SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2005

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ----- to -----

Commission file number 0-13163

Acxiom Corporation
(Exact Name of Registrant as Specified in Its Charter)

DELAWARE (State or Other Jurisdiction of Incorporation or Organization)	71-0581897 (I.R.S. Employer Identification No.)
P.O. Box 8180, 1 Information Way, Little Rock, Arkansas (Address of Principal Executive Offices)	72203 (Zip Code)

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]
Indicate by check mark whether the registrant is an accelerated filer (as defined by Rule 12b-2 of the Act).
Yes [X] No [ ]
The number of shares of Common Stock, $ 0.10 par value per share outstanding as of August 2, 2005 was 87,883,601.

ACXIOM CORPORATION AND SUBSIDIARIES
INDEX
REPORT ON FORM 10-Q
June 30, 2005

	Page No.
Part I. Financial Information	
Item 1. Financial Statements	
Condensed Consolidated Balance Sheets as of June 30, 2005 and March 31, 2005 (Unaudited)	3
Condensed Consolidated Statements of Earnings for the Three Months ended June 30, 2005 and 2004 (Unaudited)	4
Condensed Consolidated Statement of Stockholders' Equity and Comprehensive Income (Loss) for the Three Months ended June 30, 2005 (Unaudited)	5
Condensed Consolidated Statements of Cash Flows for the Three Months ended June 30, 2005 and 2004 (Unaudited)	6 - 7
Notes to the Condensed Consolidated Financial Statements (Unaudited)	
1. Basis of presentation and summary of significant accounting principles	8
2. Earnings per share and stockholders' equity	8 - 10
3. Acquisitions and investments	10 - 11
4. Other current and noncurrent assets	11 - 12
5. Goodwill	12
6. Long-term obligations	13
7. Allowance for doubtful accounts	13
8. Segment information	13 - 14
9. Commitments and contingencies	14 - 15
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	16 - 27
Item 3. Quantitative and Qualitative Disclosures about Market Risk	28
Item 4. Controls and Procedures	28
Part II. Other Information	
Item 1. Legal Proceedings	29
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	29
Item 6. Exhibits	29
Signature	30

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

ACXIOM CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in thousands)

	June 30, 2005	March 31, 2005
ASSETS		
Current assets:		
Cash and cash equivalents	$ 10,889	$ 4,185
Trade accounts receivable, net	236,333	250,653
Deferred income taxes	31,502	31,415
Refundable income taxes	1,165	1,345
Other current assets	48,658	46,034
Total current assets	328,547	333,632
Property and equipment, net of accumulated depreciation and amortization	625,650	581,918
Less - accumulated depreciation and amortization	283,941	258,532
Property and equipment, net	341,709	323,386
Software, net of accumulated amortization	65,988	57,135
Goodwill	446,327	354,182
Purchased software licenses, net of accumulated amortization	158,030	157,999
Unbilled and notes receivable, excluding current portions	21,395	20,410
Deferred costs, net of accumulated amortization	93,299	88,851

Data acquisition costs, net of accumulated amortization	44,840	48,915
Other assets, net	25,620	15,369
	$ 1,525,755	$ 1,399,879

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Current installments of long-term obligations	$ 76,706	$ 83,005
Trade accounts payable	63,624	63,295
Accrued expenses:		
Payroll	23,635	27,435
Other	87,309	74,635
Deferred revenue	111,049	115,892
Total current liabilities	362,323	364,262
Long-term obligations:		
Long-term debt and capital leases, net of current installments	374,162	104,210
Software and data licenses, net of current installments	33,687	37,494
Total long-term obligations	407,849	141,704
Deferred income taxes	82,716	79,079
Commitments and contingencies (note 9)		
Stockholders' equity:		
Common stock	10,535	10,440
Additional paid-in capital	613,025	588,156
Unearned stock-based compensation	(3,620)	-
Retained earnings	365,763	363,556
Accumulated other comprehensive income	3,706	12,616
Treasury stock, at cost	(316,542)	(159,934)
Total stockholders' equity	672,867	814,834
	$ 1,525,755	$ 1,399,879

See accompanying notes to condensed consolidated financial statements.

ACXIOM CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)
(Dollars in thousands, except per share amounts)

	For the Three Months ended June 30, 2005	2004
Revenue:		
Services	$ 238,499	$ 207,847
Data	71,772	81,147
Total revenue	310,271	288,994
Operating costs and expenses:		
Cost of revenue		
Services	195,969	163,549
Data	48,885	51,819
Total cost of revenue	244,854	215,368
Selling, general and administrative	52,080	48,529
Gains, losses and nonrecurring items, net	(1,637)	(344)
Total operating costs and expenses	295,297	263,553
Income from operations	14,974	25,441
Other income (expense):		
Interest expense	(5,162)	(5,070)
Other, net	891	409
Total other income (expense)	(4,271)	(4,661)
Earnings before income taxes	10,703	20,780
Income taxes	4,064	7,896
Net earnings	$ 6,639	$ 12,884
Earnings per share:		
Basic	$ 0.07	$ 0.15
Diluted	$ 0.07	$ 0.14

See accompanying notes to condensed consolidated financial statements

ACXIOM CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE INCOME (LOSS)
THREE MONTHS ENDED JUNE 30, 2005
(Unaudited)
(Dollars in thousands)

	Common Stock Number of shares	Amount	paid-in capital	Additional Stock-based compensation	Unearned Comprehensive income (loss)	Retained earnings	Accumulated other comprehensive income (loss)	Treasury Stock Number of shares	Amount	sto e
	104,400,161	$ 10,440	$ 588,156	$ -	$ -	$ 363,556	$ 12,616	(9,187,086)	$ (159,934)	$ 8
Employee stock awards, benefit plans and other purposes	952,588	95	13,411	-	-	-	-	-	-	
Acquisition of Digital Impact -issuance of stock options	-	-	11,458	(3,918)	-	-	-	-	-	
Amortization of unearned stock-based compensation	-	-	-	298	-	-	-	-	-	
Acquisition of treasury stock	-	-	-	-	-	-	-	(8,336,510)	(156,608)	(1
Dividends	-	-	-	-	-	(4,432)	-	-	-	
Comprehensive income (loss):										
Foreign currency translation	-	-	-	-	(8,884)	-	(8,884)	-	-	
Unrealized loss on marketable securities, net of tax	-	-	-	-	(26)	-	(26)	-	-	
Net earnings	-	-	-	-	6,639	6,639		-	-	
Total comprehensive income (loss)					$ (2,271)					

Balances at June 30, 2005	105,352,749	$ 10,535	$ 613,025	$ (3,620)		$ 365,763	$ 3,706	(17,523,596)	$ (316,542)	$

See accompanying notes to condensed consolidated financial statements

ACXIOM CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	For the Three Months ended June 30, 2005	2004
Cash flows from operating activities:		
Net earnings	$ 6,639	$ 12,884
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization of long-lived assets	55,534	43,997
Loss on disposal of assets, net	43	-
Deferred income taxes	3,635	8,849
Non-cash stock compensation expense	298	-
Changes in operating assets and liabilities:		
Accounts receivable	17,297	(18,661)
Other assets	(17,945)	(1,012)
Accounts payable and other liabilities	(4,025)	(8,833)
Restructuring costs	-	(2,510)
Net cash provided by operating activities	61,476	34,714
Cash flows from investing activities:		
Payments received from investments	721	284
Capitalized software development costs	(5,673)	(4,107)
Capital expenditures	(2,929)	(1,823)
Deferral of costs and data acquisition costs	(16,192)	(9,610)
Net cash paid in acquisitions	(106,719)	(5,560)
Net cash used in investing activities	(130,792)	(20,816)
Cash flows from financing activities:		
Proceeds from debt	281,706	38,926
Payments of debt	(54,130)	(60,560)
Dividends paid	(4,432)	(3,449)
Sale of common stock	13,527	19,317
Acquisition of treasury stock	(160,354)	(10,971)
Net cash used in financing activities	76,317	(16,737)
Effect of exchange rate changes on cash	(297)	(302)
Net increase (decrease) in cash and cash equivalents	6,704	(3,141)
Cash and cash equivalents at beginning of period	4,185	14,355
Cash and cash equivalents at end of period	$ 10,889	$ 11,214

ACXIOM CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Unaudited)
(Dollars in thousands)

	For the Three Months ended June 30, 2005	2004
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	$ 4,397	$ 3,334
Income taxes	190	100
Payments on capital leases and installment payment arrangements	19,929	13,259
Payments on software and data license liabilities	10,938	11,696
Noncash investing and financing activities:		
Enterprise software licenses acquired under software obligation	2,161	2,685
Acquisition of property and equipment under capital leases and installment payment arrangements	26,458	20,498
Construction of assets under construction loans	3,654	6,788

See accompanying notes to condensed consolidated financial statements.

ACXIOM CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

These condensed consolidated financial statements have been prepared by Acxiom Corporation ("Registrant", "Acxiom" or "the Company"), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC" or "the Commission"). In the opinion of the Registrant's management all adjustments necessary for a fair presentation of the results for the periods included have been made and the disclosures are adequate to make the information presented not misleading. All such adjustments are of a normal recurring nature. Certain note information has been omitted because it has not changed significantly from that reflected in notes 1 through 21 of the Notes to Consolidated Financial Statements filed as part of Item 8 of the Registrant's annual report on Form 10-K for the fiscal year ended March 31, 2005 ("2005 Annual Report"), as filed with the Commission on June 13, 2005. This report and the accompanying condensed consolidated financial statements should be read in connection with the 2005 Annual Report. The financial information contained in this report is not necessarily indicative of the results to be expected for any other period or for the full fiscal year ending March 31, 2006.

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States. Actual results could differ from those estimates. Certain of the accounting policies used in the preparation of these condensed consolidated financial statements are complex and require management to make judgments and/or significant estimates regarding amounts reported or disclosed in these financial statements. Additionally, the application of certain of these accounting policies is governed by complex accounting principles and interpretations thereof. A discussion of the Company's significant accounting principles and the application thereof is included in note 1 and in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, to the Company's 2005 Annual Report.

Certain prior year amounts have been reclassified to conform to the current year presentation. Such reclassifications had no effect on the prior year's net earnings as previously reported.

2. EARNINGS PER SHARE AND STOCKHOLDERS' EQUITY:

Earnings Per Share -

A reconciliation of the numerator and denominator of basic and diluted earnings per share is shown below (in thousands, except per share amounts):

	For the quarter ended June 30, 2005	For the quarter ended June 30, 2004
Basic earnings per share:		
Numerator - net earnings	$ 6,639	$ 12,884
Denominator - weighted-average shares outstanding	91,044	86,084
Basic earnings per share	$ 0.07	$ 0.15
Diluted earnings per share:		
Numerator - net earnings	$ 6,639	$ 12,884
Interest expense on convertible bonds (net of tax benefit)	-	1,017
	6,639	13,901
Denominator:		
Weighted-average shares outstanding	91,044	86,084
Dilutive effect of common stock options and warrants, as computed under the treasury stock method	2,752	3,954
Dilutive effect of convertible debt	-	9,589
	93,796	99,627
Diluted earnings per share	$ 0.07	$ 0.14

At June 30, 2005, the Company had options and warrants outstanding providing for the purchase of approximately 19.4 million shares of common stock including options to purchase approximately 0.7 million shares issued as a result of the acquisition of Digital Impact, Inc. ("Digital"). Options and warrants to purchase shares of common stock that were outstanding during the period reported, but were not included in the computation of diluted earnings per share because the exercise price was greater than the average market price of the common shares are shown below (in thousands, except per share amounts):

	For the quarter ended June 30, 2005	For the quarter ended June 30, 2004
Number of shares outstanding under options and warrants	8,147	4,907
Range of exercise prices	$19.58 - $268.55	$23.63 - $62.06

Stock-Based Compensation -

The Financial Accounting Standards Board recently published Statement of Financial Accounting Standards No. 123 (Revised 2004), Share-Based Payment ("SFAS 123R"). SFAS 123R will require that compensation cost related to stock options be recognized in the financial statements. Currently, the Company accounts for its stock options under the provisions of APB 25, which does not necessarily require the recognition of stock options as a compensation cost in the statement of earnings. Accordingly, no compensation cost has historically been recognized by the Company in the accompanying condensed consolidated statements of earnings for any of the fixed stock options granted. As a result of the acquisition of Digital the Company issued options to Digital associates that are in-the-money, resulting in compensation cost under APB 25. Had compensation cost for all options granted been determined on the basis of the fair value of the awards at the date of grant, consistent with the methodology prescribed by Statement of Financial Accounting Standards ("SFAS") No. 123, as amended, the Company's net earnings would have been reduced to the following unaudited pro forma amounts for the periods presented (in thousands, except per share amounts):

	For the quarter ended June 30, 2005	For the quarter ended June 30, 2004
Net earnings, as reported	$ 6,639	$ 12,884
Plus: stock-based employee compensation expense included in determination of net income, net of income tax benefit	185	-
Less: stock-based employee compensation expense under fair value based method, net of income tax benefit	(490)	(3,461)
Pro forma net earnings	$ 6,334	$ 9,423
Earnings per share:		
Basic - as reported	$ 0.07	$ 0.15
Basic - pro forma	$ 0.07	$ 0.11
Diluted - as reported	$ 0.07	$ 0.14
Diluted - pro forma	$ 0.07	$ 0.11

The per-share weighted-average fair value of stock options granted during the three months ended June 30, 2005 was $3.45 on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions: dividend yield of 1.1%; risk-free interest rate of 3.8%; expected option life of 3 years and expected volatility of 23%.

The decrease in pro forma compensation expense noted above under SFAS No. 123 results from acceleration of vesting in the fiscal year ended March 31, 2005 of all of the Company's then outstanding unvested stock options except for those granted to the outside directors of the Company and except for those held by terminated associates which will be forfeited or cancelled with the passage of time. The decision to accelerate the vesting of these options was made primarily to avoid recognizing compensation expense in future financial statements upon the effectiveness of SFAS 123R which has now been postponed until April 1, 2006. By accelerating the vesting of these options, the Company recognized approximately $3.6

million of compensation expense in the fourth quarter of fiscal 2005. The Company believes that it will thereafter not be required to recognize any significant compensation expense in future periods associated with the affected options. The stock-based employee compensation expense shown in the table above for the current period relates to options issued during the quarter, options held by directors, and options issued to Digital employees.

Stockholders' Equity -

The Company paid dividends on its common stock in the amount of $0.05 and $0.04 per share in the quarters ended June 30, 2005 and June 30, 2004, respectively.

During the quarter ended June 30, 2005, 8.3 million shares were repurchased pursuant to the Company's common stock repurchase program for an aggregate purchase price of $156.6 million. The Company also paid an additional $3.7 million in cash for trades entered into in the prior period which settled in the current quarter. At June 30, 2005, the maximum dollar value of shares that may yet be purchased under the program is $234.8 million.

3. ACQUISITIONS AND INVESTMENTS:

In May 2005, the Company completed the acquisition of Digital Impact, Inc. ("Digital"). Digital is a provider of integrated digital marketing solutions and is based in San Mateo, California. Management believes Digital provides the Company with new digital services capabilities that are complementary to the Company's existing service offerings. The Company paid approximately $106.6 million in cash for Digital, net of cash acquired, and Digital's results of operations are included in the Company's consolidated results beginning May 1, 2005. Digital's total annual revenues are approximately $45 million. The pro forma effect of this acquisition is not material to the Company's consolidated results for any of the periods presented.

The following table shows the allocation of the Digital purchase price to assets acquired and liabilities assumed (dollars in thousands):

	Digital
Assets acquired:	
Cash	$ 27,025
Goodwill	100,450
Other intangible assets	20,800
Other current and noncurrent assets	14,391
Accounts payable, accrued expenses and capital leases assumed	17,101
Net assets acquired	145,565
Less:	
Cash acquired	27,025
Issuance of vested stock options	7,540
Payments to be made for restricted stock	4,392
Net cash paid	$ 106,608

The purchase price allocation for the Digital acquisition is subject to adjustment as the Company makes the final determination of the fair values assigned to assets and liabilities acquired.

As a result of both the Claritas Europe and Consodata acquisitions in fiscal 2004 and 2005, management formulated plans to consolidate certain facilities, eliminate duplicative operations, and terminate or relocate certain associates. The Company recorded aggregate accruals in other accrued liabilities for the estimated costs of the integration process, including lease termination costs and lease fair value adjustments, costs of terminating or relocating associates, and for other contract termination costs. As a result of the Digital acquisition, management is also formulating plans for the integration process and has accrued the estimated costs of associate terminations and lease termination costs and lease fair value adjustments.

3. ACQUISITIONS AND INVESTMENTS (continued):

The table below shows adjustments and payments related to these accruals during the three months ended June 30, 2005. Any future adjustments to these plans may result in future expense or in an increase or decrease to the goodwill recorded for the acquisitions.

	Associate-related reserves	Lease and related reserves	Other contract termination reserves	Total
Balance at March 31, 2005	$ 4,887	$ 9,277	$ 3,913	$ 18,077
Acquisition of Digital	2,639	2,171	-	4,810
Adjustments	-	(584)	(174)	(758)
Payments	(496)	(993)	-	(1,489)
Change in foreign currency translation adjustment	(327)	(651)	(218)	(1,196)
Balance at June 30, 2005	$ 6,703	$ 9,220	$ 3,521	$ 19,444

The associate-related reserves are expected to be paid during the fiscal year ending March 31, 2006. The remaining items will be paid through April 2008.

4. OTHER CURRENT AND NONCURRENT ASSETS:

Unbilled and notes receivable are from the sales of software, data licenses, and equipment and from the sale of divested operations, net of the current portions of such receivables. Other current assets include the current portion of the unbilled and notes receivable of $10.1 million and $11.7 million at June 30, 2005 and March 31, 2005, respectively. Except as disclosed below, there are no allowances recorded against any of the unbilled and notes receivable (dollars in thousands).

	June 30, 2005	March 31, 2005
Notes receivable from DMI, net of future credits of $1.6 million at June 30, 2005 and $1.7 million at March 31, 2005	$ 6,461	$ 6,497
Notes receivable from other divestitures, net of allowance for uncollectible note of $0.9 million at both June 30, 2005 and March 31, 2005	3,235	3,446
Notes receivable from divestitures	9,696	9,943
Less current portion	2,441	2,545
Long-term portion	7,255	7,398
Unbilled and notes receivable arising from operations	21,768	22,128
Less current portion	7,628	9,116
Long-term portion	14,140	13,012
Unbilled and notes receivable, excluding current portions	$ 21,395	$ 20,410

The remainder of other current assets consists of prepaid expenses, non-trade receivables and other miscellaneous assets.

	June 30, 2005	March 31, 2005
Current portion of unbilled and notes receivable	$ 10,069	$ 11,661
Prepaid expenses	18,344	15,582
Non-trade receivables	6,112	5,598
Other miscellaneous assets	14,133	13,193
Other current assets	$ 48,658	$ 46,034

4. OTHER CURRENT AND NONCURRENT ASSETS (continued):

Other noncurrent assets consist of the following (dollars in thousands):

	June 30, 2005	March 31, 2005
Investments in marketable and nonmarketable securities	$ 7,348	$ 7,655

Acquired intangible assets, net	14,886	5,342
Other miscellaneous noncurrent assets	3,386	2,372
Other assets	$ 25,620	$ 15,369

The acquired intangible assets noted above include customer relationship intangibles acquired through purchase acquisitions, net of accumulated amortization.

5. GOODWILL:

Goodwill represents the excess of acquisition costs over the fair values of net assets acquired in business combinations. Goodwill is reviewed at least annually for impairment under a two-part test. Impairment exists to the extent that the reporting unit's recorded goodwill exceeds the residual fair value assigned to such goodwill. Any impairment that results from the completion of the two-part test is recorded as a charge to operations during the period in which the impairment test is completed. Completion of the Company's most recent annual impairment test during the quarter ended June 30, 2005 indicated that no potential impairment of its goodwill balances exists.

The carrying amount of goodwill, by business segment, for the three months ended June 30, 2005 is presented in the following table. As discussed in note 8 to the condensed consolidated financial statements, the previously reported IT Management segment has been consolidated with the US Services and Data segment as a result of a change in the Company's business segments in the quarter ended June 30, 2005.

(dollars in thousands)	US Services and Data	International Services and Data	Total
Balance at March 31, 2005	$ 217,730	$ 136,452	$ 354,182
Acquisition of Digital	100,450	-	100,450
Purchase adjustments	91	(1,042)	(951)
Change in foreign currency translation adjustment	-	(7,354)	(7,354)
Balance at June 30, 2005	$ 318,271	$ 128,056	$ 446,327

6. LONG-TERM OBLIGATIONS:

Long-term obligations consist of the following (dollars in thousands):

	June 30, 2005	March 31, 2005
Revolving credit agreement	$ 270,721	$ 10,921
Capital leases and installment payment obligations on land, buildings and equipment payable in monthly payments of principal plus interest at rates ranging from approximately 3% to 8%; remaining terms up to fifteen years	115,785	109,222
Warrants	1,655	1,612
Other debt and long-term liabilities	41,524	39,307
Total long-term debt and capital leases	429,685	161,062
Less current installments	55,523	56,852
Long-term debt, excluding current installments	$ 374,162	$ 104,210
Software license liabilities payable over terms up to seven years; effective interest rates ranging from approximately 4% to 8%	$ 54,870	$ 57,178
Long-term data license agreement with related party, due over two years; interest at 6%	-	6,469
Total license liabilities	54,870	63,647
Less current installments	21,183	26,153
License liabilities, excluding current installments	$ 33,687	$ 37,494

The Company maintains a revolving credit facility that provides for aggregate borrowings and letters of credit of up to $400 million through March 31, 2010. Borrowings under the revolving credit facility of $270.7 million at June 30, 2005 and $10.9 million at March 31, 2005 bear interest at LIBOR plus 1.0% or at an alternative base rate or at the federal funds rate plus 2.0%, depending upon the type of borrowing, and are secured by accounts receivable. The weighted average interest rate on the revolving credit facility were 4.25% at June 30, 2005 and 4.87% at March 31, 2005. Outstanding letters of credit at June 30, 2005 and March 31, 2005 were $3.9 and $3.7 million, respectively.

Under the terms of certain of the above borrowings, the Company is required to maintain certain tangible net worth levels, debt-to-cash flow and debt service coverage ratios, among other restrictions. At June 30, 2005, the Company was in compliance with these covenants and restrictions. Accordingly, the Company has classified all portions of its debt obligations due after June 30, 2006 as long-term in the accompanying condensed consolidated financial statements.

7. ALLOWANCE FOR DOUBTFUL ACCOUNTS:

Trade accounts receivable are presented net of allowances for doubtful accounts, returns, and credits of $7.2 million and $7.6 million at June 30, 2005 and March 31, 2005, respectively.

8. SEGMENT INFORMATION:

The Company reports segment information consistent with the way management internally disaggregates its operations to assess performance and to allocate resources. In the quarter ended June 30, 2005 to better reflect the way management operates and reviews the business, the Company changed its business segments to consist of US Services and Data and International Services and Data. The previously reported IT Management segment has been consolidated with the US Services and Data segment. Both US and International segments include consulting, database and data warehousing, list processing services, the Company's data content and software products. US Services and Data now also includes information technology outsourcing and facilities management for data center management, network management, client/server management and other complementary IT services. The Company evaluates performance of the segments based on segment operating income, which excludes certain gains, losses and nonrecurring items.

8. SEGMENT INFORMATION (continued):

The following tables present information by business segment (dollars in thousands):

	For the quarter ended June 30,	
	2005	2004
Revenue:		
US Services and Data	$ 265,434	$ 235,552
International Services and Data	44,837	53,442
Total revenue	$ 310,271	$ 288,994
Income (loss) from operations:		
US Services and Data	$ 14,717	$ 22,290
International Services and Data	(1,380)	2,807
Corporate and other	1,637	344

Income (loss) from operations	$ 14,974	$ 25,441

9. COMMITMENTS AND CONTINGENCIES:

On June 3, 2005, ValueAct Capital sent Charles Morgan, in his capacity as CEO and chairman of the board, a letter which indicated ValueAct was prepared to offer $23 per share for the 89% of outstanding shares of Acxiom stock that ValueAct did not already own.

On June 23, 2005, a class action lawsuit was filed against the board of directors alleging breach of fiduciary duty. Among other things, the putative class action plaintiff alleges that the board members are not independent from Charles Morgan. Based on this purported lack of independence, the lawsuit alleges that the board did not use good faith in considering the June 3, 2005 letter from ValueAct.

The lawsuit, Indiana State District Council of Laborers and HOD Carriers Pension Fund v. Morgan, et al., CV05-8498, is pending in Pulaski County, Arkansas Circuit Court. In addition to seeking class action status, the plaintiffs are also seeking an order requiring the defendants to properly consider the ValueAct transaction or any other transaction in the best interests of Acxiom shareholders and to rescind any measures that would prevent ValueAct from negotiating for the purchase of the Company. The suit is in its early stages and the defendants have not yet responded to the complaint. However, they intend to vigorously contest the suit. The Company does not believe the ultimate outcome of the lawsuit will have a material impact on the Company or its operations or financial position.

On July 12, 2005, ValueAct sent a letter to the Acxiom board of directors outlining a proposal to negotiate an acquisition of the Company. Based on the board's evaluation of the proposal, and with assistance from its legal and financial advisors, the board unanimously determined that pursuing ValueAct's proposal was not in the best interests of the Company or its shareholders.

The Company leases data processing equipment, software, office furniture and equipment, land and office space under noncancellable operating leases. Additionally, the Company has entered into synthetic operating leases for computer equipment, furniture and aircraft ("Leased Assets"). These synthetic operating lease facilities are accounted for as operating leases under generally accepted accounting principles and are treated as capital leases for income tax reporting purposes. Initial lease terms under the synthetic computer equipment and furniture facility range from two to six years, with the Company having the option at expiration of the initial lease to return the equipment, purchase the equipment at a fixed price, or extend the term of the lease. The lease term of one aircraft expires in January 2011, with the Company having the option to purchase the aircraft, renew the lease for an additional twelve months, or return the aircraft to the lessor. In December 2003 the Company entered into a lease for an additional aircraft which would have expired in November 2013. During the quarter ended June 30, 2005, the Company terminated the lease for the second aircraft and the lessor sold the aircraft. Under the terms of the lease the Company was entitled to the proceeds of the airplane sale, net of the payoff value of the lease. As a result of this lease termination the Company received net proceeds of $1.6 million which is included in gains, losses and nonrecurring items.

9. COMMITMENTS AND CONTINGENCIES (continued):

Since the inception of the facility, the total amount drawn under these synthetic operating lease facilities was $214.5 million and the Company has a future commitment for lease payments of $8.4 million over the next ten years. In the event the Company elects to return the Leased Assets, the Company has guaranteed a portion of the residual value to the lessors. Assuming the Company elects to return the Leased Assets to the lessors at its earliest opportunity under the synthetic lease arrangements and assuming the Leased Assets have no significant residual value to the lessors, the maximum potential amount of future payments the Company could be required to make under these residual value guarantees was $3.8 million at June 30, 2005.

The Company also has an aircraft leased from a business controlled by an officer and director of the Company. Should the Company elect early termination rights under the lease or not extend the lease beyond the initial term and the lessor sells the aircraft, the Company has guaranteed a residual value of 70% of the then outstanding indebtedness of the lessor, or $3.3 million at June 30, 2005.

In connection with certain of the Company's facilities, the Company has entered into 50/50 joint ventures with local real estate developers. In each case, the Company is guaranteeing portions of the loans for the buildings. In addition, in connection with the disposal of certain assets, the Company has guaranteed loans for the buyers of the assets. These guarantees were made by the Company primarily to facilitate favorable financing terms for those third parties. Should the third parties default on this indebtedness, the Company would be required to perform under its guarantee. Substantially all of the third-party indebtedness is collateralized by various pieces of real property. At June 30, 2005 the Company's maximum potential future payments under all of these guarantees of third-party indebtedness were $5.4 million.

The Company is involved in various claims and legal actions in the ordinary course of business. In the opinion of management, the ultimate disposition of all of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction and Overview

Acxiom Corporation ("Acxiom" or "the Company") integrates data, services and technology to create and deliver customer and information management solutions for many of the largest and most respected companies in the world. The core components of Acxiom's innovative solutions are customer data integration ("CDI") technology and services, data, database services, information technology ("IT") outsourcing, consulting and analytics, and privacy leadership. Founded in 1969, Acxiom is headquartered in Little Rock, Arkansas, with locations throughout the United States ("US") and Europe, and in Australia and China.

The Company is aligned into two operating segments: US Services and Data and International Services and Data (see note 8 to the condensed consolidated financial statements). Both operating segments provide data and database services, data integration, consulting and analytic services, data content and software, and customer marketing services to large corporations in a number of vertical industries. The US Services and Data segment also includes information technology outsourcing and facilities management for data center management, network management, client/server management and other complementary IT services.

Highlights of the most recently completed fiscal quarter are identified below.

- Revenue of $310.3 million was up 7 percent from $289.0 million in the first quarter a year ago. US revenue grew 13 percent while International revenue was 16 percent below the same quarter a year ago. Acquisitions contributed 5% of the US revenue growth.
- The Company's diluted earnings per share for the quarter of $0.07 was down 50 percent from $0.14 per share the year before.
- The Company reported operating cash flow of $61.5 million and free cash flow (as defined under "Capital Resources and Liquidity" below) of $36.7 million for the quarter ended June 30, 2005.
- During the first quarter of fiscal 2006 the Company repurchased approximately 8.3 million shares of its common stock for approximately $156.6 million;
- New contracts are expected to deliver $15 million in annual revenue and renewals are expected to deliver a total of $39 million in annual revenue.
- In May 2005, the Company completed the acquisition of Digital Impact, Inc., a provider of integrated digital marketing solutions based in San Mateo, California.
- During the quarter Digital Impact and SmartDM, acquired in January, 2005, were integrated into a new Integrated Marketing Services Organization focused on digital marketing services.

The highlights above are intended to identify to the reader some of the more significant events and transactions of the Company during the quarter ended June 30, 2005. However, these highlights are not intended to be a full discussion of the Company's results for the quarter. These highlights should be read in conjunction with the following discussion of Results of Operations and Capital Resources and Liquidity and with the Company's condensed consolidated financial statements and footnotes accompanying this report.

Results of Operations

A summary of selected financial information for each of the periods reported is presented below (dollars in millions, except per share amounts):

	For the quarter ended June 30,		
	2005	2004	% Change

Revenue			
Services	$ 238.5	$ 207.9	14.7%
Data	71.8	81.1	(11.6)
	$ 310.3	$ 289.0	7.4
Total operating costs and expenses	295.3	263.6	12.0
Income from operations	15.0	25.4	(41.1)
Diluted earnings per share	0.07	0.14	(50.0)

Revenues
For the quarter ended June 30, 2005, the Company's revenue was $310.3 million, compared to revenue of $289.0 million in fiscal 2004, reflecting an increase of $21.3 million. Services revenue increased $30.7 million, or 14.7%, while data revenue decreased $9.4 million, or 11.6%. The increase in services revenue is primarily attributable to increases in revenue of $3.9 million from clients in the retail, media and publishing, telecommunications and background screening industries, and an increase of $23.5 million in IT Management revenue. Revenue from Digital Impact, Inc., which was acquired during the quarter, was $7.8 million. All other services revenue combined resulted in a net $4.5 million decrease. The decrease in data revenue is primarily attributable to a decrease in International data revenue of $7.5 million, and to a decrease in real estate property data revenue of $2.0 million. Additionally, other data that Acxiom re-sells was down slightly, while revenue from Acxiom's InfoBase suite of products was up slightly.

In the quarter ended June 30, 2005 the Company changed its business segments to consist of US Services and Data and International Services and Data. Both segments include consulting, database and data warehousing, list processing services, the Company's data content and software products. The US Services and Data segment also includes information technology outsourcing and facilities management for data center management, network management, client/server management and other complementary IT services. The new segments reflect how the Company is organized internally for management purposes.

The previously reported IT Management segment has been consolidated with the US Services and Data segment in the following table which shows the Company's revenue by business segment for each of the quarters ended June 30, 2005 and 2004 (dollars in millions):

	For the quarter ended June 30,		
	2005	2004	% Change
US Services and Data	$ 265.4	$ 235.6	12.7%
International Services and Data	44.9	53.4	(16.1)
	$ 310.3	$ 289.0	7.4%

US Services and Data segment revenue for the quarter ended June 30, 2005 increased $29.8 million over fiscal 2005 and reflects increases of $5.1 million from clients in the retail, media and publishing, telecommunications and background screening industries, and an increase of $23.5 million in IT Management revenue. Revenue from Digital Impact, Inc., which was acquired during the quarter, was $7.8 million. All other revenue combined resulted in a net $6.6 million decrease.

International Services and Data segment revenue for the quarter ended June 30, 2005 decreased $8.6 million from fiscal 2005. The decrease is primarily attributable to a decrease in data sales to existing clients.

Operating Costs and Expenses
The following table presents the Company's operating costs and expenses for each of the periods reported (dollars in millions):

	For the quarter ended June 30,		
	2005	2004	% Change
Cost of revenue			
Services	$ 196.0	$ 163.6	19.8%
Data	48.9	51.8	(5.7)
Total cost of revenue	244.9	215.4	13.7
Selling, general and administrative	52.0	48.5	7.3
Gains, losses and nonrecurring items, net	(1.6)	(0.3)	375.9
Total operating costs and expenses	$ 295.3	$ 263.6	12.0%

The following table presents the Company's operating costs and expenses in functional categories for each of the periods reported (dollars in millions):

	For the quarter ended June 30,		
	2005	2004	% Change
Salaries and benefits	$ 123.3	$ 104.8	17.7%
Computer, communications and other equipment	77.7	68.9	12.6
Data costs	41.8	41.0	2.0
Other operating costs and expenses	54.1	49.2	10.0
Gains, losses and nonrecurring items, net	(1.6)	(0.3)	375.9
Total operating costs and expenses	$ 295.3	$ 263.6	12.0%

The cost of services for the quarter ended June 30, 2005 of $196.0 million increased $32.4 million or 19.8% over the quarter ended June 30, 2004. Cost of services as a percent of services revenue was 82.2% in the quarter ended June 30, 2005 compared to 78.7% in the quarter ended June 30, 2004. Cost of services was up related to the increase in IT Management revenue and to other new contracts in the US Services and Data Segment. Additionally, cost of services was up by $5.0 million due to the acquisition of Digital Impact, and up by $4.2 million as a result of a major client installation that has required additional resources.

Cost of data includes acquired data, data royalties, compilation costs and the costs of building the Company's various data products. The cost of data for the quarter ended June 30, 2005 of $48.9 million decreased $2.9 million or 5.7% from the quarter ended June 30, 2004. The decrease is primarily attributable to a decrease in International data expense which is down due to a reduction in variable and royalty expenses.

Selling, general and administrative expenses for the quarter ended June 30, 2005 of $52.0 million increased $3.6 million or 7.3% from the quarter ended June 30, 2004. Selling, general and administrative expense as a percent of total revenue was 16.8% in both quarters ending June 30, 2005 and 2004. The increase for the quarter ended June 30, 2005 was primarily attributable to the acquisition of Digital Impact, which accounted for $3.0 million of the increase.

Gains, losses and nonrecurring items for each of the periods presented are as follows (in millions):

	For the quarter ended June 30,	
	2005	2004
Loss on divestitures	$ -	$ 0.1
Gain on leased airplane disposal	(1.6)	-
Restructuring plan charges and adjustments	-	0.5
Montgomery Ward bankruptcy recoveries	-	(0.9)
Gains, losses and nonrecurring items, net	$ (1.6)	$ (0.3)

During the quarter ended June 30, 2005, the Company terminated the lease on an airplane which was then sold by the lessor. Under the terms of the lease, the Company was entitled to the proceeds of the airplane sale, net of the payoff value of the lease. As a result of this lease termination, the Company received net proceeds of $1.6 million.

Gross Profit

	For the quarter ended June 30,		
	2005	2004	% Change
Services			
Revenue	$ 238.5	$ 207.8	14.7%
Cost of revenue	196.0	163.5	19.8
Gross profit	$ 42.5	$ 44.3	(4.0)%
Gross profit % of services revenue	17.8%	21.3%	
Data			
Revenue	$ 71.8	$ 81.1	(11.6)%
Cost of revenue	48.9	51.8	(5.7)
Gross profit	$ 22.9	$ 29.3	(22.0)%
Gross profit % of data revenue	31.9%	36.1%	
Consolidated			
Revenue	$ 310.3	$ 289.0	7.4%
Cost of revenue	244.9	215.4	13.7
Gross profit	$ 65.4	$ 73.6	(11.1)%
Gross profit % of consolidated revenue	21.1%	25.5%	

Gross profit margins for services were 17.8% in the quarter ended June 30, 2005 which compares with 21.3% in the quarter ended June 30, 2004. The decrease in gross profit margin is primarily due to increased expenses of $4.2 million related to a major client installation as noted above, and lower margins on new services arrangements recorded during the quarter.

The gross profit margins for data were 31.9% in the quarter ended June 30, 2005 which compares to 36.1% for the quarter ended June 30, 2004. Gross profit margins for 2005 decreased due to the decreases in International data revenue and real estate property data revenue, which were not fully offset by a decrease in the corresponding expenses.

The consolidated gross profit margins for the quarter ended June 30, 2005 were 21.1% which compares to 25.5% for the first quarter ended June 30, 2004.

Operating Margins

Operating margin for the quarter ended June 30, 2005 was 4.8% compared to 8.8% in the quarter ended June 30, 2004.

Other Income (Expense), Income Taxes and Other Items

Interest expense of $5.2 million in the quarter ended June 30, 2005 increased 1.8% over the quarter ended June 30, 2004. The Company's weighted-average interest rate on long-term debt was 4.9% at June 30, 2005 and 4.6% at June 30, 2004.

Other, net increased $0.5 million in the quarter ended June 30, 2005 compared to the same quarter in the prior year, primarily due to a $0.4 million gain on an equity distribution from a joint venture investment. Other, net in both periods includes $0.4 million of interest income on notes receivable.

The effective tax rate for the quarter ended June 30, 2005 was 38%. Management expects the effective tax rate for the year ended March 31, 2006 to also be approximately 38%.

The Company is regularly audited by federal and state tax authorities, which, from time to time, results in proposed assessments and/or adjustments to certain of the Company's tax positions. As a result of certain tax deductions and exclusions taken by the Company in recent years for which no specific or clear guidance is included in the Internal Revenue Code and the possibility that the Company's position with respect to these deductions and/or exclusions could be challenged and disallowed by tax authorities, the Company has established a tax liability to cover its potential exposure.

Capital Resources and Liquidity

Working Capital and Cash Flow

Working capital at June 30, 2005 totaled a negative $33.8 million compared to a negative $30.6 million at March 31, 2005. Total current assets decreased $5.1 million, including a $14.3 million decrease in accounts receivable, and current liabilities decreased $1.9 million. Cash provided by operating activities was $61.5 million in the first quarter of fiscal 2006 as compared to $34.7 million in the first quarter of fiscal 2005. Depreciation and amortization increased by $11.5 million in the quarter ended June 30, 2005 and the impact of changes in operating assets and liabilities was a negative $4.7 million for the quarter ended June 30, 2005, which was an improvement of $26.3 million compared to the prior year, primarily due to changes in accounts receivable.

Accounts receivable days sales outstanding ("DSO") was 69 days at June 30, 2005 and 70 days at March 31, 2005, and is calculated as follows (dollars in thousands):

	June 30, 2005	March 31, 2005
Numerator - trade accounts receivable, net	$ 236,333	$ 250,653
Denominator:		
Quarter revenue	310,271	322,534
Number of days in quarter	91	90
Average daily revenue	$ 3,410	$ 3,584
Days sales outstanding	69	70

Investing activities used $130.8 million in the quarter ended June 30, 2005 compared to $20.8 million in the same quarter in the prior year. Investing activities in the current quarter included capitalized software development costs of $5.7 million as compared to $4.1 million in the prior period. Capital expenditures were $2.9 million in the current quarter compared to $1.8 million in the prior period. Deferral of costs and data acquisition costs were $16.2 million in the current quarter compared to $9.6 million in the prior year. Deferral of costs, which include both salaries and benefits and other direct and incremental third party costs incurred in connection with setup activities on client contracts, as well as deferred costs related to data, increased $6.6 million primarily due to increases in deferred contract costs.

Investing activities also includes net cash paid for acquisitions of $106.7 million in the quarter ended June 30, 2005. Of this amount, $106.6 million relates to the acquisition of Digital Impact, Inc. ("Digital") (see note 3 to the condensed consolidated financial statements) and the rest reflects fees paid on investments made in prior periods. Cash paid in acquisitions for the quarter ended June 30, 2004 reflects the April 2004 acquisition of the Consodata German operations.

With respect to certain of its investments in joint ventures and other companies, the Company has provided cash advances to fund losses and cash flow deficits. Although the Company has no commitment to continue to do so, it expects to continue funding such losses and deficits until such time as these investments become profitable. The Company may, at its discretion, discontinue providing financing to these investments during future periods. In the event that it ceases to provide funding and these investments have not achieved profitable operations, the Company may be required to record an impairment charge up to the amount of the carrying value of these investments ($7.2 million at June 30, 2005).

The Company generated free cash flows of $36.7 million in the quarter ended June 30, 2005 and $19.2 million in the quarter ended June 30, 2004, as shown below (in thousands):

For the quarter ended June 30,

	2005	2004
Operating cash flow	$ 61,476	$ 34,714
Capitalized software development costs	(5,673)	(4,107)
Capital expenditures	(2,929)	(1,823)
Deferral of costs and data acquisition costs	(16,192)	(9,610)
Free cash flow	$ 36,682	$ 19,174

Free cash flow is not a generally accepted accounting principle ("GAAP") financial measure. A "non-GAAP financial measure" is defined as a numerical measure of the Company's financial performance, financial position or cash flow 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 condensed consolidated financial statements. The Company defines free cash flow as cash provided by operating activities less cash used by investing activities excluding the impact of investments in joint ventures and other business alliances and cash paid and/or received in acquisitions and dispositions. Free cash flow, as defined by the Company, may not be comparable to similarly titled measures reported by other companies. Management of the Company has included free cash flow in this filing because although free cash flow does not represent the amount of money available for the Company's discretionary spending since certain obligations of the Company must be funded out of free cash flow, particularly payments on capital leases and other scheduled debt payments, management believes that it provides investors with a useful alternative measure of liquidity by allowing an assessment of the amount of cash available for general corporate and strategic purposes, including debt payments, after funding operating activities and capital expenditures, capitalized software expenses and deferred costs and data acquisition. The above table reconciles free cash flow to cash provided by operating activities, the nearest comparable GAAP measure.

The Company has federal, state and foreign loss carryforwards and credits from past operations. Additional loss carryforwards and credits are available to the Company as the result of acquisitions, although their utilization is limited annually under US tax law. As a result of the carryforwards, the Company did not pay any significant federal, state or foreign income taxes in either of the periods reported. The Company expects that the federal net operating loss carryforwards will be fully utilized and the Company will begin paying federal income taxes during fiscal 2006.

On November 14, 2002, the Company announced a common stock repurchase program. From that date until June 30, 2005, the Company has repurchased 17.4 million shares of its common stock for an aggregate purchase price of $315.2 million under this repurchase program. During the quarter ended June 30, 2005, 8.3 million shares were repurchased for an aggregate purchase price of $156.6 million. The Company also paid an additional $3.7 million in cash for trades entered into in the prior period which settled in the current quarter.

Financing activities in the quarter ended June 30, 2005 generated $76.3 million as compared to $16.7 million used in the quarter ended June 30, 2004. During the quarter ended June 30, 2005, proceeds from the sale of common stock through stock options and the employee stock purchase plan of $13.5 million and from debt financings of $281.7 million were offset by $54.1 million in repayments of debt, $4.4 million in cash dividends and $160.4 million in stock repurchases as discussed above.

The Company also incurred long-term obligations through non-cash investing and financing activities during the quarter ended June 30, 2005 of $26.5 million for the acquisition of property and equipment under capital leases, $3.7 million for construction of assets and $2.2 million for software licenses acquired under software obligations.

The Company intends to use its future free cash flow to repay debt, to buy back shares of its common stock (when accretive to earnings per share), for possible future acquisitions, for payments of dividends which may declared by the board at its discretion, and for other general business purposes.

Credit and Debt Facilities

The Company had available credit lines of $400 million of which $270.7 million was outstanding at June 30, 2005, compared to $10.9 million outstanding at March 31, 2005. The Company's debt-to-capital ratio, as calculated below, was 38% at June 30, 2005 compared to 15% at March 31, 2005 (dollars in thousands).

	June 30, 2005	March 31, 2005
Numerator - long-term obligations, net of current installments	$ 407,849	$ 141,704
Denominator:		
Long-term obligations, net of current installments	407,849	141,704
Stockholders' equity	672,867	814,834
	$ 1,080,716	$ 956,538
Debt-to-capital ratio	38%	15%

The foregoing calculation of the debt-to-capital ratio excludes current maturities of long-term obligations in the amounts of $76.7 million and $83.0 million at June 30, 2005 and March 31, 2005, respectively. The increase in the ratio is largely due to the Company's use of debt in the current quarter to acquire treasury stock and to finance the acquisition of Digital.

Off-Balance Sheet Items and Commitments

The Company has entered into synthetic operating lease facilities for computer equipment, furniture and aircraft ("Leased Assets"). These synthetic operating lease facilities are accounted for as operating leases under GAAP and are treated as capital leases for income tax reporting purposes. Lease terms under the computer equipment and furniture facility range from two to six years, with the Company having the option at expiration of the initial term to return, or purchase at a fixed price, or extend or renew the term of the leased equipment. The synthetic lease term for one aircraft expires in January 2011, with the Company having the option at expiration to either purchase the aircraft at a fixed price, enter into a lease for an additional twelve-month period (with a nominal purchase price paid at the expiration of the renewal period), or return the aircraft in the condition and manner required by the lease. In the event the Company elects to return the Leased Assets, the Company has guaranteed a portion of the residual value to the lessors. Assuming the Company elects to return the Leased Assets to the lessors at its earliest opportunity under the synthetic lease arrangements and assuming the Leased Assets have no significant residual value to the lessors, the maximum potential amount of future payments the Company could be required to make under these residual value guarantees was $3.8 million at June 30, 2005. Since the inception of the facility, the total amount drawn under these synthetic operating lease facilities was $214.5 million, and as of June 30, 2005 the Company has a future commitment for lease payments of $8.4 million over the next ten years.

During the quarter ended June 30, 2005, the Company terminated the lease for a second aircraft which was then sold by the lessor. Under the terms of the lease, the Company was entitled to the proceeds of the airplane sale, net of the payoff value of the lease. As a result of this lease termination, the Company received net proceeds of $1.6 million which is included in gains, losses and non-recurring items.

The Company has begun construction on an additional 30,000 square foot data center in Little Rock, Arkansas and it is expected to be completed in fiscal 2006. Total construction cost of this facility is expected to be approximately $18 million. In connection with certain of the Company's other buildings and facilities, the Company has entered into 50/50 joint ventures with local real estate developers. In each case, the Company is guaranteeing portions of the loans for the buildings. In addition, in connection with the disposal of certain assets, the Company has guaranteed loans for the buyers of the assets. Substantially all of the third party indebtedness for which the Company has provided guarantees is collateralized by various pieces of real property. The aggregate amount of the guarantees at March 31, 2005 was $5.4 million.

Outstanding letters of credit, which reduce the borrowing capacity under the Company's revolving credit facility, were $3.9 million at June 30, 2005 and $3.7 million at March 31, 2005.

Contractual Commitments

The following table presents Acxiom's contractual cash obligations and purchase commitments at June 30, 2005 (dollars in thousands). The column for 2006 represents the nine months ending March 31, 2006. all other columns represent fiscal years ending March 31.

	For the years ending March 31						
	2006	2007	2008	2009	2010	Thereafter	Total
Capital lease and installment payment obligations	$ 38,965	$ 36,454	$ 22,843	$ 4,308	$ 1,129	$ 12,086	$ 115,785
Software and data license							

liabilities	15,508	17,918	14,511	6,933	-	-	54,870
Warrant liability	-	-	-	-	-	1,655	1,655
Other long-term debt	6,533	3,511	2,807	12,382	271,634	15,378	312,245
Total long-term obligations	61,006	57,883	40,161	23,623	272,763	29,119	484,555
Synthetic aircraft leases	698	931	931	931	931	698	5,120
Synthetic equipment and furniture leases	1,904	964	402	-	-	-	3,270
Total synthetic operating leases	2,602	1,895	1,333	931	931	698	8,390
Equipment operating leases	10,239	7,553	2,233	107	6	-	20,138
Building operating leases	14,848	18,813	14,229	13,436	10,530	59,203	131,059
Partnerships building leases	1,593	2,134	2,144	2,155	46	-	8,072
Related party aircraft lease	677	376	-	-	-	-	1,053
Total operating lease payments	29,959	30,771	19,939	16,629	11,513	59,901	168,712
Operating software license obligations	2,826	3,564	3,518	3,518	3,517	-	16,943
Total operating lease and software license obligations	32,785	34,335	23,457	20,147	15,030	59,901	185,655
Total contractual cash obligations	$ 93,791	$ 92,218	$ 63,618	$ 43,770	$ 287,793	$ 89,020	$ 670,210

	For the years ending March 31						
	2006	2007	2008	2009	2010	Thereafter	Total
Purchase commitments on synthetic aircraft leases	$ -	$ -	$ -	$ -	$ -	$ 4,398	$ 4,398
Purchase commitments on synthetic equipment and furniture leases	2,154	464	1,862	-	-	-	4,480
Other purchase commitments	57,989	23,836	18,302	5,546	5,546	4,160	115,379
Total purchase commitments	$ 60,143	$ 24,300	$ 20,164	$ 5,546	$ 5,546	$ 8,558	$ 124,257

The related party aircraft lease relates to an aircraft leased from a business owned by an officer and director. The Company has also agreed to pay the difference, if any, between the sales price of the aircraft and 70% of the related loan balance (approximately $3.3 million at June 30, 2005) should the Company elect to exercise its early termination rights or not extend the lease beyond its initial term and the lessor sells the equipment as a result.

The purchase commitments on the synthetic equipment, furniture and aircraft leases assume the leases terminate and are not renewed, and the Company elects to purchase the assets. The other purchase commitments include contractual commitments for the purchase of data and open purchase orders for equipment, paper, office supplies, construction of buildings and other items. Other purchase commitments in some cases will be satisfied by entering into future operating leases, capital leases, or other financing arrangements, rather than payment of cash.

The following table shows contingencies or guarantees under which the Company could be required, in certain circumstances, to make cash payments as of June 30, 2005 (dollars in thousands):

Residual value guarantee on the synthetic computer equipment and furniture lease	$ 1,180
Residual value guarantee on synthetic aircraft lease	2,639
Residual value guarantee on related party aircraft lease	3,325
Guarantees on certain partnership and other loans	5,365
Outstanding letters of credit	3,869

The total of loans "on certain partnerships and other loans," of which the Company guarantees the portion noted in the above table, are $13.2 million.

While the Company does not have any other material contractual commitments for capital expenditures, certain levels of investments in facilities and computer equipment continue to be necessary to support the growth of the business. It is the Company's current intention generally to lease any new required equipment to better match cash outflows with customer inflows. In some cases, the Company also sells software and hardware to clients. In addition, new outsourcing or facilities management contracts frequently require substantial up-front capital expenditures to acquire or replace existing assets. Management believes that the Company's existing available debt and cash flow from operations will be sufficient to meet the Company's working capital and capital expenditure requirements for the foreseeable future. The Company also evaluates acquisitions from time to time, which may require up-front payments of cash. Depending on the size of the acquisition it may be necessary to raise additional capital. If additional capital becomes necessary as a result of any material variance of operating results from projections or from potential future acquisitions, the Company would first use available borrowing capacity under its revolving credit agreement, followed by the issuance of debt or equity securities. However, no assurance can be given that the Company would be able to obtain funding through the issuance of debt or equity securities at terms favorable to the Company, or that such funding would be available.

For a description of certain risks that could have an impact on results of operations or financial condition, including liquidity and capital resources, see the "Risk Factors" contained in Part I, Item 1. Business, of the Company's annual report on Form 10-K for the fiscal year ended March 31, 2005.

Acquisitions and Divestitures

In May 2005, the Company completed the acquisition of Digital Impact, Inc. ("Digital"). Digital is a provider of integrated digital marketing solutions and is based in San Mateo, California. Management believes Digital provides the Company with new digital services capabilities that are complementary to the Company's existing service offerings. The Company paid approximately $106.6 million in cash for Digital, net of cash acquired, and Digital's results of operations are included in the Company's consolidated results beginning May 1, 2005. Digital's total annual revenues are approximately $45 million.

See note 3 to the condensed consolidated financial statements for more information about the Company's acquisitions.

Related Parties

In accordance with a data center management agreement dated July 27, 1992 between Acxiom and TransUnion, Acxiom (through its subsidiary, Acxiom CDC, Inc.) acquired all of TransUnion's interest in its Chicago data center and agreed to provide TransUnion with various data center management services. In a 1992 letter agreement, Acxiom agreed to use its best efforts to cause one person designated by TransUnion to be elected to Acxiom's board of directors. TransUnion designated its CEO and President, Harry C. Gambill, who was appointed to fill a vacancy on the board in November 1992 and was elected at the 1993 annual meeting of stockholders to serve a three-year term. He was elected to serve additional three-year terms at the 1996, 1999 and 2002 annual stockholders meetings. During the quarter ended September 30, 2004, the agreement was extended to run through December 31, 2010. In addition to this agreement, the Company has other contracts with TransUnion related to data, software and other services. Acxiom recorded revenue from TransUnion of $27.8 million for the quarter ended June 30, 2005 and $20.5 million for the quarter ended June 30, 2004.

See note 14 to the consolidated financial statements contained in the Company's annual report on Form 10-K for additional information on certain relationships and related transactions.

Non-U.S. Operations

The Company has a presence in the United Kingdom, France, The Netherlands, Germany, Spain, Portugal, Poland, Australia and China. Most of the Company's exposure to exchange rate fluctuation is due to translation gains and losses as there are no material transactions that cause exchange rate impact. In general, each of the foreign locations is expected to fund its own operations and cash flows, although funds may be loaned or invested from the U.S. to the foreign subsidiaries subject to limitations in the Company's revolving credit facility. These advances are considered to be long-term investments, and any gain or loss resulting from changes in exchange rates as well as gains or losses resulting from translating the foreign financial statements into U.S. dollars are included in accumulated other comprehensive income (loss). Exchange rate movements of foreign currencies may have an impact on the Company's future costs or on future cash flows from foreign investments. The Company has not entered into any foreign currency forward exchange contracts or other derivative instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates.

Critical Accounting Policies

We prepare our condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America. These accounting principles require management to make certain judgments and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The consolidated financial statements in the Company's 2005 annual report include a summary of significant accounting policies used in the preparation of Acxiom's consolidated financial statements. In addition, the Management's Discussion and Analysis filed as part of the 2005 annual report contains a discussion of the policies which management has identified as the most critical because they require management's use of complex and/or significant judgments. The following paragraphs are intended to update that discussion only for the critical accounting policies or estimates which have materially changed since the date of the last annual report.

Valuation of Long-Lived Assets and Goodwill - Long-lived assets and certain identifiable intangibles are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the undiscounted cash flows expected to result from the use and eventual disposition of the asset. In cases where cash flows cannot be associated with individual assets, assets are grouped together in order to associate cash flows with the asset group. If such assets or asset groups are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No assurance can be given by management of the Company that future impairment charges to its long-lived assets will not be required as a result of changes in events and/or circumstances.

Goodwill represents the excess of acquisition costs over the fair values of net assets acquired in business combinations treated as purchase transactions. Under the provisions of SFAS No. 142, "Goodwill and Other Intangible Assets," goodwill is not amortized, but is reviewed annually for impairment under a two-part test. In the event that part one of the impairment test indicates potential impairment of goodwill, performance of part two of the impairment test is required. Any impairment that results from the completion of the two-part test is recorded as a charge to operations during the period in which the impairment test is completed. The Company performs its annual goodwill impairment evaluation as of the beginning of its fiscal year. The Company has completed part one of an annual, two-part impairment analysis of its goodwill and has determined that no impairment of its goodwill existed as of April 1, 2005. Accordingly, step two of the goodwill impairment test was not required for fiscal 2006. Changes in circumstances may require the Company to perform impairment testing on a more frequent basis. No assurance can be given by the Company that additional impairment tests will not require an impairment charge during future periods should circumstances indicate that the Company's goodwill balances are impaired.

In completing step one of the test and making the assessment that no potential impairment of the Company's goodwill existed, management has made a number of estimates and assumptions. In particular, the growth in operating income and discount rates used by management in determining the fair value of each of the Company's reporting units through a discounted cash flow analysis significantly affect the outcome of the impairment test, as well as numerous other factors. In performing step one of the impairment analysis, management has used growth rates ranging from minus 5% up to 50% for the International segment and 15 percent up to 25 percent for the US segment and used a discount rate of 12 percent for all segments, representing an approximation of the Company's weighted-average cost of capital, which resulted in an excess of fair value over the net assets of each of the Company's reporting units. Assuming the same growth rates, a discount rate of greater than 14 percent would be

necessary to indicate potential impairment of the International segment and a discount rate of 30% would be necessary to indicate impairment of the US segment, resulting in the need to proceed to step two of the impairment test. Alternatively, assuming the 12 percent discount rate but assuming no growth for the US segment and only 9 percent growth for the International segment would also not indicate impairment. Additionally, the Company has determined that its reporting units should be aggregated up to reportable segments for use in analyzing its goodwill and assessing any potential impairment thereof, on the basis of similar economic characteristics in accordance with the guidance in SFAS No. 131 and SFAS No. 142. However, should a determination be made that such aggregation of some or all of the Company's reporting units is not appropriate, the results of step one of the goodwill impairment test might indicate that potential impairment does exist, requiring the Company to proceed to step two of the test and possibly recording an impairment of its goodwill.

Stock-Based Compensation Accounting - The Company has elected to continue using the intrinsic-value method of accounting for stock-based compensation to associates. Accordingly, the Company has not historically recognized compensation expense for the fair value of its stock-based awards to associates in its condensed consolidated financial statements. The Company has included the pro forma disclosures in note 2 to its condensed consolidated financial statements as if the fair-value based method of accounting had been applied. As a result of the acquisition of Digital the Company has issued options to Digital associates that are "in-the-money" resulting in the Company recording compensation cost under the intrinsic-value method.

Forward-looking Statements

This document and other written reports and oral statements made from time to time by the Company and its representatives contain forward-looking statements. These statements, which are not statements of historical fact, may contain estimates, assumptions, projections and/or expectations regarding the Company's financial position, results of operations, market position, product development, growth opportunities, economic conditions, and other similar forecasts and statements of expectation. The Company generally indicates these statements by words or phrases such as "anticipate," "estimate," "plan," "expect," "believe," "intend," "foresee," and similar words or phrases. These forward-looking statements are not guarantees of future performance and are subject to a number of factors and uncertainties that could cause the Company's actual results and experiences to differ materially from the anticipated results and expectations expressed in such forward-looking statements.

The factors and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements include but are not limited to the following:

- the possibility that we may incur expenses related to unsolicited proposals or others to acquire the Company;
- the possibility that certain contracts may not be closed, or may not be closed within the anticipated time frames;
- the possibility that certain contracts may not generate the anticipated revenue or profitability;
- the possibility that negative changes in economic or other conditions might lead to a reduction in demand for our products and services;
- the possibility of an economic slowdown or that economic conditions in general will not be as expected;
- the possibility that significant customers may experience extreme, severe economic difficulty;
- the possibility that the integration of acquired businesses may not be as successful as planned;
- the possibility that the fair value of certain of our assets may not be equal to the carrying value of those assets now or in future time periods;
- the possibility that sales cycles may lengthen;
- the possibility that we may not be able to attract and retain qualified technical and leadership associates, or that we may lose key associates to other organizations;
- the possibility that we won't be able to properly motivate our sales force or other associates;
- the possibility that we won't be able to achieve cost reductions and avoid unanticipated costs;
- the possibility that we won't be able to continue to receive credit upon satisfactory terms and conditions;
- the possibility that competent, competitive products, technologies or services will be introduced into the marketplace by other companies;

- the possibility that we may be subjected to pricing pressure due to market conditions and/or competitive products and services;
- the possibility that there will be changes in consumer or business information industries and markets;
- the possibility that changes in accounting pronouncements may occur and may impact these projections;
- the possibility that we won't be able to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms;
- the possibility that we may encounter difficulties when entering new markets or industries;
- the possibility that there will be changes in the legislative, accounting, regulatory and consumer environments affecting our business, including but not limited to litigation, legislation, regulations and customs relating to our ability to collect, manage, aggregate and use data;
- the possibility that data suppliers might withdraw data from us, leading to our inability to provide certain products and services;
- the possibility that we may enter into short-term contracts which would affect the predictability of our revenues;
- the possibility that the amount of ad hoc, volume-based and project work will not be as expected;
- the possibility that we may experience a loss of data center capacity or interruption of telecommunication links or power sources;
- the possibility that we may experience failures or breaches of our network and data security systems, leading to potential

adverse publicity, negative customer reaction, or liability to third parties;

- the possibility that postal rates may increase, thereby leading to reduced volumes of business;
- the possibility that our clients may cancel or modify their agreements with us;
- the possibility that we will not successfully complete customer contract requirements on time or meet the service levels specified in the contracts, which may result in contract penalties or lost revenue;
- the possibility that we experience processing errors which result in credits to customers, re-performance of services or payment of damages to customers;
- the possibility that the services of the United States Postal Service, their global counterparts and other delivery systems may be disrupted;
- and the possibility that we may be affected by other competitive factors.

In light of these risks, uncertainties and assumptions, the Company cautions readers not to place undue reliance on any forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

Acxiom's earnings are affected by changes in short-term interest rates primarily as a result of its revolving credit agreement, which bears interest at a floating rate. Acxiom does not use derivative or other financial instruments to mitigate the interest rate risk. Risk can be estimated by measuring the impact of a near-term adverse movement of 10% in short-term market interest rates. If short-term market interest rates increase 10% during the next four quarters compared to the previous four quarters, there would be no material adverse impact on Acxiom's results of operations. Acxiom has no material future earnings or cash flow expenses from changes in interest rates related to its other long-term debt obligations as substantially all of Acxiom's remaining long-term debt instruments have fixed rates. At both June 30, 2005 and March 31, 2005, the fair value of Acxiom's fixed rate long-term obligations approximated carrying value.

The Company has a presence in the United Kingdom, France, The Netherlands, Germany, Spain, Portugal, Poland, Australia, and China. In general, each of the foreign locations is expected to fund its own operations and cash flows, although funds may be loaned or invested from the U.S. to the foreign subsidiaries. Therefore, exchange rate movements of foreign currencies may have an impact on Acxiom's future costs or on future cash flows from foreign investments. Acxiom has not entered into any foreign currency forward exchange contracts or other derivative instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures.

An evaluation as of the end of the period covered by this quarterly report was carried out under the supervision and with the participation of the Company's management, including the Company Leader (Chief Executive Officer) and Chief Finance and Administration Leader (Chief Financial Officer), of the effectiveness of the design and operation of the Company's "disclosure controls and procedures," which are defined under SEC rules as controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within required time periods. Based upon that evaluation, the Company Leader and Chief Finance and Administration Leader concluded that the Company's disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting

The Company's management, including the Company Leader (Chief Executive Officer) and the Chief Finance and Administration Leader (Chief Financial Officer), has evaluated any changes in the Company's internal control over financial reporting that occurred during the quarterly period covered by this report, and has concluded that there was no change during the quarterly period covered by this report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in various claims and litigation matters that arise in the ordinary course of the business. None of these, however, are believed to be material in their nature or scope.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(a) Not Applicable

(b) Not Applicable

(c) The table below provides information regarding purchases by Acxiom of its Common Stock during the periods indicated.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
4/1/05 -- 4/30/05	2,713,702	19.41	2,713,702	$ 188,702,625
5/1/05 -- 5/31/05	4,541,703	18.24	4,541,703	255,884,180
6/1/05 -- 6/30/05	1,081,105	19.53	1,081,105	234,771,219
Total	8,336,510	18.79	8,336,510	$ 234,771,219

The repurchases listed above were made pursuant to a repurchase program adopted by the Board of Directors on October 30, 2002. Since that time the Board has approved increases in the maximum dollar amount which may be repurchased from $50 million to $550 million. The repurchase program has no designated expiration date.

Item 6. Exhibits

(a) The following exhibits are filed with this Report:

31.1	Certification of Company Leader (principal executive officer) pursuant to SEC Rule 13a-14(a)/15d-14(a), as adopted pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Finance and Administration Leader (principal financial and accounting officer) pursuant to SEC Rule 13a-14(a)/15d-14(a), as adopted pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Company Leader (principal executive officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Finance and Administration Leader (principal financial and accounting officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

ACXIOM CORPORATION AND SUBSIDIARIES

SIGNATURE

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

Acxiom Corporation

Dated: August 5, 2005

By: /s/ Rodger S. Kline

(Signature)
Rodger S. Kline
Chief Finance and Administration Leader
(principal financial and accounting officer)

EXHIBIT 31.1

ACXIOM CORPORATION AND SUBSIDIARIES

CERTIFICATION

I, Charles D. Morgan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Acxiom Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 5, 2005

By: /s/ Charles D. Morgan

(Signature)
Charles D. Morgan
Company Leader
(principal executive officer)

EXHIBIT 31.2

ACXIOM CORPORATION AND SUBSIDIARIES

CERTIFICATION

I, Rodger S. Kline, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Acxiom Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 5, 2005

By: /s/ Rodger S. Kline
____
(Signature)
Rodger S. Kline
Chief Finance & Administration Leader
(principal financial officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report of Acxiom Corporation (the Company) on Form 10-Q for the period ending June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Charles D. Morgan, Company Leader (principal executive officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Charles D. Morgan

Charles D. Morgan
Company Leader
(principal executive officer)
August 5, 2005

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report of Acxiom Corporation (the Company) on Form 10-Q for the period ending June 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Rodger S. Kline, Chief Finance & Administration Leader (principal financial officer) of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Rodger S. Kline

Rodger S. Kline
Chief Finance & Administration Leader
(principal financial officer)
August 5, 2005