior time or any subsequent time.

18. Notices. Any notice to be given hereunder will be in writing and will be deemed given when delivered personally, sent by courier or facsimile or registered or certified mail, postage prepaid, return receipt requested, addressed to the party concerned at the address indicated below or to such other address as such party may subsequently give notice hereunder in writing:

To the Executive at:	John Adams 62 Ritz Cove Drive Dana Point, CA 92629
To the Company at:	Acxiom Corporation 601 East 3rd P.O. Box 8180 Little Rock, Arkansas 72202-8180 Attention: General Counsel Facsimile: (501) 342-5610

Any notice delivered personally or by courier under this Section 18 will be deemed given on the date delivered and any notice sent by facsimile or registered or certified mail, postage prepaid, return receipt requested, will be deemed given on the date transmitted by facsimile or five days after post-marked if sent by U.S. mail.

19. Severability. If any provision of this Agreement or the application of any such provision to any party or circumstances will be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances other than those to which it is so determined to be invalid and unenforceable, will not be affected thereby, and each provision hereof will be validated and will be enforced to the fullest extent permitted by law.

20. **Governing Law**. This Agreement will be governed by and construed under the internal laws of the State of Arkansas, without regard to its conflict of laws principle.

21. **Jurisdiction and Venue**. This Agreement will be deemed performable by all parties in, and venue will exclusively be in the state or federal courts located in the State of Arkansas. The Executive and the Company hereby consent to the personal jurisdiction of these courts and waive any objections that such venue is objectionable or improper.

22. **Headings**. All descriptive headings of sections and paragraphs in this Agreement are intended solely for convenience, and no provision of this Agreement is to be construed by reference to the heading of any section or paragraph.

23. **Withholding**. All payments to the Executive under this Agreement will be reduced by all applicable withholding required by federal, state or local law.

24. **Counterparts**. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement effective as of date set forth above.

ACXIOM CORPORATION

By: /s/ John A. Meyer
John A. Meyer
CEO & President

EXECUTIVE

/s/ John A. Adams
John A. Adams

EXHIBIT A

Form of General Release

This Release (this "Release"), dated as of _________, is made by and among John Adams (the "Executive") and Acxiom Corporation (the "Company").

WHEREAS, the parties hereto entered into that certain Employment Agreement dated as of May XX, 2008 (the "Agreement");

WHEREAS, the Executive's employment with the Company has been terminated in a manner described in Section ____ of the Agreement;

WHEREAS, pursuant to Section ___ of the Agreement, it is a condition precedent to the Company's obligation to make the payments under Section ___, that the Executive executes and delivers this Release.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Executive Release. The Executive, ON BEHALF OF HIMSELF, HIS SPOUSE, ATTORNEYS, HEIRS, EXECUTORS, ADMINISTRATORS, AGENTS, ASSIGNS AND ANY TRUSTS, PARTNERSHIPS AND OTHER ENTITIES UNDER HIS CONTROL (TOGETHER, THE "EXECUTIVE PARTIES"), HEREBY GENERALLY RELEASES AND FOREVER DISCHARGES the Company, its respective predecessors, successors and assigns and its respective past and present stockholders, members, directors, officers, employees, agents, representatives, principals, insurers and attorneys (together the "Company Parties") from any and all claims, demands, liabilities, suits, damages, losses, expenses, attorneys' fees, obligations or causes of action, KNOWN OR UNKNOWN, CONTINGENT OR NON-CONTINGENT of any kind and every nature whatsoever, and WHETHER OR NOT ACCRUED OR MATURED, which any of them have or may have, arising out of or relating to any transaction, dealing, relationship, conduct, act or omission, OR ANY OTHER MATTERS OR THINGS OCCURRING OR EXISTING AT ANY TIME PRIOR TO AND INCLUDING THE EXECUTION DATE OF THIS RELEASE (including, but not limited to, any claim against the Company Parties based on, relating to or arising under wrongful discharge, breach of contract (whether oral or written), tort, fraud (including fraudulent inducement into this Release), defamation, negligence, promissory estoppel, retaliatory discharge, Title VII of the Civil Rights Act of 1964, as amended, any other civil or human rights law, the Age Discrimination in Employment Act of 1967, Americans with Disabilities Act, Employee Retirement Income Security Act of 1974, as amended, or any other federal, state or local law relating to employment or discrimination in employment) arising out of or relating to the Executive's employment by the Company or his services as an officer or employee of the Company or any of its subsidiaries, or otherwise relating to the termination of such employment or the Agreement (collectively, "Claims"); provided, however, such general release will not limit or release the Company Parties from their respective obligations (i) under the Agreement that expressly survive termination of employment, (ii) under the Company's benefit plans and agreements that expressly survive termination of employment, including without limitation the Company's equity incentive plans, (iii) in respect of the Executive's services as an officer or director of the Company or any of its subsidiaries, pursuant to any director and officer indemnification agreements or as provided by law or the certificates of incorporation or by-laws (or like constitutive documents) of the Company or any of its subsidiaries or **[(iv) insert at the time of termination a description of any other agreements with the Company that expressly survive the Executive's termination]**. The Executive, ON BEHALF OF HIMSELF AND THE EXECUTIVE PARTIES, hereby represents and warrants that no other person or entity has initiated or, to the extent within his control, will initiate any such proceeding on his or their behalf.

2. Non-Disparagement. The Executive agrees that, for a period of two (2) years following the date hereof, the Executive shall not, in any communications with the press or other media or any customer, client or supplier of the Company or any of its subsidiaries, make any statement which disparages or is

derogatory of the Company or any of its subsidiaries or any of their respective directors or senior officers; provided, however, that this Section 2 shall apply to the Executive only for so long as the Company, its subsidiaries and their respective directors and senior officers refrain from making any such communication which disparages or is derogatory of the Executive.

3. Acknowledgement of Waiver of Claims under ADEA. The Executive acknowledges that he is waiving and releasing any rights he may have under the Age Discrimination in Employment Act of 1967 and that this waiver and release is knowing and voluntary. The Executive acknowledges that the consideration given for this waiver and release is in addition to anything of value to which the Executive was already entitled. The Executive further acknowledges that (a) he has been advised that he should consult with an attorney prior to executing this Release, (b) he has been given twenty-one (21) days within which to consider this Release before executing it and (c) he has been given at least seven (7) days following the execution of this Release to revoke this Release.

4. Acknowledgment. The parties hereto acknowledge that they understand the terms of this Release and that they have executed this Release knowingly and voluntarily. The Executive acknowledges that, in consideration for the covenants and releases contained herein, he will receive the payments as described in Section ____ of the Agreement, and that he would not receive such payment without the execution of this Release.

5. Severability. All provisions of this Release are intended to be severable. In the event any provision or restriction contained herein is held to be invalid or unenforceable in any respect, in whole or in part, such finding shall in no way affect the validity or enforceability of any other provision of this Release. The parties hereto further agree that any such invalid or unenforceable provision shall be deemed modified so that it shall be enforced to the greatest extent permissible under law, and to the extent that any court or arbitrator of competent jurisdiction determines any restriction herein to be unreasonable in any respect, such court or arbitrator may limit this Release to render it reasonable in the light of the circumstances in which it was entered into and specifically enforce this Release as limited.

6. Specific Performance. If a court of competent jurisdiction determines that the Executive has breached or failed to perform any part of this Release, the Executive agrees that the Company will be entitled to seek injunctive relief to enforce this Release.

7. Governing Law. This Release shall be governed by and construed in accordance with the laws of the State of Arkansas without reference to principles of conflict of laws.

8. Jurisdiction and Venue. This Release will be deemed performable by all parties in, and venue will exclusively be in the state and federal courts located in, the State of Arkansas. The Executive hereby consents to the personal jurisdiction of these courts and waives any objection that such venue in objectionable or improper.

IN WITNESS WHEREOF, the Executive has hereunto set his hands, as of the day and year first above written.

____
John A. Adams, individually

Exhibit 10.2

2008 NONQUALIFIED EQUITY COMPENSATION PLAN
OF
ACXIOM CORPORATION

1. Establishment and Purpose. Acxiom Corporation (the "Company") has adopted this 2008 Nonqualified Equity Compensation Plan of Acxiom Corporation (the "Plan") to promote the interests of the Company and its stockholders by enabling grants of Awards to provide a material inducement for new, key executives to enter into employment with the Company or any of its present or future Subsidiaries and Affiliated Companies (as defined below) when the constraints of the Company's existing equity incentive plans prevent such grants, and to retain and motivate such executives, to encourage and reward their contribution to the performance of the Company, and to align their interests with the interests of the Company's stockholders.

2. Definitions. The following capitalized terms, when used in the Plan, have the following meanings:

(a) "Act" means the Securities Exchange Act of 1934, as amended and in effect from time to time.

(b) "Affiliated Company" means any corporation, limited liability company, partnership, limited liability partnership, joint venture or other entity in which the Company or any of its Subsidiaries has an ownership interest.

(c) "Associate" means any employee, officer (whether or not also a director), director, affiliate, independent contractor or consultant of the Company, a Subsidiary or an Affiliated Company who renders those types of services which tend to contribute to the success of the Company, its Subsidiaries or its Affiliated Companies, or which may reasonably be anticipated to contribute to the future success of the Company, its Subsidiaries or its Affiliated Companies.

(d) "Award" means the grant, pursuant to the Plan, of any Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Performance Awards, Performance Share, Performance Unit, Qualified Performance-Based Award, or Other Stock Unit Award. The terms and conditions applicable to an Award shall be set forth in applicable Grant Documents.

(e) "Award Agreement" means any written or electronic agreement, contract, or other document or instrument evidencing any Award granted by the Committee or the Board hereunder, which may, but need not, be executed or acknowledged by both the Company and the Eligible Person.

(f) "Board" means the Board of Directors of the Company.

(g) "Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time.

(h) "Common Stock" means the common stock, par value $.10 per share, of the Company or any security into which such common stock may be changed by reason of any transaction or event of the type described in Section 15 of the Plan.

(i) "Committee" means the Compensation Committee of the Board (as well as any successor to the Compensation Committee and any Company officers to whom authority has been lawfully delegated by the Compensation Committee). All of the members of the Committee, which may not be less than two, are intended at all times to qualify as "Non-Employee Directors" within the meaning of Rule 16b-3, and each of whom is intended to qualify as "independent" as set forth in the applicable rules and regulations of the Securities and Exchange Commission and/or Nasdaq or any stock exchange upon which the Shares may be listed in the future; provided, however, that the failure of a member of such Committee to so qualify shall not be deemed to invalidate any Award granted by such Committee.

(j) “Date of Grant” means the date specified by the Committee or the Board, as applicable, on which a grant of an Award will become effective.

(k) “Eligible Person” means a person not previously an employee or director of the Company or any Affiliated Company, or who has experienced a *bona-fide* period of non-employment with the Company and its Affiliated Companies, within the meaning of Nasdaq Marketplace Rule 4350(i)(1)(A)(iv).

(l) “Exercise Period” means the period during which an Option shall vest and become exercisable by a grantee (or his or her representatives or transferees) as specified in Section 6(c) below.

(m) “Exercise Price” means the purchase price per share payable upon exercise of an Option.

(n) “Fair Market Value” means, as of any applicable determination date or for any applicable determination period, the closing price of the Company’s Common Stock as reported by Nasdaq (or any other stock exchange upon which the Common Stock may be listed for trading).

(o) “Grant Documents” means any written or electronic Award Agreement, memorandum, notice, and/or other document or instrument evidencing the terms and conditions of the grant of an Award by the Committee or the Board under the Plan, which may, but need not, be executed or acknowledged by both the Company and the grantee.

(p) “Legal Requirements” means any laws, or any rules or regulations issued or promulgated by the Internal Revenue Service (including Section 422 of the Code), the Securities and Exchange Commission, the National Association of Securities Dealers, Inc., Nasdaq (or any other stock exchange upon which the Common Stock may be listed for trading), or any other governmental or quasi-governmental agency having jurisdiction over the Company, the Common Stock, or the Plan.

(q) “Non-Qualified Stock Option” means any Option that is not an Incentive Stock Option.

(r) “Option” means an option granted to an Eligible Person pursuant to the Plan to acquire a certain number of Shares at such price(s) and during such period(s) and under such other terms and conditions as the Committee or Board shall determine from time to time.

(s) “Other Stock Unit Award” means any right granted to an Eligible Person by the Committee or Board pursuant to Section 10 hereof.

(t) “Restricted Stock” means any Share issued with the restriction that the holder may not sell, transfer, pledge, or assign such Share and with such other restrictions as the Committee or the Board, in their sole discretion, may impose (including, without limitation, any forfeiture condition or any restriction on the right to vote such Share, and the right to receive any cash dividends), which restrictions may lapse separately or in combination at such time or times, in installments or otherwise, as the Committee or the Board may deem appropriate.

(u) “Restricted Stock Award” means an award of Restricted Stock or Restricted Stock Units under Section 8 hereof.

(v) “Restricted Stock Unit” means a right awarded to an Eligible Person that, subject to Section 8(c), may result in the Eligible Person’s ownership of Shares upon, but not before, the lapse of restrictions related thereto.

(w) “Restriction Period” means the period of time specified by the Committee or Board pursuant to Sections 8 and 10 below.

(x) “Rule 16b-3” means Rule 16b-3 under Section 16 of the Act, as such Rule may be in effect from time to time.

(y) “Shares” means the shares of Common Stock of the Company, $.10 par value.

(z) “Stock Appreciation Right” means the right pursuant to an Award granted under Section 7 of the Plan, to surrender to the Company all (or a portion) of such right and, if applicable, a related Option, and receive cash or shares of Common Stock in accordance with the provisions of Section 7.

(aa) “Strike Price” shall have the meaning set forth for such term in Section 7(b) of the Plan.

(bb) “Subsidiary” means any corporation, limited liability company, partnership, limited liability partnership, joint venture or other entity in which the Company owns or controls, directly or indirectly, not less than 50% of the total combined voting power or equity interests represented by all classes of stock, membership or other interests issued by such corporation, limited liability company, partnership, limited liability partnership, joint venture or other entity.

(cc) “Substitute Awards” shall mean Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, by a company acquired by the Company or with which the Company combines.

3. Administration. The Plan shall be administered by the Committee and the Board. Except as otherwise provided herein, each of the Committee or the Board has the full authority and discretion to administer the Plan, and to take any action that is necessary or advisable in connection with the administration of the Plan including, without limitation, the authority and discretion to:

(a) select Eligible Persons under the Plan;

(b) determine whether and to what extent Awards are to be granted;

(c) determine the number of Shares to be covered by each grant;

(d) determine the terms and conditions, not inconsistent with the terms of the Plan, of any grant hereunder (including, but not limited to, the term of the Award, the Exercise Price or Strike Price and any restriction, limitation, procedure, or deferral related thereto, provisions relating to the effect upon the Award of an Eligible Person’s cessation of employment, acceleration of vesting, forfeiture provisions regarding an Award and/or the profits received by any Eligible Person from receiving an Award of exercising an Option or Stock Appreciation Right, and any other terms and conditions regarding any Award, based in each case upon such guidelines and factors as the Committee or Board shall determine from time to time in their sole discretion);

(e) determine whether, to what extent and under what circumstances grants under the Plan are to be made and operate, whether on a tandem basis or otherwise, with other grants or awards (whether equity or cash based) made by the Company under or outside of the Plan; and

(f) delegate to one or more officers of the Company the right to grant Awards under the Plan, provided that such delegation is made in accordance with the provisions of applicable state and federal laws.

Each of the Committee and the Board shall have the authority to adopt, alter and repeal such rules, guidelines and practices governing the Plan as it shall from time to time deem advisable; to interpret the terms and provisions of the Plan and any Award granted under thereunder (and any Grant Documents relating thereto); and to otherwise supervise the administration of the Plan.

Each of the Committee and the Board shall also have the authority to provide, in their discretion, for the rescission, forfeiture, cancellation or other restriction of any Award granted under the Plan, or for the forfeiture, rescission or repayment to the Company by a grantee of an Award of any profits or gains related to any Award granted hereunder, or other limitations, upon the occurrence of such prescribed events and under such circumstances as the Committee or the Board shall deem necessary and reasonable for the benefit of the Company; provided, however, that this provision shall have no application after a Change of Control (as defined below in Section 11) has occurred.

All decisions made by the Committee and the Board pursuant to the provisions of the Plan shall be made in the Committee's or Board's sole discretion and shall be final and binding on all persons including the Company and any Eligible Person who has received an Award hereunder. No member of the Committee or Board will be liable for any such action or determination made in good faith.

4. <u>Shares Subject to the Plan</u>.

(a) The total number of Shares which may be issued pursuant to Awards under the Plan is 605,000. Such Shares may consist, in whole or in part, of authorized and unissued shares or treasury shares, as determined in the discretion of the Committee or the Board.

(b) If any Award made under the Plan is forfeited, any Option (and the related Stock Appreciation Right, if any) or any Stock Appreciation Right not related to an Option terminates, expires or lapses without being exercised, or any Stock Appreciation Right is exercised for cash, the Shares subject to such Awards that are, as a result, not delivered to the Eligible Person shall again be available for delivery in connection with Awards. If a Stock Appreciation Right is exercised, only the number of Shares issued will be deemed delivered for purposes of determining the maximum number of Shares available for delivery under the Plan. If the Exercise Price of any Option is satisfied by delivering Shares to the Company (by either actual delivery or by attestation), only the number of Shares issued net of the Shares delivered or attested to shall be deemed delivered for purposes of determining the maximum number of Shares available for delivery pursuant to Awards under the Plan. To the extent any Shares subject to an Award are not delivered to an Eligible Person because such Shares are used to satisfy an applicable tax withholding obligation, such Shares shall again be available for delivery in connection with Awards; provided, further, that only Shares that are used to satisfy an applicable tax withholding obligation upon exercise of an Option shall again be available for delivery pursuant to Incentive Options.

(c) Shares available for issuance or reissuance under the Plan will be subject to adjustment as provided in Section 15 below.

5. <u>Eligible Persons</u>. A person is eligible to receive grants of Awards if, at the time of the grant of the Award, such person is an Eligible Person and the Award is provided as an inducement material to the individual's entering into employment with the Company or an Affiliated Entity; *provided, however,* that the grant is approved by either the Board's independent Compensation and Human Resources Committee or a majority of independent directors of the whole Board, and *provided further*, that Awards granted to a person who has received an offer of employment will terminate and be forfeited without consideration if the employment offer is not accepted within such time as may be specified by the Company. Promptly following any grant under this Plan, the Company shall disclose in a press release the material terms of the grant, including the recipient and the number of shares involved. Status as an Eligible Person will not be construed as a commitment that any Award will be granted under this Plan to an Eligible Person or to Eligible Persons generally.

6. Options.

(a) Grant of Options. The Committee, the Board or their lawful designees may from time to time authorize grants of Options to any Eligible Person upon such terms and conditions as the Committee or Board may determine in accordance with the provisions set forth in the Plan. Each grant will specify, among other things, the number of Shares to which it pertains; the Exercise Price, the form of payment to be made by the Eligible Person for the shares purchased upon exercise of any Option; the required period or periods (if any) of continuous service by the Eligible Person with the Company, a Subsidiary or an Affiliated Company and/or any other conditions to be satisfied before the Options or installments thereof will vest and become exercisable. Incentive Stock Options may not be granted under the Plan.

Each Option granted under this Plan will be evidenced by Grant Documents delivered to the Eligible Person containing such further terms and provisions, not inconsistent with the Plan, as the Committee or Board may approve in their discretion.

(b) Exercise Price. The Exercise Price for each share of Common Stock purchasable under any Option shall be not less than 100% of the Fair Market Value per share on the Date of Grant as the Committee or Board shall specify. All such Exercise Prices shall be subject to adjustment as provided for in Section 15 hereof.

(c) Exercise Period. Subject to Section 11 hereof, the period during which an Option shall vest and become exercisable by a grantee (or his or her representative(s) or transferee(s)) whether during or after employment or following death, retirement or disability (the "Exercise Period") shall be such period of time as may be designated by the Committee or the Board as set forth in the Committee's or Board's applicable rules, guidelines and practices governing the Plan and/or in the Grant Documents executed in connection with such Option. If the Committee or Board provides, in their sole discretion, that any Option is exercisable only in installments, the Committee or Board may waive or accelerate such installment exercise provisions at any time at or after grant in whole or in part, based upon such factors as the Committee or Board shall determine, in their sole discretion.

(d) Exercise of Option. Subject to Section 11 hereof, an Option may be exercised by the grantee at any time and from time to time during the Exercise Period by giving written notice of such exercise to the Company specifying the number of shares of Common Stock to be purchased by the grantee. Such notice shall be accompanied by payment of the Exercise Price in accordance with subsection (e) below.

(e) Payment for Shares. Full payment of the Exercise Price for the Shares purchased upon exercise of an Option, together with the amount of any tax or excise due in respect of the sale and issue thereof, may be made in one of the following forms of payment:

(i) Cash, by check or electronic funds transfer;

(ii) Pursuant to procedures approved by the Company, through the sale (or margin) of Shares acquired upon exercise of the Option through a broker-dealer to whom the grantee has submitted an irrevocable notice of exercise and irrevocable instructions to deliver promptly to the Company the amount of sale (or if applicable margin loan) proceeds sufficient to pay for the Exercise Price, together with, if requested by the Company, the amount of federal, state, local or foreign withholding taxes payable by reason of such exercise;

(iii) By delivering previously-owned shares of Common Stock owned by the grantee for a period of at least six months having a Fair Market Value on the date upon which the grantee exercises his or her Option equal to the Exercise Price, or by delivering a combination of cash and shares of Common Stock equal to the aggregate Exercise Price;

(iv) By authorizing the Company to withhold a number of shares of Common Stock otherwise issuable to the grantee upon exercise of an Option having an aggregate Fair Market Value on the date upon which the grantee exercises his or her Option equal to the aggregate Exercise Price; or

(v) By any combination of the foregoing.

Provided, however, that the payment methods described in clause (iv) immediately above shall not be available to a grantee without the prior consent of either the Committee or its authorized designee(s), or if at any time the Company is prohibited from purchasing or acquiring Shares under applicable law. The Committee or the Board may permit a grantee to exercise an Option and defer the issuance of any Shares, subject to such rules and procedures as the Committee or Board may establish.

The Company will issue no certificates for Shares until full payment of the Exercise Price has been made, and a grantee shall have none of the rights of a shareholder until certificates for the Shares purchased are issued; provided however, that for purposes of this Section 6, full payment shall be deemed to have been received by the Company upon evidence of delivery to a broker-dealer of the irrevocable instructions contemplated by clause (ii) immediately above.

(f) Withholding Taxes. The Company may require a grantee exercising a Non-Qualified Stock Option or Stock Appreciation Right granted hereunder to reimburse the Company (or the entity which employs the grantee) for taxes required by any government to be withheld or otherwise deducted and paid by such corporation in respect of the issuance of the Shares. Such withholding requirements may be satisfied by any one of the following methods:

(i) A grantee may deliver cash in an amount which would satisfy the withholding requirement;

(ii) A grantee may deliver previously-owned Shares (based upon the Fair Market Value of the Common Stock on the date of exercise) in an amount which would satisfy the withholding requirement; or

(iii) With the prior consent of either the Committee or the Board, or its authorized designees, a grantee may request that the Company (or the entity which employs the Eligible Person) withhold from the number of Shares otherwise issuable to the grantee upon exercise of an Option such number of Shares (based upon the Fair Market Value of the Common Stock on the date of exercise) as is necessary to satisfy the withholding requirement.

(g) Conditions to Exercise of Options. The Committee or the Board may, in their discretion, require as conditions to the exercise of Options or Stock Appreciation Rights and the issuance of shares thereunder either (a) that a registration statement under the Securities Act of 1933, as amended, with respect to the Options or Stock Appreciation Rights and the shares to be issued upon the exercise thereof, containing such current information as is required by the Rules and Regulations under said Act, shall have become, and continue to be, effective; or (b) that the grantee or his or her transferee(s) (i) shall have represented, warranted and agreed, in form and substance satisfactory to the Company, both that he or she is acquiring the Option or Stock Appreciation Right and, at the time of exercising the Option or Stock Appreciation Right, that he or she is acquiring the shares for his/her own account, for investment and not with a view to or in connection with any distribution; (ii) shall have agreed to restrictions on transfer, in form and substance satisfactory to the Company; and (iii) shall have agreed to an endorsement which makes appropriate reference to such representations, warranties, agreements and restrictions both on the option and on the certificate representing the shares.

(h) Use of Proceeds. Proceeds realized from the sale of Common Stock pursuant to Options granted hereunder shall constitute general funds of the Company.

7. Stock Appreciation Rights.

(a) When granted, Stock Appreciation Rights may, but need not be, identified with a specific Option (including any Option granted on or before the Date of Grant of the Stock Appreciation Rights) in a number equal to or different from the number of Stock Appreciation Rights so granted. If Stock Appreciation Rights are identified with Shares subject to an Option, then, unless otherwise provided in the applicable Grant Documents, the grantee's associated Stock Appreciation Rights shall terminate upon the expiration, termination, forfeiture or cancellation of such Stock Option or the exercise of such Option.

(b) The Strike Price of any Stock Appreciation Right shall (i) for any Stock Appreciation Right that is identified with an Option, equal the Exercise Price of such Option, or (ii) for any other Stock Appreciation Right, be not less than 100% of the Fair Market Value of a Share of Common Stock on the Date of Grant as the Committee or Board shall specify.

(c) Subject to Section 11 hereof, (i) each Stock Appreciation Right which is identified with any Option grant shall vest and become exercisable by a grantee as and to the extent that the related Option with respect to which such Stock Appreciation Right is identified may be exercised; and (ii) each other Stock Appreciation Right shall vest and become exercisable by the grantee, whether during or after employment or following death, retirement or disability, at such time or times as may be designated by the Committee or Board as set forth in the applicable rules, guidelines and practices governing the Plan and/or the Grant Documents executed in connection with such Stock Appreciation Right.

(d) Subject to Section 11 hereof, Stock Appreciation Rights may be exercised by the grantee by delivery to the Company of written notice of intent to exercise a specific number of Stock Appreciation Rights. Unless otherwise provided in the applicable Grant Documents, the exercise of Stock Appreciation Rights which are identified with Shares of Common Stock subject to an Option shall result in the cancellation or forfeiture of such Option to the extent of the exercise of such Stock Appreciation Right.

(e) The benefit to the grantee for each Stock Appreciation Right exercised shall be equal to (i) the Fair Market Value of a Share of Common Stock on the date of exercise, minus (ii) the Strike Price of such Stock Appreciation Right. Such benefit shall be payable in cash, except that the Committee or Board may provide in the applicable rules, guidelines and practices governing the Plan and/or the Grant Documents that benefits may be paid wholly or partly in Shares of Common Stock.

8. Restricted Stock Awards.

(a) Issuance. A Restricted Stock Award shall be subject to restrictions imposed by the Committee or the Board during a period of time specified by the Committee or Board (the "Restriction Period"). Restricted Stock Awards may be issued hereunder to Eligible Persons for no cash consideration or for such minimum consideration as may be required by applicable law, either alone or in addition to other Awards granted under the Plan. The provisions of Restricted Stock Awards need not be the same with respect to each Eligible Person.

(b) Restricted Stock.

(i) The Company may grant Restricted Stock to those Eligible Persons the Committee or the Board may select in their sole discretion. Each Award of Restricted Stock shall have those terms and conditions that are expressly set forth in or are required by the Plan and the Grant Documents as the Committee or the Board may determine in their discretion.

(ii) While any restriction applies to any grantee's Restricted Stock, (a) unless the Committee or the Board provides otherwise, the grantee shall receive the dividends paid on the Restricted Stock and shall not be required to return those dividends to the Company in the event of the forfeiture of the Restricted Stock; (b) the grantee shall receive the proceeds of the Restricted Stock in any stock split, reverse stock split, recapitalization, or other change in the capital structure of the Company, which proceeds shall automatically and without need for any other action become Restricted Stock and be subject to all restrictions then existing as to the grantee's Restricted Stock; and (c) the grantee shall be entitled to vote the Restricted Stock during the Restriction Period.

(iii) The Restricted Stock will be delivered to the grantee subject to the understanding that while any restriction applies to the Restricted Stock, the grantee shall not have the right to sell, transfer, assign, convey, pledge, hypothecate, grant any security interest in or mortgage on, or otherwise dispose of or encumber any shares of Restricted Stock or any interest therein. As a result of the retention of rights in the Restricted Stock by the Company, except as required by any applicable law, neither any shares of the Restricted Stock nor any interest therein shall be subject in any manner to any forced or involuntary sale, transfer, conveyance, pledge, hypothecation, encumbrance, or other disposition or to any charge, liability, debt, or obligation of the grantee, whether as the direct or indirect result of any action of the grantee or any action taken in any proceeding, including any proceeding under any bankruptcy or other creditors' rights law. Any action attempting to effect any transaction of that type shall be void.

(iv) Unless other provisions are specified in the Grant Documents or Plan guidelines which may be adopted by the Committee or the Board from time to time, any Restricted Stock held by the grantee at the time the grantee ceases to be an Associate for any reason shall be forfeited by the grantee to the Company and automatically re-conveyed to the Company.

(v) The Committee or the Board may withhold, in accordance with Section 16(f) hereof, any amounts necessary to collect any withholding taxes upon any taxable event relating to Restricted Stock.

(vi) The making of an Award of Restricted Stock and delivery of any Restricted Stock is subject to compliance by the Company with all applicable laws. The Company need not issue or transfer Restricted Stock pursuant to the Plan unless the Company's legal counsel has approved all legal matters in connection with the delivery of the Restricted Stock.

(vii) The Restricted Stock will be book-entry Shares only unless the Committee or the Board decides to issue certificates to evidence any shares of Restricted Stock. The Company may place stop-transfer instructions with respect to all Restricted Stock on its stock transfer records.

(c) <u>Restricted Stock Units</u>.

(i) The Company may grant Restricted Stock Units to those Eligible Persons as the Committee or the Board may select in its sole discretion. Restricted Stock Units represent the right to receive Shares in the future, at such times, and subject to such conditions as the Committee or the Board shall determine. The restrictions imposed shall take into account potential tax treatment under Code Section 409A.

(ii) Until the Restricted Stock Unit is released from restrictions and any Shares subject thereto are delivered to the grantee, the grantee shall not have any beneficial ownership in any Shares subject to the Restricted Stock Unit, nor shall the grantee have the right to sell, transfer, assign, convey, pledge, hypothecate, grant any security interest in or mortgage on, or otherwise dispose of or encumber any Restricted Stock Unit or any interest therein. Except as required by any law, no Restricted Stock Unit nor any interest therein shall be subject in any manner to any forced or involuntary sale, transfer, conveyance, pledge, hypothecation, encumbrance, or other disposition or to any charge, liability, debt, or obligation of the grantee, whether as the direct or indirect result of any action of the grantee or any action taken in any proceeding, including any proceeding under any bankruptcy or other creditors' rights law. Any action attempting to effect any transaction of that type shall be void.

(iii) Upon the lapse of the restrictions, the holder of Restricted Stock Units shall, except as noted below, be entitled to receive, as soon as administratively practical, (a) that number of Shares subject to the Award that are no longer subject to restrictions, (b) cash in an amount equal to the Fair Market Value of the number of Shares subject to the Award that are no longer subject to restrictions, or (c) any combination of Shares and cash, as the Committee or the Board shall determine in their sole discretion, or shall have specified at the time the Award was granted.

(iv) Restricted Stock Units and the entitlement to Shares, cash, or any combination thereunder will be forfeited and all rights of a grantee to such Restricted Stock Units and the Shares thereunder will terminate if the applicable restrictions are not satisfied.

(v) A grantee of Restricted Stock Units is not entitled to any rights of a holder of the Shares (e.g., voting rights and dividend rights), prior to the receipt of such Shares pursuant to the Plan. The Committee or the Board may, however, provide in the Grant Documents that the grantee shall be entitled to receive dividend equivalent payments on Restricted Stock Units, on such terms and conditions as the Grant Documents may specify.

(vi) The Committee or the Board may withhold, in accordance with Section 16(f) hereof, any amounts necessary to collect any withholding taxes upon any taxable event relating to any Restricted Stock Units.

(vii) The granting of Restricted Stock Units and the delivery of any Shares is subject to compliance by the Company with all applicable laws.

(viii) At the time of grant of Restricted Stock Units (or at such earlier or later time as the Committee or the Board determines to be appropriate in light of the provisions of Code Section 409A), the Committee or the Board may permit a grantee to elect to defer receipt of the Shares or cash to be delivered upon lapse of the restrictions applicable to the Restricted Stock Units in accordance with rules and procedures that may be established from time to time by the Committee or the Board. Such rules and procedures shall take into account potential tax treatment under Code Section 409A, and may provide for payment in Shares or cash.

9. Performance Awards. [Reserved]

10. Other Stock Unit Awards. Other Awards of Shares and other Awards that are valued in whole or in part by reference to, or are otherwise based on, Shares or other property ("Other Stock Unit Awards") may be granted hereunder to Eligible Persons, either alone or in addition to other Awards granted under the Plan. Other Stock Unit Awards may be paid in Shares, cash or any other form of property as the Committee or the Board may determine. Subject to the provisions of the Plan, the Committee or the Board shall have sole and complete authority to determine the Eligible Persons to whom such Awards shall be made, the times at which such Awards shall be made, the number of Shares to be granted pursuant to such Awards, and all other terms and conditions of such Awards. The provisions of Other Stock Unit Awards need not be the same with respect to each Eligible Person. Shares (including securities convertible into Shares) subject to Awards granted under this Section may be issued for no cash consideration or for such minimum consideration as may be required by applicable law.

11. Change in Control. Notwithstanding any other provision of the Plan to the contrary, the Committee or Board may determine, in their discretion, that upon the occurrence of a transaction involving a merger or consolidation of the Company, a sale of all or substantially all of its assets, or the acquisition of a significant percentage of the voting power of the Company, or such other form of transaction as the Committee or Board may

determine from time to time to constitute a change in control of the Company, that (i) Stock Options and Stock Appreciation Rights may become immediately exercisable; (ii) restrictions and deferral limitations applicable to any Restricted Stock or Restricted Stock Unit Award may become free of all restrictions and limitations and become fully vested and transferable; (iv) the restrictions and deferral limitations and other conditions applicable to any Other Stock Unit Awards or any other Awards granted under the Plan may lapse and such Other Stock Unit Awards or such other Awards may become free of all restrictions, limitations or conditions and become fully vested and transferable to the full extent of the Award not previously forfeited or vested.

The Committee or the Board, in their discretion, may also determine that, upon the occurrence of such a change in control transaction, each Stock Option or Stock Appreciation Right outstanding hereunder shall terminate within a specified number of days after notice to the holder, and such holder shall receive, with respect to each share of Common Stock subject to such Stock Option or Stock Appreciation Right, an amount equal to the excess of the fair market value of the Shares immediately prior to the occurrence of such transaction (which shall be no less than the value being paid for such Shares pursuant to such transaction) over the Exercise Price or Strike Price, as applicable, of such Stock Option or Stock Appreciation Right; such amount shall be payable in cash, in one or more of the kinds of property payable in such transaction, or in a combination thereof, as the Committee or Board in their discretion shall determine.

12. Transferability of Awards. Awards granted under the Plan shall not be transferred by an Eligible Person, except by will or by the laws of descent and distribution.

13. [Reserved]

14. Alteration, Termination, Discontinuance, Suspension, and Amendment.

(a) The Committee or the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; provided that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is necessary to qualify for or comply with any tax or regulatory requirement for which or with which the Committee or Board deems it necessary or desirable to qualify or comply; or (ii) the consent of the affected grantee, if such action would impair the rights of such grantee under any outstanding Award. Notwithstanding anything to the contrary herein, the Committee or the Board may make technical amendments to the Plan as may be necessary so as to have the Plan conform to any laws or regulations in any jurisdiction within or outside the United States, so long as shareholder approval of such technical amendments is not required.

(b) The Committee or Board may amend the terms of any outstanding Award, prospectively or retroactively, except that no such amendment shall impair the rights of any grantee of an Award without his or her consent. Subject to the requirements of paragraph (c) below, the Committee or Board may, without the consent of the grantee of an Award, amend any Grant Documents evidencing an Option or Stock Appreciation Right granted under the Plan, or otherwise take action, to accelerate the time or times at which an Option or Stock Appreciation Right may be exercised; to extend the expiration date of an Award; to waive any other condition or restriction applicable to an Award or to the exercise of an Option or Stock Appreciation Right; to reduce the Exercise Price or Strike Price, as applicable, of an Option or Stock Appreciation Right; to amend the definition of a change in control of the Company (if such a definition is contained in such Grant Documents) to expand the events that would result in a change in control and to add a change in control provision to such Grant Documents (if such provision is not contained in such Grant Documents); and may amend any such Grant Documents in any other respect with the consent of the grantee.

(c) If required by any Legal Requirement, any amendment to the Plan or any Award will also be submitted to and approved by the requisite vote of the shareholders of the Company. If any Legal Requirement requires the Plan to be amended, or in the event any Legal Requirement is amended or supplemented (e.g., by addition of alternative rules) to permit the Company to remove or lessen any restrictions on or with respect to an Award, the Board and the Committee each reserve the right to amend the Plan or any Grant Documents evidencing an Award to the extent of any such requirement, amendment or supplement, and all Awards then outstanding will be subject to such amendment.

(d) Notwithstanding any provision of the Plan to the contrary, the Committee or the Board may not, without prior approval of the shareholders of the Company, reprice any outstanding Option by either lowering the Exercise Price thereof or canceling such outstanding Stock Option in consideration of a grant having a lower Exercise Price. This paragraph 14(d) is intended to prohibit the repricing of “underwater” Options without prior shareholder approval and shall not be construed to prohibit the adjustments provided for in Section 15 hereof.

(e) The Plan may be terminated at any time by action of the Board. The termination of the Plan will not adversely affect the terms of any outstanding Award.

15. Adjustment of Shares; Effect of Certain Transactions. Notwithstanding any other provision of the Plan to the contrary, in the event of any change in the shares of Common Stock subject to the Plan or to any Award (through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, issuance of rights to subscribe, or change in capital structure), appropriate adjustments or substitutions shall be made by the Committee or the Board as to the (i) maximum number of shares of Common Stock subject to the Plan, (ii) maximum number of Shares of Common Stock for which Awards may be granted to any one Eligible Person, and (iii) the number of Shares of Common Stock and price per share subject to outstanding Awards as shall be equitable to prevent dilution or enlargement of rights under previously granted Awards. The determination of the Committee or Board as to these matters shall be conclusive; provided, however, that (i) any such adjustment with respect to an Incentive Stock Option and any related Stock Appreciation Right shall comply with the rules of Section 424(a) of the Code; and (ii) in no event shall any adjustment be made which would disqualify any Incentive Stock Option granted hereunder as an Incentive Stock Option for purposes of Section 422 of the Code.

16. General Provisions.

(a) No Associate or Eligible Person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Associates or Eligible Persons under the Plan.

(b) The Committee or Board shall be authorized to make adjustments in performance award criteria or in the terms and conditions of other Awards in recognition of unusual or nonrecurring events affecting the Company or its financial statements or changes in applicable laws, regulations or accounting principles. The Committee or Board may correct any defect, supply any omission, or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem desirable to carry it into effect. In the event the Company shall assume outstanding employee benefit awards or the right or obligation to make future such awards in connection with the acquisition of or combination with another corporation or business entity, the Committee or Board may, in their discretion, make such adjustments in the terms of Awards under the Plan as it shall deem appropriate.

(c) All certificates for Shares delivered under the Plan pursuant to any Award shall be subject to such stock transfer orders and other restrictions as the Committee or Board may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Shares are then listed, and any applicable state of Federal securities law, and the Committee or Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(d) No Award granted hereunder shall be construed as an offer to sell securities of the Company, and no such offer shall be outstanding, unless and until the Committee or the Board in their sole discretion has determined that any such offer, if made, would be in compliance with all applicable requirements of the U.S. federal securities laws and any other laws to which such offer, if made, would be subject.

(e) The Committee or the Board shall be authorized to establish procedures pursuant to which the payment of any Award may be deferred. Subject to the provisions of the Plan and any Grant Documents, the recipient of an Award (including, without limitation, any deferred Award) may, if so determined by the Committee or the Board, be entitled to receive, currently or on a deferred basis, cash dividends, or cash payments in amounts equivalent to cash dividends on Shares ("dividend equivalents"), with respect to the number of Shares covered by the Award, as determined by the Committee or the Board, in their sole discretion, and the Committee or Board may provide that such amounts (if any) shall be deemed to have been reinvested in additional Shares or otherwise reinvested.

(f) The Company shall be authorized to withhold from any Award granted or payment due under the Plan the amount of withholding taxes due in respect of an Award or payment hereunder and to take such other action as may be necessary in the opinion of the Plan administrator to satisfy all obligations for the payment of such taxes, not to exceed the statutory minimum withholding obligation. The Committee or Board shall be authorized to establish procedures for election by grantees to satisfy such obligations for the payment of such taxes (i) by delivery of or transfer of Shares to the Company, (ii) with the consent of the Committee or the Board, by directing the Company to retain Shares otherwise deliverable in connection with the Award, (iii) by payment in cash of the amount to be withheld, or (iv) by withholding from any cash compensation otherwise due to the grantee.

(g) Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to shareholder approval if required, and such arrangements may be either generally applicable or applicable only in specific cases.

(h) The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the state of Delaware and applicable Federal law.

(i) If any provision of this Plan is or becomes or is deemed invalid, illegal or unenforceable in any jurisdiction, or would disqualify the Plan or any Award under any law deemed applicable by the Committee or the Board, such provision shall be construed or deemed amended to conform to applicable law, or if it cannot be construed or deemed amended without, in the determination of the Committee or the Board, materially altering the intent of the Plan, it shall be stricken, and the remainder of the Plan shall remain in full force and effect.

(j) Awards may be granted to Eligible Persons who are foreign nationals or employed outside the United States, or both, on such terms and conditions different from those applicable to Awards to Employees employed in the United States as may, in the judgment of the Committee or the Board, be necessary or desirable in order to recognize differences in local law or tax policy. The Committee or Board also may impose conditions on the exercise or vesting of Awards in order to minimize the Company's obligations with respect to tax equalization for Associates on assignments outside their home country.

(k) No Award shall be granted or exercised if the grant of the Award or the exercise and the issuance of shares or other consideration pursuant thereto would be contrary to law or the regulations of any duly constituted authority having jurisdiction.

(l) The Plan will not confer upon any Eligible Person or Associate any right with respect to continuance of employment or other service with the Company or any Subsidiary or Affiliated Company, nor will it interfere in any way with any right the Company or any Subsidiary or Affiliated Company would otherwise have to terminate an Eligible Person's or Associate's employment or other service at any time.

For more information, contact:

Katharine Boyce
Investor Relations Coordinator
Acxiom Corporation
(501) 342-1321
EACXM

Acxiom Announces Fourth-Quarter and Fiscal Year 2008 Results

Company Hosting an Investor Day June 17

LITTLE ROCK, Ark. — May 14, 2008 — Acxiom® Corporation (Nasdaq: ACXM) today announced financial results for the fourth quarter and fiscal year end ended March 31, 2008. Acxiom will hold a conference call at 4:30 p.m. CDT today to further discuss this information. Interested parties are invited to listen to the call, which will be broadcast via the Internet at www.acxiom.com. The company will host an investor day June 17 in New York. Details will be made available on the Acxiom website.

Revenue for the fourth quarter was $349.8 million compared to $356.4 million in the fourth quarter of fiscal 2007. Operating loss for the quarter was $76.0 million and loss per diluted share was $0.76. The results for the quarter include the impact of $107.2 million of restructuring and other items (of which $104.5 million are included in the loss from operations, with the remainder included in other expense), which contributed to the loss by the equivalent of $0.91 per diluted share.

For the 12-month period ended March 31, 2008, revenue totaled $1.384 billion compared to $1.391 billion in the prior year. Income from operations for the 12 month period was $40.2 million compared to $154.1 million a year ago. Loss per diluted share was $0.10 compared to earnings per diluted share of $0.80 in the prior year. The loss per diluted share includes the impact of $84.2 million, or the equivalent of $0.70 per diluted share, of expense from unusual items.

A schedule is linked to this release outlining the restructuring and other items impacting the fourth quarter and the year end results.

According to John Meyer, Acxiom Corp. CEO and President, “During my first 90 days I have focused on meeting our customers and our people, rationalizing costs and gaining a deeper understanding of our offerings and value propositions. I have also made a number of leadership and role changes.

“We are working to develop strategic and operational plans to help overcome the current challenges we are facing in some industry sectors and to provide a springboard for growth in future years. The initial focus will be on our customers and potential customers, leveraging our capabilities and assets across all industries we serve, and creating a winning market-facing culture. We already have a very strong foundation to do that. I believe in this opportunity now even more than when I was evaluating coming on board."

Restatement, Restructuring and other items

The Company is restating its financial statements for 2007, 2006, and prior years to correct its accounting related to accrued service revenue. The impact of this restatement will be a reduction in net income of $2.4 million in 2006 and $2.9 million in 2007. Accrued revenue, which is reflected in accounts receivable, will be reduced by a total of $52.2 million.

Fourth-quarter loss per diluted share of $.76 includes $107.2 million or the equivalent of $0.91 per share in unusual expenses. The major components of the restructuring and other items are:

- Gains, losses and other - $74.5 million composed of:
  - Restructuring charges - $42.9 million related to headcount reduction, real estate closure, contract termination;
  - Closing operations - $13.5 million related to previously acquired operations and the flight department;
  - Asset disposal/impairment - $15.0 million, primarily software;
  - Other – $3.1 million related to legal, international and other;
- IT contract restructuring - $34.0 million reflected as increase in cost of services;
- Loss on investment - $2.7 million reflected in Other, net;
- Accrued revenue restatement - $.4.0 million increase in revenue.

Of the $107.2 million in restructuring and other items, approximately $59.2 million represents balance sheet assets written down that do not require cash outlays. Approximately $48.0 million represents estimated cash payments to be made on obligations primarily related to headcount reductions, real estate and facilities lease terminations and an aircraft lease termination. The $48 million includes obligations of approximately $34 million to be paid in fiscal 2009, with the remainder in future periods.

Details of Acxiom's fourth-quarter results include:

- Revenue of $349.8 million compared to $356.4 million in the fourth quarter a year ago;
- Loss from operations of $76.0 million compared to income from operations of $28.4 million in the fourth quarter last year; Loss from operations this quarter included $107.2 million of restructuring and other items;
- Loss per diluted share of $0.76 compared to earnings per share of $0.07 in the fourth quarter of fiscal 2008; included in the loss per share of $0.76 is the negative impact of restructuring and other items which was the equivalent of $.91 per diluted share;

- Operating cash flow of $90.5 million compared to $76.5 million in the fourth quarter a year ago;
- Free cash flow available to equity of $14.7 million compared to $15.4 million a year ago; free cash flow available to equity is a non-GAAP financial measure; a reconciliation to the comparable GAAP measure, operating cash flow, is attached to this press release.

Details of Acxiom's fiscal year results include:

- Revenue of $1.384 billion compared to $1.390 billion in the prior year;
- Income from operations of $40.2 million in 2008 compared to $154.1 million in fiscal 2007;
- Loss per diluted share of $0.10 compared to earnings per diluted share of $0.80 in fiscal 2007; net restructuring and other items for the year were $84.2 million, or the equivalent of $0.70 per diluted share; In addition to the restructuring and other items in the fourth quarter detailed above, the company had a benefit of a net gain of $22.9 million comprised of:
  - Gains from a merger termination payment and sale of assets of $68.2 million;
  - Restructuring costs, transaction costs, retirement and loss on sale of assets of $30.0 million;
  - Additional contract impairment in cost of services of $10.0 million;
  - Reduction in revenue related to accrued revenue restatement to previous quarters of $5.2 million;
- Operating cash flow of $300.3 million compared to $260.0 million in the prior year;
- Free cash flow available to equity of $77.5 million compared to $55.2 million a year ago; free cash flow available to equity is a non-GAAP financial measure; a reconciliation to the comparable GAAP measure, operating cash flow, is attached to this press release.

Segment information:

- **Information Services Division:** The division develops, sells and delivers industry-tailored solutions globally through the integration of products, services and consulting. Revenue for the quarter was $189.7 million, up 0.8 percent from the fourth quarter of the previous year. For the 12 months ended March 31, 2008, revenue was $741.3 million, up 1.8 percent from the previous year. Operating income for the quarter was $24.1 million, down 7.7 percent from the third quarter of the previous year. For the 12 months just ended, operating income was $97.2 million, down 22.0 percent from the previous 12-month period.

- **Information Products Division:** The division develops and sells all global data products, including InfoBase-X® and PersonicX®, as well as fraud and risk mitigation products sold in the U.S., including InsightIdentify. It focuses on product development, product lifecycle management, data content management and innovation. Revenue for the quarter was $115.2 million, up 5.2 percent from the fourth quarter of the previous year. For the 12 months ended March 31, 2008, revenue was $431.3 million, up 3.8 percent from the previous year. Operating income for the quarter was $13.1 million, up 45.9 percent from the fourth quarter of the previous year. For the 12 months just ended, operating income was $23.8 million, up 25.7 percent from the previous 12-month period.

- **Infrastructure Management Division:** The division develops and delivers information technology products and services that improve a company's ability to manage its information technology delivery platform with lower costs and higher efficiencies. Such offerings include traditional IT outsourcing and transformational solutions such as the Acxiom data factory. Revenue for the quarter was $108.2 million, down 8.8 percent from the fourth quarter of the previous year. For the 12 months ended March 31, 2008, revenue was $447.5 million, down 6.1 percent from the previous year. Operating income for the quarter was $8.3 million, down 16.1 percent from the fourth quarter of the previous year. For the 12 months just ended, operating income was $44.3 million, down 10.3 percent from the previous 12-month period.

Investor Day

As mentioned above, the company will be hosting an investor day on June 17 and providing a forecast for fiscal 2009 at that time. Company management will also discuss operations and prospects at the investor day. The event will be held at the NASDAQ facilities in New York and will be web cast. Further information will be made available on our website at www.acxiom.com.

Web Link to Financials
http://www.acxiom.com/FY08_Q4_Financials is a link to the detailed financial information we typically attach to our earnings releases.

About Acxiom Corporation

At Acxiom, we make information intelligent for many of the world's leading and most dynamic companies, enabling them to acquire new customers, retain their most valuable customers, communicate with customers in the methods and at the times they prefer, and make profitable marketing and business decisions. Acxiom's unmatched customer insight is achieved by blending the world's largest repository of consumer data, award-winning technology and analytics, multi-channel expertise, privacy leadership, and superior knowledge of a wide spectrum of industries. Founded in 1969, Acxiom (Nasdaq: ACXM) is headquartered in Little Rock, Arkansas, with locations throughout the United States and Europe, and in Australia and China. For more information about Acxiom, visit www.acxiom.com.

This release and today's conference call contain certain forward-looking statements that are subject to certain risks and uncertainties. Important factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include, but are not limited to, our ability to timely complete the restatement of our historical financial results for the years ended, March 31, 2006 and March 31, 2007; the on-going review of the circumstances surrounding such restatements and the consequences thereof; and those additional factors detailed under the section titled "Risk Factors" and elsewhere in filings with the Securities and Exchange Commission made from time to time by Acxiom, including, but not limited to: its annual report on Form 10-K filed on May 30, 2007 and 10-K/A on July 30, 2007; recent quarterly reports on Form 10-Q; and other current reports on Form 8-K. Acxiom undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Acxiom is a registered trademark of Acxiom Corporation.

ACXIOM CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(Dollars in thousands, except earnings per share)

	For the Three Months Ended March 31,			
	2008	2007	$ Variance	% Variance
Revenue:				
Services	259,886	266,441	(6,555)	(2.5%)
Data	89,911	89,957	(46)	(0.1%)
Total revenue	349,797	356,398	(6,601)	(1.9%)
Operating costs and expenses:				
Cost of revenue				
Services	235,742	209,830	25,912	12.3%
Data	58,153	52,991	5,162	9.7%
Total cost of revenue	293,895	262,821	31,074	11.8%
Services gross margin	9.3%	21.2%		
Data gross margin	35.3%	41.1%		
Total gross margin	16.0%	26.3%		
Selling, general and administrative	57,341	56,031	1,310	2.3%
Gains, losses and other items, net	74,519	9,122	65,397	100.0%
Total operating costs and expenses	425,755	327,974	97,781	29.8%
Income (loss) from operations	(75,958)	28,424	(104,382)	(367.2%)
Other income (expense):				
Interest expense	(11,016)	(15,002)	3,986	(26.6%)
Other, net	(1,685)	1,444	(3,129)	(216.7%)
Total other income (expense)	(12,701)	(13,558)	857	(6.3%)
Earnings (loss) before income taxes	(88,659)	14,866	(103,525)	(696.4%)
Income taxes	(30,375)	9,136	(39,511)	(432.5%)
Net earnings (loss)	(58,284)	5,730	(64,014)	(1117.2%)
Earnings (loss) per share:				
Basic	(0.76)	0.07	(0.83)	(1185.7%)
Diluted	(0.76)	0.07	(0.83)	(1185.7%)

ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Dollars in thousands, except earnings per share)

	For the Twelve Months Ended March 31,			
	2008	2007	$ Variance	% Variance
Revenue:				
Services	1,049,790	1,056,478	(6,688)	(0.6%)
Data	334,289	334,033	256	0.1%
Total revenue	1,384,079	1,390,511	(6,432)	(0.5%)
Operating costs and expenses:				
Cost of revenue				
Services	858,173	806,991	51,182	6.3%
Data	229,587	206,629	22,958	11.1%
Total cost of revenue	1,087,760	1,013,620	74,140	7.3%
Services gross margin	18.3%	23.6%		
Data gross margin	31.3%	38.1%		
Total gross margin	21.4%	27.1%		
Selling, general and administrative	219,721	213,849	5,872	2.7%
Gains, losses and other items, net	36,352	8,897	27,455	100.0%
Total operating costs and expenses	1,343,833	1,236,366	107,467	8.7%
Income from operations	40,246	154,145	(113,899)	(73.9%)
Other income (expense):				
Interest expense	(51,230)	(46,632)	(4,598)	9.9%
Other, net	1,223	5,933	(4,710)	(79.4%)
Total other income (expense)	(50,007)	(40,699)	(9,308)	22.9%
Earnings (loss) before income taxes	(9,761)	113,446	(123,207)	(108.6%)
Income taxes	(1,981)	45,573	(47,554)	(104.3%)
Net earnings (loss)	(7,780)	67,873	(75,653)	(111.5%)
Earnings (loss) per share:				
Basic	(0.10)	0.82	(0.92)	(112.2%)
Diluted	(0.10)	0.80	(0.90)	(112.5%)

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF EARNINGS PER SHARE
(Unaudited)
(In thousands, except earnings (loss) per share)

	For the Three Months Ended	
	March 31, 2008	March 31, 2007
Basic earnings per share:		
Numerator - net earnings (loss)	(58,284)	5,730
Denominator - weighted-average shares outstanding	77,085	78,385
Basic earnings (loss) per share	(0.76)	0.07
Diluted earnings per share:		
Numerator - net earnings (loss)	(58,284)	5,730
Denominator - weighted-average shares outstanding	77,085	78,385
Dilutive effect of common stock options, warrants and restricted stock	-	1,750
	77,085	80,135
Diluted earnings (loss) per share	(0.76)	0.07

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF EARNINGS (LOSS) PER SHARE
(Unaudited)
(In thousands, except earnings (loss) per share)

	For the Twelve Months Ended	
	March 31, 2008	March 31, 2007
Basic earnings (loss) per share:		
Numerator - net earnings (loss)	(7,780)	67,873
Denominator - weighted-average shares outstanding	79,123	82,564
Basic earnings (loss) per share	(0.10)	0.82
Diluted earnings (loss) per share:		
Numerator - net earnings (loss)	(7,780)	67,873
Denominator - weighted-average shares outstanding	79,123	82,564
Dilutive effect of common stock options, warrants and restricted stock	-	2,115
	79,123	84,679
Diluted earnings (loss) per share	(0.10)	0.80

ACXIOM CORPORATION AND SUBSIDIARIES
RESULTS BY SEGMENT
(Unaudited)
(Dollars in thousands)

	For the Three Months Ended	
Revenue:	March 31, 2008	March 31, 2007
Information services	189,727	188,265
Information products	115,189	109,546
Infrastructure management	108,169	118,593
Eliminations	(63,288)	(60,006)
Total revenue	349,797	356,398
Income from operations:		
Information services	24,114	26,121
Information products	13,129	8,997
Infrastructure management	8,271	9,858
Corporate & other	(121,472)	(16,552)
Total income (loss) from operations	(75,958)	28,424
Margin:		
Information services	12.7%	13.9%
Information products	11.4%	8.2%
Infrastructure management	7.6%	8.3%
Total margin	-21.7%	8.0%

ACXIOM CORPORATION AND SUBSIDIARIES
RESULTS BY SEGMENT
(Unaudited)
(Dollars in thousands)

	For the Twelve Months Ended	
Revenue:	March 31, 2008	March 31, 2007
Information services	741,259	728,014
Information products	431,316	415,417
Infrastructure management	447,488	476,333
Eliminations	(235,984)	(229,253)
Total revenue	1,384,079	1,390,511
Income from operations:		
Information services	97,248	124,628
Information products	23,783	18,922
Infrastructure management	44,287	49,381
Corporate & other	(125,072)	(38,786)
Total income from operations	40,246	154,145
Margin:		
Information services	13.1%	17.1%
Information products	5.5%	4.6%
Infrastructure management	9.9%	10.4%
Total margin	2.9%	11.1%

ACXIOM CORPORATION AND SUBSIDIARIES
DATA REVENUE AND COST OF DATA SUPPLEMENTAL SCHEDULE
(Unaudited)
(Dollars in thousands)

	For the Three Months Ended			
	March 31, 2008	March 31, 2007	$ Variance	% Variance
Data	67,817	69,596	(1,779)	(2.6%)
Passthrough data	22,094	20,361	1,733	8.5%
Total data revenue	89,911	89,957	(46)	(0.1%)
Cost of data revenue:				
Data	36,059	32,630	3,429	10.5%
Passthrough data	22,094	20,361	1,733	8.5%
Total cost of data	58,153	52,991	5,162	9.7%
Margin:				
Data	46.8%	53.1%		
Passthrough data	0.0%	0.0%		
Total data	35.3%	41.1%		

ACXIOM CORPORATION AND SUBSIDIARIES
DATA REVENUE AND COST OF DATA SUPPLEMENTAL SCHEDULE
(Unaudited)
(Dollars in thousands)

	For the Twelve Months Ended			
	March 31, 2008	March 31, 2007	$ Variance	% Variance
Data	252,287	255,299	(3,012)	(1.2%)
Passthrough data	82,002	78,734	3,268	4.2%
Total data revenue	334,289	334,033	256	0.1%
Cost of data revenue:				
Data	147,585	127,895	19,690	15.4%
Passthrough data	82,002	78,734	3,268	4.2%
Total cost of data	229,587	206,629	22,958	11.1%
Margin:				
Data	41.5%	49.9%		
Passthrough data	0.0%	0.0%		
Total data	31.3%	38.1%		

ACXIOM CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in thousands)

	March 31, 2008	March 31, 2007	$ Variance	% Variance
Assets				
Current assets:				
Cash and cash equivalents	62,661	37,776	24,885	65.9%
Trade accounts receivable, net	216,462	234,511	(18,049)	(7.7%)
Refundable income taxes	16,080	7,657	8,423	110.0%
Deferred income taxes	44,211	41,850	2,361	5.6%
Other current assets	45,645	59,252	(13,607)	(23.0%)
Total current assets	385,059	381,046	4,013	1.1%
Property and equipment	765,046	733,175	31,871	4.3%
Less - accumulated depreciation and amortization	498,777	420,883	77,894	18.5%
Property and equipment, net	266,269	312,292	(46,023)	(14.7%)
Software, net of accumulated amortization	59,263	44,289	14,974	33.8%
Goodwill	484,796	522,046	(37,250)	(7.1%)
Purchased software licenses, net of accumulated amortization	111,574	151,326	(39,752)	(26.3%)
Deferred costs, net	90,707	137,684	(46,977)	(34.1%)
Data acquisition costs	51,566	35,398	16,168	45.7%
Other assets, net	22,621	39,993	(17,372)	(43.4%)
	1,471,855	1,624,074	(152,219)	(9.4%)
Liabilities and Stockholders' Equity				
Current liabilities:				
Current installments of long-term debt	69,259	106,921	(37,662)	(35.2%)
Trade accounts payable	45,749	54,808	(9,059)	(16.5%)
Accrued payroll and related expenses	39,061	33,663	5,398	16.0%
Other accrued expenses	121,441	79,078	42,363	53.6%
Deferred revenue	64,116	113,318	(49,202)	(43.4%)
Total current liabilities	339,626	387,788	(48,162)	(12.4%)
Long-term debt	575,308	648,879	(73,571)	(11.3%)
Deferred income taxes	51,429	97,926	(46,497)	(47.5%)
Other liabilities	4,980	-	4,980	100.0%
Stockholders' equity:				
Common stock	11,428	11,145	283	2.5%
Additional paid-in capital	779,815	718,336	61,479	8.6%
Retained earnings	413,758	431,014	(17,256)	(4.0%)
Accumulated other comprehensive income	33,976	17,526	16,450	93.9%
Treasury stock, at cost	(738,465)	(688,540)	(49,925)	7.3%
Total stockholders' equity	500,512	489,481	11,031	2.3%
	1,471,855	1,624,074	(152,219)	(9.4%)

ACXIOM CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Dollars in thousands)

	For the Three Months Ended March 31,	
	2008	2007
Cash flows from operating activities:		
Net earnings (loss)	(58,284)	5,730
Non-cash operating activities:		
Non-cash impact of restructuring	72,503	-
Depreciation and amortization	95,447	59,187
Loss (gain) on disposal or impairment of assets, net	2,708	(235)
Deferred income taxes	(672)	16,770
Non-cash stock compensation expense	3,254	1,124
Changes in operating assets and liabilities:		
Accounts receivable	11,153	(13,499)
Other assets	(10,510)	(16,942)
Accounts payable and other liabilities	(17,262)	11,804
Deferred revenue	(7,863)	12,595
Net cash provided by operating activities	90,474	76,534
Cash flows from investing activities:		
Capitalized software	(6,571)	(8,000)
Capital expenditures	(6,551)	(8,230)
Deferral of costs	(21,482)	(17,092)
Payments received from investments	-	50
Net cash paid in acquisitions	(2,044)	(18,667)
Net cash used by investing activities	(36,648)	(51,939)
Cash flows from financing activities:		
Payments of debt	(50,690)	(77,928)
Dividends paid	(4,626)	(4,703)
Sale of common stock	3,131	7,663
Acquisition of treasury stock	(4,986)	-
Tax benefit of stock options exercised	(480)	61
Net cash used by financing activities	(57,651)	(74,907)
Effect of exchange rate changes on cash	221	74
Net decrease in cash and cash equivalents	(3,604)	(50,238)
Cash and cash equivalents at beginning of period	66,265	88,014
Cash and cash equivalents at end of period	62,661	37,776
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	11,661	15,270
Income taxes	3,025	6,569
Payments on capital leases and installment payment arrangements	15,376	18,579
Payments on software and data license liabilities	11,821	5,746
Other debt payments, excluding line of credit	13,493	3,603
Prepayment of debt	10,000	50,000
Noncash investing and financing activities:		
Acquisition of property and equipment under capital lease and installment payment arrangements	4,117	14,474
Construction and other financing	1,679	213
Software licenses and maintenance acquired under software obligation	20	8,305
Note payable issued in acquisition	-	1,300

ACXIOM CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Dollars in thousands)

	For the Twelve Months Ended March 31,	
	2008	2007
Cash flows from operating activities:		
Net earnings (loss)	(7,780)	67,873
Non-cash operating activities:		
Non-cash impact of restructuring	72,503	-
Depreciation and amortization	272,792	229,566
Gain on disposal or impairment of assets, net	(9)	(1,718)
Deferred income taxes	(2,135)	14,369
Non-cash stock compensation expense	8,932	3,823
Changes in operating assets and liabilities:		
Accounts receivable	14,781	(25,515)
Other assets	8,653	(19,101)
Accounts payable and other liabilities	(17,258)	3,960
Deferred revenue	(50,135)	(13,305)
Net cash provided by operating activities	300,344	259,952
Cash flows from investing activities:		
Disposition of operations	14,250	-
Capitalized software	(33,345)	(27,443)
Capital expenditures	(21,600)	(14,225)
Cash collected from the sale and license of software	-	10,000
Deferral of costs	(64,701)	(66,687)
Payments received from investments	3,603	2,758
Net cash paid in acquisitions	(11,235)	(33,067)
Net cash used by investing activities	(113,028)	(128,664)
Cash flows from financing activities:		
Proceeds from debt	2,127	649,756
Payments of debt	(158,699)	(471,670)
Dividends paid	(9,476)	(18,174)
Sale of common stock	47,943	33,464
Acquisition of treasury stock	(50,551)	(299,301)
Tax benefit of stock options exercised	5,513	4,142
Net cash used by financing activities	(163,143)	(101,783)
Effect of exchange rate changes on cash	712	566
Net increase in cash and cash equivalents	24,885	30,071
Cash and cash equivalents at beginning of period	37,776	7,705
Cash and cash equivalents at end of period	62,661	37,776

Supplemental cash flow information:

Cash paid during the period for:		
Interest	51,669	46,645
Income taxes	7,979	37,596
Payments on capital leases and installment payment arrangements	69,706	76,135
Payments on software and data license liabilities	31,819	26,897
Other debt payments, excluding line of credit	25,047	10,235
Prepayment of debt	30,000	50,000
Revolving credit payments	2,127	308,403
Noncash investing and financing activities:		
Acquisition of property and equipment under capital lease and installment payment arrangements	24,841	58,928
Disposal of asset under financing	(5,304)	-
Construction and other financing	11,025	18,380
Software licenses and maintenance acquired under software obligation	513	23,571
Asset acquired under data obligation	15,306	-
Note payable issued in acquisition	300	1,300
Issuance of common stock for acquisition	-	3,610

ACXIOM CORPORATION AND SUBSIDIARIES

CALCULATION OF FREE CASH FLOW AVAILABLE TO EQUITY

AND RECONCILIATION TO OPERATING CASH FLOW

(Unaudited)

(Dollars in thousands)

	06/30/06	09/30/06	12/31/06	03/31/07	YTD FY2007	06/30/07	09/30/07	12/31/07	03/31/08	YTD FY2008
Net cash provided by operating activities	56,350	64,409	62,659	76,534	259,952	39,132	40,644	130,094	90,474	300,344
Plus:										
Payments received from investments	783	1,925	-	50	2,758	-	1,799	1,804	-	3,603
Disposition of operations	-	-	-	-	-	-	-	14,250	-	14,250
Less:										
Capitalized software	(5,719)	(6,926)	(6,798)	(8,000)	(27,443)	(8,447)	(9,820)	(8,507)	(6,571)	(33,345)
Capital expenditures	(217)	(3,260)	(2,518)	(8,230)	(14,225)	(2,867)	(5,291)	(6,891)	(6,551)	(21,600)
Deferral of costs	(16,887)	(16,559)	(16,149)	(17,092)	(66,687)	(14,129)	(11,630)	(17,460)	(21,482)	(64,701)
Payments on capital leases and installment payment arrangements	(18,905)	(21,951)	(16,700)	(18,579)	(76,135)	(19,137)	(17,651)	(17,542)	(15,376)	(69,706)
Payments on software and data license liabilities	(7,847)	(7,304)	(6,000)	(5,746)	(26,897)	(6,493)	(7,279)	(6,226)	(11,821)	(31,819)
Other required debt payments	(1,711)	(1,804)	(3,117)	(3,603)	(10,235)	(3,526)	(2,416)	(5,612)	(13,493)	(25,047)
Subtotal	5,847	8,530	11,377	15,334	41,088	(15,467)	(11,644)	83,910	15,180	71,979
Plus:										
Tax benefit of stock options and warrants	1,079	1,765	1,237	61	4,142	5,624	344	25	(480)	5,513
Subtotal	6,926	10,295	12,614	15,395	45,230	(9,843)	(11,300)	83,935	14,700	77,492
Plus:										
Cash collected from sale of software	5,000	5,000	-	-	10,000	-	-	-	-	-
Total	11,926	15,295	12,614	15,395	55,230	(9,843)	(11,300)	83,935	14,700	77,492

ACXIOM CORPORATION AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP EPS

(Unaudited)

(Dollars in thousands, except earnings per share)

	For the Three Months ended March 31, 2008	For the Twelve Months ended March 31, 2008
Loss before income taxes	(88,659)	(9,761)
Unusual items	107,160	84,222
Earnings before income taxes and unusual items	18,501	74,461
Loss before income taxes	(88,659)	(9,761)
Income taxes	(30,375)	(1,981)
Net loss	(58,284)	(7,780)
Loss per share:		
Basic	(0.76)	(0.10)
Diluted	(0.76)	(0.10)
Unusual items:		
Transaction costs	-	17,689
Transaction termination payment	-	(65,000)
Payment to retired Company Leader	-	3,000
Disposition of operation in France	(584)	(3,157)
Restructuring - severance and related	13,374	19,358
Restructuring - facilities and related	22,832	22,832
Restructuring - contract accruals	6,671	6,671
Restructuring - Closing of Harbinger	9,527	9,527
Restructuring - flight services closing	3,993	3,993
Restructuring - software disposals and impairment	15,018	15,018
Other restructuring and other items	3,688	6,421
Accrued revenue adjustment	(4,001)	1,180
IT contract restructuring	33,968	44,016
Investment loss	2,674	2,674
Total unusual items	107,160	84,222
Earnings before income taxes and excluding unusual items	18,501	74,461
Income taxes	6,633	25,977
Non-GAAP net earnings	11,868	48,484
Non-GAAP earnings per share:		
Basic	0.15	0.61
Diluted	0.15	0.60

Thomson StreetEvents

Conference Call Transcript

ACXM - Q4 2008 Acxiom Earnings Conference Call

Event Date/Time: May. 14. 2008 / 5:30PM ET

CORPORATE PARTICIPANTS

Christopher Wolf
Acxiom - CFO

John Meyer
Acxiom - CEO

CONFERENCE CALL PARTICIPANTS

Troy Mastin
William Blair & Company - Analyst

Kyle Evans
Stephens, Inc. - Analyst

Mark Bacurin
Robert W. Baird - Analyst

Todd Van Fleet
First Analysis - Analyst

PRESENTATION

Operator

Good day, ladies and gentlemen. Welcome to the Acxiom fourth quarter fiscal year 2008 earnings conference call. As a reminder, today's call is being recorded. At this time for opening remarks, I'd like to turn the conference over to the Chief Financial Officer, Mr. Christopher Wolf. Please go ahead, sir.

Christopher Wolf - ***Acxiom - CFO***

Thank you, Operator. Good afternoon and welcome. Thank you for joining us to discuss our 2008 fourth quarter and fiscal year results. With me today is John Meyer, our CEO and President.

Before we begin our formal remarks I would like to remind everyone that this release and today's conference call contain certain forward-looking statements that are subject to certain risks and uncertainties. Important factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include but are not limited our ability to timely complete the restatement of our historical financial results for the years ended March 31, 2006, and March 31, 2007. The ongoing review of the circumstances surrounding such restatements and the consequences thereof, and those additional factors detailed under the section titled risk factors and elsewhere in filing with the Securities and Exchange Commission made from time to time by Acxiom including but not limited to its annual report on Form 10-K filed on May 30, 2007 and 10-K A on July 30, 2007. Recent quarterly reports on Forms 10-Q and other current reports on Forms 8-K.

Acxiom undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. A copy of our press release and financial schedules including any reconciliation of non-GAAP financial measures have been posted to our website at Acxiom.Com. At this time I'll turn the call over to John.

John Meyer - ***Acxiom - CEO***

Great. Thanks, Chris and welcome, everybody. Thank you for joining the call today. A couple things I plan to address, we'll be highlighting a number of the insights that I have picked up and some of the progress we've done over the past 90 days. Before doing that as we indicated in the earnings release, I want to repeat that we will not be giving guidance on 2009 on this call.

Now, we have developed a number of internal operating plans that have already been rolled out to the leadership. Additionally, we're in the process of completing a more strategic view of which geographies, industries, and products we need to invest into grow in the longer term. In fact, last week, we spent three days off site discussing and resolving some of these issues. We intend an in depth discussion of our 2009 plans and insight into our strategy at the investors day scheduled on the 17th of June in New York City.

Now, during my first 90 days one of the things I've focused on is meeting with our customers, our employees but I've also been focusing on cost and I'll cover that in a minute. I've spent a lot of sometime traveling and understanding the business. I've spent time in California and New York, Chicago, China, and of course, quite a bit of time in Conway and Little Rock and in the next couple weeks I'll be visiting Europe. The things I've picked up from both our customers and our employees is that we have a good group of talented people who are really committed to the Company. We have great data and great delivery assets. We've got blue chip clients and strong customer relationships and we have good opportunities in most of our markets. I believe these things now even more than when I was evaluating joining Acxiom initially. This means we've got a very strong foundation to build upon.

Now, during the last year, the Company has faced a number of challenges. We had a bid to take the Company private that ultimately did not come to pass. We had pressure in the Financial Services industry. We've had that related uncertainty in the economy, and we had changes in the leadership to include me.

So to stabilize the Company and set a path for the future we focused on three key areas. First, we want to create a winning and accountable culture, One Acxiom. We want to improve our operating efficiency in all of our aspects and we want to evolve into premier market driven and solutions based Company. So, let me expand a little bit on all of these.

On the first one, creating a winning and accountable culture, we're going to implement and have started to implement disciplined planning and business management functions. We have consistent HR and compensation packages coming online, and we're drawing together all of the acquired skills, experience, and capabilities of our employees to beat the competition. Second, we're improving our operating efficiency in all aspects of our business. We're driving down unit cost by leveraging centers of expertise across the entire enterprise, based on both an onshore and a starting offshore strategy. We've built methods against committees to prioritize our investment across research and development, M&A and infrastructure programs and we're adopting consistent project management methodology to ensure we deliver what we say we're going to do. Three, we're going to evolve into a premier market driven solution based Company. First, we're going to do that by implementing a new operating model with a well defined global sales function and I will soon be announcing a global sales leader. We'll be productizing the existing offers and implementing a more consistent product life cycle management and we'll aggressively manage a detailed sales pipeline reporting. And finally, last but not least, we'll continue to drive for new areas of potential growth.

Now, as you see in our results, we've already been focused on rationalizing our cost while making some changes in the structure and the alignment. And understanding and improving our cost structure will continue to be an ongoing effort. We've reduced staffing, including but not replacing some of the most senior leaders of the Company who have recently retired. We reduced our real estate portfolio in both Arkansas, Chicago, London, and various other places. We restructured some of our contracts and we closed the flight operations. Now, certainly we've made a good start but our work is far from being done. We've put a senior leadership team in place and the accountability and the efficiency is starting to improve, and these initiatives will continue.

Now, these actions will help us reduce the existing expense run rate and allow us to invest in new skills, products, and solutions. This will include where it makes sense standardizing our delivery capabilities. Now, Chris will spend some time later going through the details about our writedowns and some of the further information around that.

Turning to the longer term, I'll be working with the leadership team to develop strategic and operational plans to overcome the challenges we face today in some of our industry segments. We have enjoyed enormous success particularly in the financial industry and now looking to continue their replications at success in other industries and other geographies. In order to divide and conquer, I'll be focused primarily on the future of our products and services as well as overseeing the new global salesforce. To help me on a day-to-day basis, John Adams in the press release has recently announced, a former colleague of mine is coming on Board as Chief Operating Officer. Prior to joining Acxiom, John was the Executive Vice President of customer solutions for Eclipsys, a $400 million healthcare information software and services vendor. In that capacity John had the responsibility for the companies outsourcing and hosting units as well as a number of administrative functions.

Now, John also had some other leadership roles. He served as Chief Financial Officer for Exult, a $500 million Human Resources business process outsourcing Company, he was also the CFO and Vice President of AT&T Business Services a $26 billion subsidiary of AT&T and as a Vice President and Controller of Electronic Data Systems, where he oversaw all of the accounting and finance function for EDS on a worldwide basis. So John brings a lot of value, a lot of experience, and a lot of capabilities to this role.

In summary, we have already begun to take clear actions to reduce our run rate of expenses. With the announcement of a new organization structure last week, we're better aligned to drive that more process efficiency both in terms of savings and better leverage on existing assets. We will focus on three areas as we talked about: Creating a winning accountable culture, two will be improving those operational efficiencies in all aspects of our business, and we'll be evolving into a premier market driven solution based Company; however this battle will only be won as we take more than our fair share of business and grow the top line. Now, we'll report back to you in the June Analyst meeting with a lot more details around that longer strategic focus. Chris, back to you.

Christopher Wolf - ***Acxiom - CFO***

Great. Thank you, John. I'll be reviewing selected -- (audio difficulties).

Operator

Excuse me, sir. This is the Operator. We hear no response.

Christopher Wolf - ***Acxiom - CFO***

Hello, Operator?

Operator

Yes, we can hear you now.

Christopher Wolf - ***Acxiom - CFO***

Okay, sorry about that. I don't know what happened. I'll start over. Thank you, John. I'll be reviewing financial highlights for the quarter. I direct you to our website for the supporting financial schedule to assist you with your own analysis. Let me begin with consolidated figures. For the three months ended March 31, 2008, total revenue was $349.8 million down 1.9% compared to 356.4 million in the same period last year. Operating loss was$76 million compared to income of $28.4 million in the same quarter last year. Net loss was $58.3 million compared to net income of $5.7 million last year. Fully diluted loss per share was $0.76 for the quarter compared to earnings per share of $0.07 in the prior year quarter. These results included unusual items totaling $107.2 million. A detailed list of these items can be found on the reconciliation of GAAP to non-GAAP EPS schedule that's on page 18 in the financial schedule.

One of the unusual items relates to a correction of our accrued revenue count of $1.2 million for the fiscal year. After a review of the methodology to calculate this accrued revenue we've determined that the calculation methodology is no longer sufficient to report the recorded balance. In addition we will restate prior period financial statements to correctly account for this change. This will result in a decrease in revenue and operating income of $3.8 million and $4.6 million for fiscal years 2006 and 2007 respectively. The net income impact for both years is $2.3 million in 2006 and $2.9 million in 2007. We expect to file the restated 10-K with our fiscal 2008 10-K filing on or about May 30.

Unusual items of $74.5 million was recorded in gains, losses and other item $34 million were recorded in cost of services and $2.7 million were recorded in other net. The unusual items recorded in gains, losses and other items consisted of the following. Net adjustment to the gain on the disposition of our mapping software business in France was $600,000, charges of $13.4 million related to headcount reductions, charges of $22.8 million related to real estate closures, contract accruals of $6.7 million, charges of $9.5 million related to the closing of Harbinger, charges of $4 million related to the closing of our flight operation, charges of $15 million related to software disposal and impairment and restructuring and other items of $3.7 million.

The $34 million expense recorded in cost of services was due to an IT contract restructuring. The $2.7 million expense recorded in other net was due to an investment loss. The unusual items net of tax decreased fully diluted earnings per share by $0.91 in the quarter. Operating expenses in the prior year included unusual expenses of $9.1 million. The prior year unusual expenses resulted from the closing of our Spain operations to $6.6 million and $2.5 million resulting from U.S. restructuring costs. Excluding unusual expenses from both periods, operating expenses decreased from $318.9 million to $317.3 million or 0.5%. Excluding all unusual items from both periods, earnings per share was $0.15 in the fourth quarter of 2008, down from $0.20 in the fourth quarter of 2007.

Turning to revenue, services revenue for the quarter ended March 31, 2008, was $259.9 million. This represents a $6.6 million decrease or 2.5% compared to the prior year period. For the period, U.S. Services declined $9.7 million to $237.1 million. International services increased 3.2 million to $22.8 million. Approximately $1 million of the international services revenue increase was due to favorable exchange rate variances in Europe and Australia. In U.S. Services our digital services group increased revenue 15.6% year-over-year and risk services was up 11.2% for the quarter. These increases were offset by decreases in IT management and our traditional service lines. IT management revenue was down $12 million or 13.6% primarily related to contract reductions with one major IT client. Most of the revenue reduction with this client was due to recording pass through revenue net versus gross under the terms of a new contract effective April 1, 2007.

Our traditional service lines were down by $3.2 million or 2.5% compared to last year due primarily to decreases in the Financial Services industry. Services revenue from Financial Services customers were impacted by lower volumes with certain large clients. These reductions were somewhat offset by new business and some other industries in particular, insurance and automotive. Data revenue for the quarter ended March 31, 2008, was $89.9 million which was flat compared to the same period last year. International data revenue was down approximately $2.4 million; however after adjusting for the impact of exchange rates in Europe, revenue was actually down $5.7 million or approximately 18%. This decrease is due in part to the sale of the French mapping software business effective December 1. The French mapping software business generated approximately $3 million in the same quarter last year. Additionally, the Europe data business was negatively impacted by lower marketing volume particularly in Germany.

U.S. data revenue increased $2.4 million compared to last year, as noted on the data revenue and cost of data supplemental schedule, pass through data revenue increased almost $1.7 million compared to the same quarter a year ago. Additionally, U.S. data revenue was positively impacted by the MKTG acquisition in Q2 of this year which added $1.5 million to the current quarters revenue results. Otherwise, U.S. data revenue was relatively flat.

Turning to operating costs and expenses for the quarter. Costs of services revenue of $235.7 million represents an increase of $25.9 million or 12.3% compared to the same quarter a year ago. As previously noted cost of services revenue includes unusual expenses of $34 million related to an IT contract restructuring. Gross margin for services revenue decreased from 21.2% to 9.3 %. Excluding the unusual expenses cost of services was down by $8.1 million and gross margin of the current year quarter was 21.1%. Cost of data revenue of $58.2 million represents an increase of $5.2 million compared to the same quarter a year ago. Data revenue gross margins decreased from 41.1% a year ago to 35.3% in this quarter. Excluding the pass through data cost, data costs increased $3.4 million and margins on non-pass through data decreased to 46.8% from 53.1% a year ago. Approximately $500,000 of the increase is related to cost increases for international operations primarily due to exchange rate variances. The remainder is related to U.S. operations. Most of the increase is due to headcount increases as non-pass through data content costs are relatively flat compared to the same quarter a year ago.

SG&A expense was $57.3 million for quarter ended March 31, or 16.4% of revenue. This represents a $1.3 million increase over the same quarter last year. The current year expense included approximately $1.1 million related to the MKTG operations which was acquired in November. Additionally the current year includes higher restricted stock expense of approximately $800,000 due to new grants in fiscal year '08. These increases were partially offset by staff reductions and lower corporate bonuses.

Now, I'll provide a little additional color on the restructuring charges and other unusual items in the quarter. Of the $111.2 million in non-revenue unusual items this quarter approximately $63.2 million will not result in a cash expenditure. Items in this category include $34 million for the write-off of a deferred cost of an IT contract, $15 million for software related to write-off, $9.5 million of goodwill and other intangible write-offs and $4.7 million of other asset write-offs. The actual cash impact in the current quarter was relatively insignificant. Of the expected total cash outlays of approximately $48 million, almost half or $22 million are for items such as lease reserves that the Company would have had continued to pay in the normal course of Operations. Of the incremental cash outlays of approximately $26 million , $11.5 million was for a workforce reduction in the U.S. and overseas with $3.4 million attributable to a lease payment on the disposal of an aircraft and the remainder for other contractual and legal settlements.

Interest expense for the quarter was $11 million compared to $15 million a year ago. The decrease in interest expense is due primarily to lower average balance and a rate on the term loan. The balance is approximately $75 million lower and the rate is about 130 basis points lower. Interest on other borrowings such as capital leases is down approximately $600,000 compared to the same quarter a year ago. The current quarter other net includes a $2.7 million loss related to Acxiom's investment in a real else venture. Our evaluation indicated that the investment is fully impaired. This is the primary reason for the year-over-year decrease. Otherwise, other income consisting of, primarily consisting of interest income and notes on invested cash.

The current quarter tax benefit was $30.4 million or 34.3%. The current quarter rate was impacted by foreign losses for which no tax benefit is available due to one-time charges in Europe and the expiration of state and net operating loss carry-forwards due to the losses generated in the quarter by the unusual charges. The prior year rate was 61.5%. Net year rate was also negatively impacted by foreign losses primarily unusual costs related to the closing of the Spain operation. The prior year rate was also impacted by an adjustment to the research tax credit reserve. Diluted loss per share for the quarter was 76%, - $0.76 compared to earnings per share of $0.07 in the same quarter last year again the current quarter includes $0.91 of unusual items. Diluted weighted average shares outstanding for the quarter were 77.3 million compared to 80.1 million a year ago. The earnings per share calculation in the current year was based on 77.1 million shares. The dilutive effect of approximately 200,000 options and warrants were excluded because due to the current quarter loss, they were anti-dilutive.

Now let me touch on a few of the highlights of the current quarter balance sheet as compared to the March 31, 2007, balance sheet. As of March 31, the Company had cash of $62.7 million up from $37.8 million in March 2007. During the quarter the Company paid down $11.5 million of the term loan retiring $11.5 million loan on our Phoenix Facility paid $4.6 million in dividends and purchased approximately $5 million worth of our common stock. Accounts receivable as of March 31, were $216.5 million down from $234.5 million in March of 2007. Accounts receivable day sales outstanding were 56 days at March 31, 2008, down from 59 days at March 31, 2007, and also down five days from December 31. Goodwill was $484.8 million as of March 31, down from $522 million a year ago. The decrease in goodwill was primarily driven by the sale of our French mapping software business which reduced the balance by $7 million, the closing of Harbinger which reduced the balance by $8 million and $38 million due to the adjustment of acquisition related tax valuation allowances on the acquisitions of the European entities and digital impact. These decreases were partially offset by a foreign currency adjustment of approximately $15 million.

Deferred revenue decreased to $64.1 million as of March 31, 2008, from $113.3 million in the prior year. The decrease in deferred revenue was primarily due to one significant IT customer choosing to purchase equipment outside of the Company's contract and due to the IT contracts that were restructured during the year. Due to lower equipment purchases by this particular customer, previously recorded deferred revenues decreasing is not being replaced by new deferrals. Total debt as of March 31, was $644.6 million down from $755.8 million in March of 2007. In addition of the debt payments mentioned previously total debt has been reduced by an additional $88.2 million for a total reduction of $111.2 million since last March.

Turning to cash flow. For the quarter ended March 31, free cash flow to equity was $14.7 million compared to $15.4 million in the same quarter last year. The $700,000 decrease reflects an increase in operating cash flow of $13.9 million offset by higher payments on software and data license liabilities, and other required debt payments. Total capital expenditures for the acquisition of property and equipment were $12.3 million in quarter and $52.2 million for the full year. Included in these amounts were $5.8 million and $30.6 million respectively of finance purposes. The total capital expenditures represent a fairly significant reduction from the prior amount of $22.9 million in Q4 and $91.5 million for the full year.

Capitalized software lower than the prior period primarily due to the ending of development and capitalization related to the E&C grid project. For the year, capitalized development was $33.3 million compared to $27.4 million last year. Deferred costs includes deferral of costs relating to contract set up and IT migration activities as well as deferred data acquisition cost. Deferred cost for the quarter were $21.5 million compared to $17.1 million last year. Year-to-date deferred costs were $80 million compared to $66.7 million in the same period a year ago. The current year additions include a finance purchase of data for $15.3 million. Additionally approximately $21 million of current year additions were related to the IT contract restructured in the current quarter. Future additions related to this contract will be minimal.

This concludes our prepared comments on the financial statement. Now, Operator, we are prepared to begin the question and answer session of

QUESTION AND ANSWER

Operator

Thank you. (OPERATOR INSTRUCTIONS) We'll take our first question from Troy Mastin with William Blair & Company.

Troy Mastin - ***William Blair & Company*** - ***Analyst***

Good evening, thank you. I'm curious how much benefit you realized in the current quarter pro forma P&L from the restructuring activities that you have initiated so far? How much on a quarterly basis you think you'll ultimately get from those activities that you've executed so far? And if we don't get all the way there say in the first quarter of '09, when we do reach that full equilibrium level?

Christopher Wolf - ***Acxiom - CFO***

I'll go ahead, Troy. As far as the early restructuring, I would say that the effect in the current quarter was relatively nil. We were expecting to see more results but we didn't have the full impact that we expected. As far as the run rate for next year, I think that's one of the things that we wanted to talk about when we go to June. We're still compiling all of those items and we're trying to figure out what time those things, what period of time during the fiscal year they will pass through. We do expect a fair amount of the cash charges to give us benefit in fiscal '09 but we're still compiling that data.

John Meyer - ***Acxiom - CEO***

So Troy this is John. We do expect a positive impact on it needless to say I'm not sure just so it's clear to the people that are on the phone, I'm not sure that we're done with all of our restructuring efforts, and that we may especially people related as we sort through the organization structure, sort through people that we are not, as we learn r more about the accountability and where people are delivering relative to that we may find we'll have to reduce staff in different places, and so although we try to get very obvious things out here, within this first 90 days there's still the potential for something going forward. It goes without saying though that the things we're doing will have a positive impact going forward. And in June we'll be much more detailed on where and when and what quarter those things have an impact.

Troy Mastin - ***William Blair & Company - Analyst***

Would it be fair to assume that you should begin to see a meaningful impact at least by the June quarter, just to help us as we think out with the Company pre-June?

John Meyer - ***Acxiom - CEO***

Yes, you should expect to see benefit of this June 1, barring any other people restructuring cost we put in during that time frame.

Troy Mastin - ***William Blair & Company - Analyst***

That's fair. And then maybe if you could talk a little bit about top line, it sounds like maybe you're considering giving us some guidance at some point in time in the near future but from a high level and maybe you could comment on your thoughts regarding guidance but at a high level, the trends you're seeing in revenue, it feels like the revenue picture is not deteriorating in a meaningful way. If you could give maybe some high level thoughts as to what you're seeing in those revenue trends, maybe in the financial services vertical in particular since that seems to be the trouble spot so we can get a gauge on kind of the trajectory of the business here for the next few months until we get to that June meeting?

John Meyer - ***Acxiom - CEO***

Well, the June meeting is say four weeks away so we're not, we'll be prepared to go into a lot more detail. What we're seeing in the revenue line is swings of roundabouts. We're not seeing substantial drop offs in any major sectors, so but we're not seeing big upticks yet because we still haven't ramped up our sales organizations, so my perspective is we'll stay within the range of where we have been performing, adjusted for any seasonality.

Troy Mastin - ***William Blair & Company - Analyst***

Okay.

Christopher Wolf - ***Acxiom - CFO***

And Troy, I'll just echo on that, as far as financial services we've talked a lot about and we have seen a little benefit in some of the other verticals, we did mention insurance in particular and automotive, so we've seen some verticals and the other thing that I think we do want to mention is in areas that such as our risk and our digital impact business we've seen increases there.

John Meyer - ***Acxiom* - *CEO***

Sure.

Troy Mastin - ***William Blair & Company* - *Analyst***

Okay, and then in your core services business a lot of that revenue is fixed under long term projects. Is there any sign that when these come up for renewal and maybe you've had some recent renewals that could give us some insight that large financial services clients or other vertical clients would be looking to scale back on their needs so maybe in the short-term cushioned from a downturn and longer term is there more risk than what you see?

John Meyer - ***Acxiom* - *CEO***

Well, I mean, whenever you come up for contract renewals you find that customers are looking to get more value out of what we're producing. Those things translate into multiple kind of solutions. In many cases what we're doing is upgrading the client into digital direction where we might have been doing just regular direct marketing services where we're finding that there's a lot more receptivity on implementing our digital capabilities within those and so we work at trying to preserve the overall value that we get from a client by adding more services into the existing base. So the cost savings we take out may not drop to increase bottom line but we don't give up the margin either.

Troy Mastin - ***William Blair & Company* - *Analyst***

Okay.

John Meyer - ***Acxiom* - *CEO***

So that's what we try to do. So far we're holding our own and will we always receive customer pressure? Sure. Will direct mail always be something that comes under pressure? Always. But we've got a few more tricks up our sleeve.

Troy Mastin - ***William Blair & Company* - *Analyst***

So would it be fair to say that you're not seeing as a result of financial services a situation that exists today some general move towards smaller data environments for the large financial services companies?

John Meyer - ***Acxiom* - *CEO***

I think what we said is that revenue seems to be holding its own.

Troy Mastin - ***William Blair & Company* - *Analyst***

Okay.

John Meyer - ***Acxiom* - *CEO***

So wait until the 17th and I'll break it out to you by industry, by geography and give you, give it to you in it to you in all different kinds of details but right now we think the revenue is holding its own.

Troy Mastin - ***William Blair & Company* - *Analyst***

Okay finally one more question. Regarding guidance, do you have plans to provide guidance when you do the meeting in June?

John Meyer - ***Acxiom - CEO***

We intend to provide annual guidance in June.

Troy Mastin - ***William Blair & Company - Analyst***

Okay. Thank you.

Operator

We'll go next to Kyle Evans with Stephens.

Kyle Evans - ***Stephens, Inc. - Analyst***

Hi, guys, thanks for taking my questions. My first one, I guess is kind of a follow-up to a prior question you have is already gotten. Is the financial services sector still roughly a quarter of your revenue and is 20 of the 25 points still credit card or has that shifted in any meaningful way?

Christopher Wolf - ***Acxiom - CFO***

I think those figures are still accurate.

Kyle Evans - ***Stephens, Inc. - Analyst***

Okay. Can you dig down a little bit on the ITO contract restructuring and provide a little bit more detail there and give us some comfort that there's not more of those waiting to happen in future periods?

John Meyer - ***Acxiom - CEO***

I can do that. Like any new person that comes into the role, Kyle, I actually turned over a bunch of rocks in this first 90 days and pushed the team very aggressively to identify where we were with customer relationships, where we were with respect to software assets and where we were if things were put on the balance sheet, and in one case, we found something that we had put some things on the balance sheet that just weren't carrying the value that was reflected in the balance sheet and the customer had started the process at acknowledging that they weren't getting what they expected from us. And so over this 90 day period we had an active discussion with the customer on we think we're delivering, they think we aren't, et cetera et cetera to where it became very clear to us that the asset that we had on the balance sheet was not worth what was there. I think that generally, we've turned over most of those rocks. You never say never but I think we've identified all of those things that we have as potential big problems out there, and I don't expect and I wouldn't be happy if the leadership team popped up another one in the next year.

Kyle Evans - ***Stephens, Inc. - Analyst***

Okay.

Christopher Wolf - ***Acxiom - CFO***

Can we talk about.

John Meyer - ***Acxiom - CEO***

I'm sorry?

Christopher Wolf - ***Acxiom - CFO***

I just wanted to add one thing to that just for clarity. I think that there's a couple contracts that we're talking here and just for clarity that John had mentioned the write-off there, but the other contract that we alluded to and we've talked about this a number of times over the past previous quarters, this one contract in particular, we were buying hardware for the Company and we would recognize that revenue and so we have stopped that practice or have substantially diminished it with this particular client, so that was probably the bigger driver of why you saw the revenue decrease and so they're buying their equipment themselves so we do not book that revenue.

Kyle Evans - ***Stephens, Inc. - Analyst***

Okay. Maybe two more rocks that were flipped over, the real estate venture loss in the period?

John Meyer - ***Acxiom - CEO***

Yes.

Kyle Evans - ***Stephens, Inc. - Analyst***

What is that?

John Meyer - ***Acxiom - CEO***

We have an investment that it was not one of the buildings that we occupied. It was an entity venture that we picked up a couple years ago. I actually think it was a debt settlement from a couple years ago and unfortunately, the property has depreciated in value and actually, I believe the loan was under water, so we had to make an assessment of the asset and the economics came back we had to take a charge of roughly $2.7 million.

Kyle Evans - ***Stephens, Inc. - Analyst***

Okay and the last rock, the accounting on the accrued service revenue in the AR reduction, can you give a little bit more detail there?

Christopher Wolf - ***Acxiom - CFO***

Yes. It's a little complicated to explain, but basically, we had a work in process account where we were trying to estimate revenue or we were trying to estimate revenue on jobs that we were performing in process where billing would come later and we had some methodology that was essentially an estimate and so when we looked at that methodology, we really didn't get comfortable that that was a methodology that we could keep going forward as a basis to recognize revenue until we made the decision to take the asset off the books and not to recognize revenue on this proportional performance method going forward.

Kyle Evans - ***Stephens, Inc. - Analyst***

Great. And one last one and then I'll hop back in queue. I think I heard you mention a pretty decent growth rate on the risk management business. If you would give that one more time and also I didn't hear one for the digital business.

John Meyer - ***Acxiom - CEO***

Well, the digital business, let me pull out the exact number but I think the risk business was 11%, it's 11.--?

Christopher Wolf - ***Acxiom - CFO***

11.2.

John Meyer - ***Acxiom - CEO***

11.2% and the digital services business grew 15.6.

Kyle Evans - ***Stephens, Inc. - Analyst***

And as a percent of total, where is the digital now?

John Meyer - ***Acxiom - CEO***

Do we break those out?

Kyle Evans - ***Stephens, Inc. - Analyst***

Used to be kind of mid single?

John Meyer - ***Acxiom - CEO***

It's getting closer to high single.

Christopher Wolf - ***Acxiom - CFO***

Mid single is probably closer.

John Meyer - ***Acxiom - CEO***

Okay.

Kyle Evans - ***Stephens, Inc. - Analyst***

Okay, thanks, guys.

John Meyer - ***Acxiom - CEO***

Thanks.

Operator

We'll go next to Mark Bacurin with Robert W. Baird.

Mark Bacurin - ***Robert W. Baird - Analyst***

Hi, good afternoon. Just one question. Looking at the revenue performance in the quarter, it looks like most of the year-over-year decline was in that IT outsourcing business which I think is more a function of your moving to a capital light strategy so was hoping that maybe you could quantify for us either in that segment specifically or on a consolidated basis how much of the revenue decline would have been driven by you basically letting contracts go as you move to this capital strategy?

John Meyer - ***Acxiom - CEO***

Mark, this is John. I would tell you it's not letting contracts go. It is looking at each individual piece of the contracts and deciding that if we can't get the corresponding value for making a capital investment, we will forego the revenue recognition and get the client to use their own capital. We still continue to perform the service. So when it comes, what we've done is restructured those relationships to where if we're not getting the return on capital that we expected for it, we let them use their own money to buy it. And so what that does is take the money, takes the revenue out of the numbers but it gives us a much higher quality revenue. So if we look at that Q4 revenue number you reported is there any way to strip out for us how much of that is specifically related to equipment sales that are lumped into contracts so we can get a sense of how much of this might still be at risk of being assessed down the road?

Christopher Wolf - ***Acxiom - CFO***

Mark, this is Chris. I don't have that number handy. What I can tell you of the $12 million decrease for the quarter, essentially all of it was because of the capital light model that you mentioned.

Mark Bacurin - ***Robert W. Baird - Analyst***

Okay, and I guess just to follow-up then, given some of the weakness we heard out of companies like Equifax and Fair Isaac as it relates to pre-screen and credit marketing related stuff, actually surprised to see you guys putting up some modest growth in the services business given your exposure to financial services. It sounds like maybe some of the growth was coming out of non-financial services vertical so was just hoping you could maybe give us some color by industry vertical of growth trends?

John Meyer - ***Acxiom - CEO***

We did kind of single out insurance in automotive, two big growth areas, on the 17, I'll break that out into major segments that we put forward, but what, Mark, it is we're seeing a flattening in the financial services business and by the way, I'm not accepting that because a big part of our business as in the credit card marketplace but as far as I know and I know the financial industry reasonably well, retail banks, mortgage banks, everybody else needs to know about their customers too and so where we haven't played as aggressively in that area, I'm pushing the team to say in not accepting the excuse to say well credit card market might be down, we expect there's other parts in the financial institution and other (inaudible) locations in a financial institution we should be pursuing.

Now, it goes without saying, we haven't seen the results out of that push in the first 90 days but over the past five year period, Acxiom as a Company has expanded into a number of different industries and made some major end roads into helping them know their customers better and help them in their marketing efforts and so we see growth probably on a percentage basis, insurance and automotive jump out the most but overall, where we see as much increase and you will see that that business outside of financial services and outside of data is probably as big as our financial services business and growing. So I guess hold that space until the 17, and we'll give you -- broken out by respective industry in June.

Mark Bacurin - ***Robert W. Baird - Analyst***

Great. Thank you very much.

Christopher Wolf - ***Acxiom - CFO***

Thanks, Mark.

Operator

We'll go next to Todd Van Fleet with First Analysis.

Todd Van Fleet - ***First Analysis - Analyst***

Good afternoon, guys.

John Meyer - ***Acxiom - CEO***

Hi, Todd.

Todd Van Fleet - ***First Analysis - Analyst***

Just a couple of quick ones first. Did I miss a balance sheet somewhere or did you guys not put one out?

John Meyer - ***Acxiom - CEO***

I think you might have missed it.

Todd Van Fleet - ***First Analysis - Analyst***

Okay, well I'll come back to you on that then. Chris, could you help us identify the $107 million in expenses, just pick that the out on the P&L here and how we break it out?

John Meyer - ***Acxiom - CEO***

You broke up, Todd, 107?

Todd Van Fleet - ***First Analysis - Analyst***

Could you break out for us where we see that on the P&L ,

Christopher Wolf - ***Acxiom - CFO***

Oh, sure, Todd. Roughly $74.5 million is in gains, losses, and other, and the $34 million is in cost of services, and $2.7 million in other net.

Todd Van Fleet - ***First Analysis - Analyst***

John, just I mean so many balls in the air at this point I guess. Where does the integration of all the pieces on the digital marketing side rank in priority for you at this stage?

John Meyer - ***Acxiom - CEO***

It's actually done, Todd. Now obviously, I have changed the organizational structure where we have centralized all of the digital functions to include relevance, mobile add, banner, e-mail, IPTV, all underneath one gentleman named Tim Suther. Tim had been the individual had been driving the mix business. I happen to believe and I'm not telling you anything that the marketplace is moving in a digital direction, and that it continues to be a very important part of our growth. It will continue to be a place where we'll invest and I think there's some strong linkage between that and what we do in the direct marketing side, where managing those multiple channels, it will become a strength that Acxiom will be known for in the future. So it -- if you had to ask where my areas of focus, we're going to talk to you about global. We're going to talk to you about digital. We're going to talk about consulting. And we're going to about to you all of the other industries outside of credit card. So that's what you'll hear in June.

Todd Van Fleet - ***First Analysis - Analyst***

In your meetings to this point, John, with your team and as you get your arms around the business, have you set an end point in terms of financial benchmarks that you want to try to manage this business to in terms of kind of recurring revenue growth on a, recurring revenue growth and kind of a margin target, not that you need to disclose or tell us about what that target is but have you at least -- have you set that out--?

John Meyer - ***Acxiom - CEO***

This is what we have done, Todd. Down to the individual account, we have revenue and profit targets that we're measuring those individuals on achieving. Their compensation ties to achieving those and on a quarterly basis, we are measuring their performance, the actual performance against it, and then four -- not four times, it actually would have been one, two, yes, four times a month, we are spending hours going through their outlook to find out where they stand, where they think they have risk, how we can help them be successful, given them being the source of idea, maybe being a source of a kick in the pants to get out there and say, that's not good enough and then on accountability that ties with it so if somebody carries in an outlook that is not representative of where we think the business should go, you can't just throw the problem to us. If the revenue is down what are you going to do about reducing the cost. So I think it's a much tighter mentality around management and accountability than individuals have felt before and we'll continue to refine that as we get the systems and the business processes put in place to manage them.

Todd Van Fleet - ***First Analysis - Analyst***

Okay.

John Meyer - ***Acxiom - CEO***

And John -- by the way John Adams will be a big help in that because that's a full time job for him.

Todd Van Fleet - ***First Analysis - Analyst***

Okay, so essentially you put it to the business owners, or business unit owners, the client relationship owners to kind of come up with a strategy or one or two or three year plan to get to a certain profile on that relationship and then it's been kind of a back and forth or a give and take between senior management and those business unit owners in terms of what that profile is going to look like?

John Meyer - ***Acxiom - CEO***

Yes, and some of it is when you look at -- I look at the business and okay what do we have under contract? Fine. Whatever, say that's a hundred. I look and say what is the market growth rate that you would expect out of that respective industry, what you would expect out of digital or that geographic area or whatever. So their target for next year starts at that 100 plus 5% and that's what the account person has responsibility for. Then put on top of that growth, it comes from the sales organization. New logos, bigger opportunities in the same clients, and so I look on that as tasking it where the whole organization focuses on having that profitable growth and utilizing the capital to make sure that we get the return we need for our shareholders.

Todd Van Fleet - ***First Analysis - Analyst***

Just, is it fair to say this is kind of a new world order for Acxiom relative to the way things had been done previously at least my perception is and I'm wondering about your thoughts on whether the team and the folks that you have in place today, are you optimistic that most all of those folks are going to be able to make that transformation or make that transition or how do you think about that?

John Meyer - ***Acxiom* - *CEO***

Well, it is, you have to remember and put a little history into what this Company has gone through the past couple of years. They have had a lot of external distractions, and that's taken I'd say leadership's eye off the blocking and tackling necessary to run a business. And so the focus on growth, the focus on how you're delivering on it, the focus on how you are managing your account and building your customer relationship just hasn't been as strong as at least it's going to be underneath my watch. And so I look at people and say -- some people are stepping up. I mean the good news is people are looking at this and saying that we've been waiting for this.

Like in any evaluation any leadership position, I think you have to look at people and say, are they going to make it or not? In the first 90 days, we took out a lot of the senior leadership, previous senior leadership of this Company and didn't replace them, so what we took, brought, is the second tier and lifted them up a level, flattened out the organization and said guys, let us help you but you need to step up. You're now in charge, and no more excuses, it's you and we're finding that people are taking that to heart. So I have high aspirations. I'm optimistic. Will everybody make it? No. And we'll make that call when it becomes evident that somebody is not getting there and we can't help them get there.

Todd Van Fleet - ***First Analysis* - *Analyst***

Great. Thanks.

Operator

This does conclude the Q&A session for today's call. We'll turn it back to the speakers for any additional or closing remarks.

John Meyer - ***Acxiom* - *CEO***

Yes, just a couple of things. I want to reemphasize a number of types that I hope to all see you there on the 17th of June. One of the criticisms that I heard from you is that there hasn't been enough transparency in the information that we've put forward and that and my expectation is the 17th will be the start of when we put that transparency on there so that hopefully you see that the good things that Acxiom can bring to the market, we're showing you how we're going to get there and we're showing you the results of that when it occurs. And so I look forward to seeing you on the 17th. We will have most of our senior leadership team there. We'll give most of you an opportunity to hear from us specifically and even ask question and answer down into a level of detail. I can't tell you that I would expect to provide that level of detail on every quarterly call but so I'd say please come to the 17th of June because that's when we're going to show you where we're going and then you'll see the results that come in quarter on quarter. So thank you, for everyone, for taking this time and I appreciate it and thanks for your optimism and your confidence in Acxiom.

Operator

Ladies and gentlemen, this concludes today's teleconference. We appreciate your participation, and you may disconnect at this time.

Disclaimer