



ACXIOM

Q1 FY18 CONFERENCE CALL

August 3, 2017

acxiom®

SAFE HARBOR STATEMENT

Some of the matters discussed in this presentation contain forward-looking statements regarding the company's future business prospects which are subject to certain risks and uncertainties, including competitive pressures, adverse economic conditions and governmental regulations.

These issues and other factors that may be identified from time to time in the Company's reports filed with the SEC could cause actual results to differ materially from those indicated in the forward-looking statements.

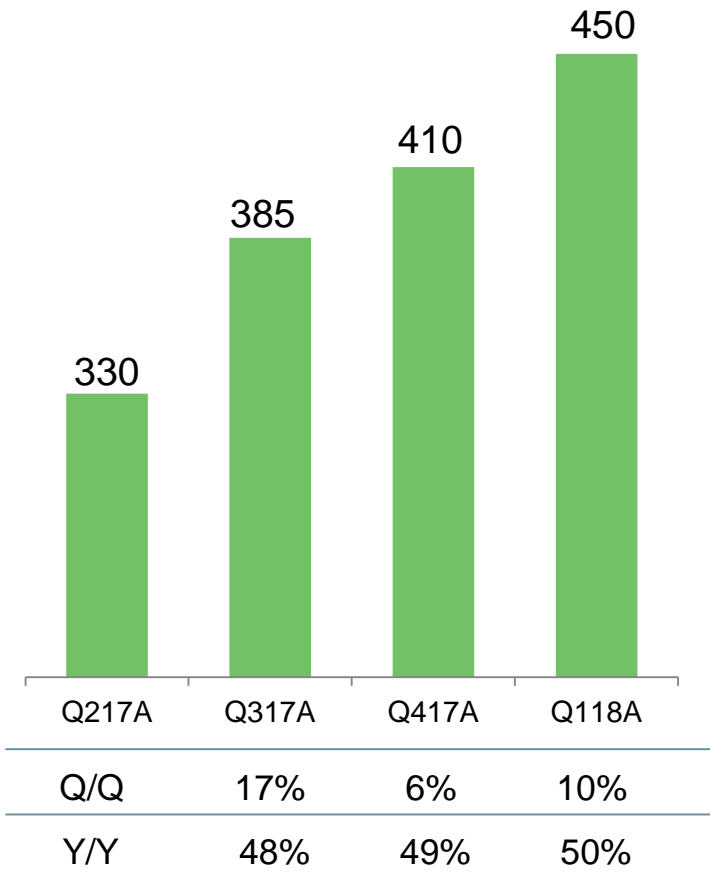
Our discussion today will include non-GAAP financial measures. We refer you to the appendix of this presentation and the Investor Relations section of our website, which include reconciliations to the comparable GAAP measures for each of the non-GAAP financial measures included in this discussion.

The location of our website is www.acxiom.com.

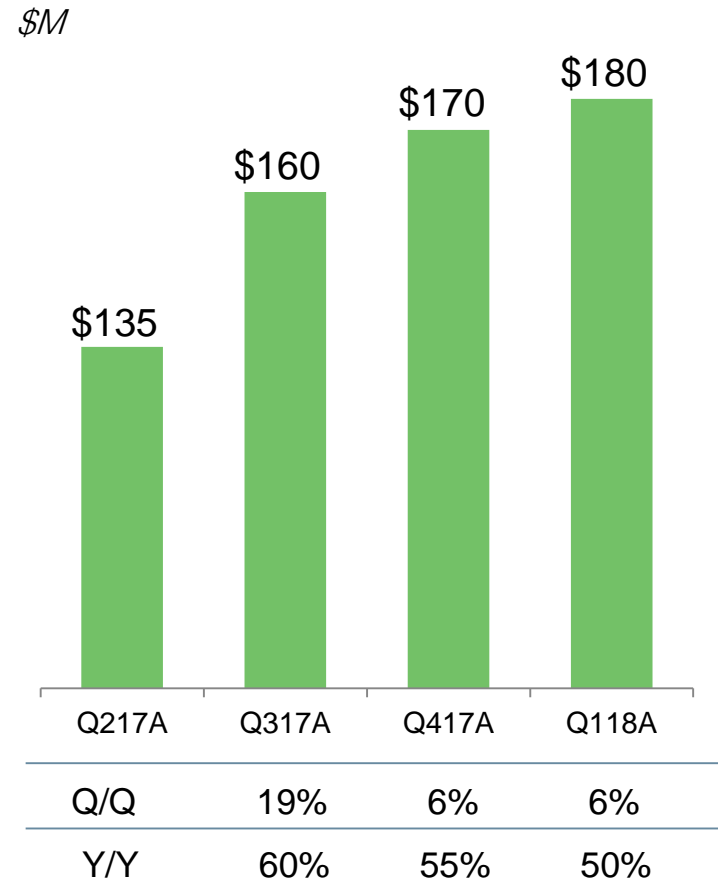
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KEY GROWTH METRICS

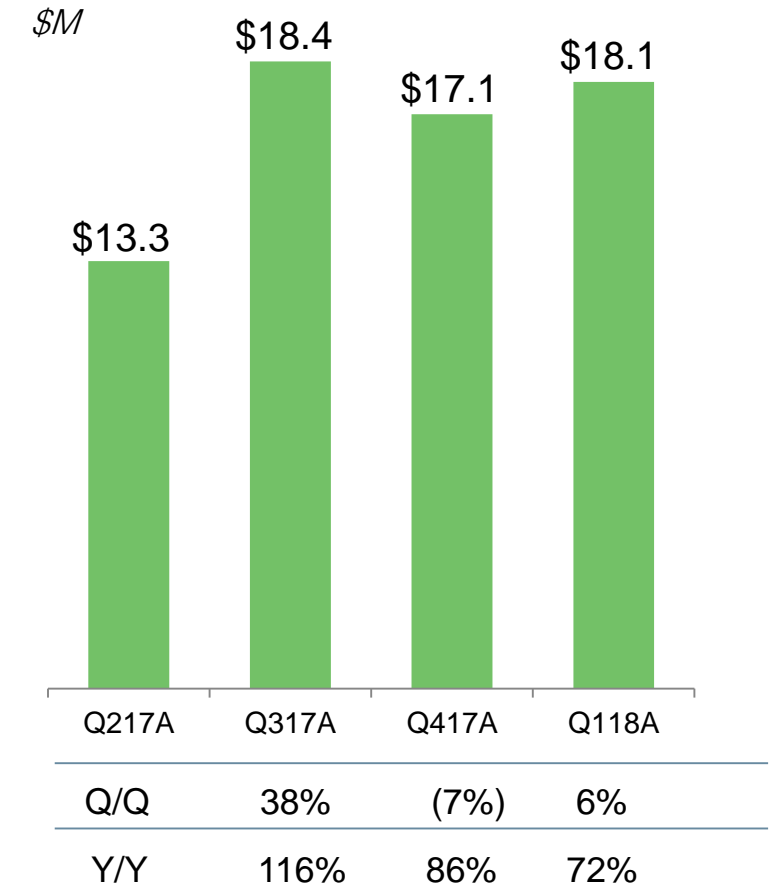
Direct Connectivity Customers¹



Connectivity Revenue Run-Rate²



Audience Solutions Digital Data Revenue³



¹Excludes agency and reseller deployments and Data Store-only customers

²Revenue run-rate includes period ending LiveRamp product ARR and trailing-twelve month media spend royalties

³Revenue generated from Audience Solutions digital publisher and platform partners

FINISH LINE

Finish Line finds the right fit with Customer Match

Looking to re-engage with customers who bought online and in-store, Finish Line turned to Customer Match for an increase in both clicks and reach.

 **2X** Increase in match rates

 **235%** Increase in CTR

 **70%** Higher ROAS

“Customer Match helped us engage with our best customers, improving our CTR while allowing us to do more with our marketing budget.”

Lora Loesch, Director of Digital Finance and Paid Marketing at Finish Line

About Finish Line

- Finish Line is an American retail chain that sells footwear and apparel from premium brands such as Nike, Jordan, and Adidas both online and at its 1,100 retail locations.

Goals

- Finish Line wanted to re-engage with high-value customers online.
- The brand sought to increase online and in-store sales, as well as improve cost efficiency.
- Finish Line wanted to improve performance for both CTR and conversion volume.

Approach & Results

- Finish Line tested Customer Match across its paid search and shopping campaigns.
- The brand identified Customer Match segments containing customers who transacted online and in store.
- Partnering with LiveRamp, a Customer Match uploader, Finish Line was able to reach even more of its customers.
- The brand now plans to implement Customer Match across all of its accounts, including its marketing efforts on YouTube.

Q1 SUMMARY FINANCIAL RESULTS

\$M, except per share amounts

	GAAP		Non-GAAP ¹	
	Q118	Y/Y Change	Q118	Y/Y Change
Revenue	\$ 213	-1%	\$ 213	-1%
Gross Profit	\$ 99	7%	\$ 106	9%
<i>Gross Margin</i>	46.4%	360 bps	49.9%	480 bps
Operating Income (Loss)	\$ (6)	NM	\$ 22	6%
<i>Operating Margin</i>	(2.7%)	(650 bps)	10.5%	70 bps
EPS	\$ (0.02)	\$ (0.07)	\$ 0.14	\$ (0.01)
Share Count	78.7	-1%	81.4	3%

¹Non-GAAP results exclude non-cash stock compensation, purchased intangible asset amortization, restructuring and impairment charges and separation costs

Q1 REVENUE BY GEOGRAPHY

\$M

	Q118	Q117	Y/Y Change
US			
Marketing Services	\$ 85	\$ 102	(17%)
Audience Solutions	\$ 68	\$ 66	4%
Connectivity	\$ 42	\$ 29	44%
Total US	\$ 194	\$ 197	(1%)
International:			
Marketing Services	\$ 7	\$ 7	(6%)
Audience Solutions	\$ 8	\$ 8	(6%)
Connectivity	\$ 4	\$ 2	51%
Total International	\$ 18	\$ 18	2%
Total Company:			
Marketing Services	\$ 92	\$ 110	(17%)
Audience Solutions	\$ 76	\$ 74	3%
Connectivity	\$ 45	\$ 31	44%
Total Company	\$ 213	\$ 215	(1%)

* Numbers may not foot due to rounding

ADJUSTED Q1 REVENUE

\$M

	Q118	Q117	Y/Y Change
US	\$ 194	\$ 197	(1%)
Acxiom Impact Divestiture	-	\$ (12)	
Adjusted US¹	\$ 194	\$ 185	5%
International	\$ 18	\$ 18	2%
Australia Transition	\$ (0)	\$ (1)	
FX	\$ 1	-	
Adjusted International	\$ 20	\$ 17	15%
Adjusted Total Revenue¹	\$ 214	\$ 202	6%

¹Revenue is not adjusted for the acquisitions of Arbor and Circulate given the deep integration of the organizations.

* Numbers may not foot due to rounding

MARKETING SERVICES Q1 RESULTS

\$M

	Q118	Q117	Y/Y Change
US:			
Revenue¹	\$ 85	\$ 102	(17%)
Gross Profit	\$ 30	\$ 35	(15%)
<i>Gross Margin</i>	35.0%	33.8%	120 bps
Segment Income	\$ 20	\$ 19	3%
Global:			
Revenue¹	\$ 92	\$ 110	(17%)
Gross Profit	\$ 31	\$ 37	(16%)
<i>Gross Margin</i>	34.2%	34.1%	10 bps
Segment Income	\$ 20	\$ 20	(2%)
Segment EBITDA²	\$ 26	\$ 28	(7%)

¹Prior period revenue includes approximately \$12M associated with the divested Acxiom Impact business. Excluding these revenues, Marketing Services revenue was down 6% in the US and 6% globally.

²Adjusted EBITDA reconciliation included in the appendix

* Numbers may not foot due to rounding

AUDIENCE SOLUTIONS Q1 RESULTS

\$M

	Q118	Q117	Y/Y Change
US:			
Revenue	\$ 68	\$ 66	4%
Gross Profit	\$ 44	\$ 39	13%
<i>Gross Margin</i>	<i>64.5%</i>	<i>59.0%</i>	<i>550 bps</i>
Segment Income	\$ 27	\$ 23	15%
Global:			
Revenue	\$ 76	\$ 74	3%
Gross Profit	\$ 47	\$ 42	13%
<i>Gross Margin</i>	<i>62.3%</i>	<i>56.8%</i>	<i>550 bps</i>
Segment Income	\$ 29	\$ 25	14%
Segment EBITDA¹	\$ 33	\$ 31	8%

¹Segment EBITDA reconciliation included in the appendix

CONNECTIVITY Q1 RESULTS

\$M

	Q118	Q117	Y/Y Change
Revenue	\$ 45	\$ 31	44%
Gross Profit	\$ 28	\$ 18	57%
<i>Gross Margin</i>	60.9%	56.1%	480 bps
Segment Income (Loss)	\$ (0)	\$ 0	NM
Segment EBITDA¹	\$ 2	\$2	31%

¹Segment EBITDA reconciliation included in the appendix

Q1 CASH FLOW RESULTS

\$M

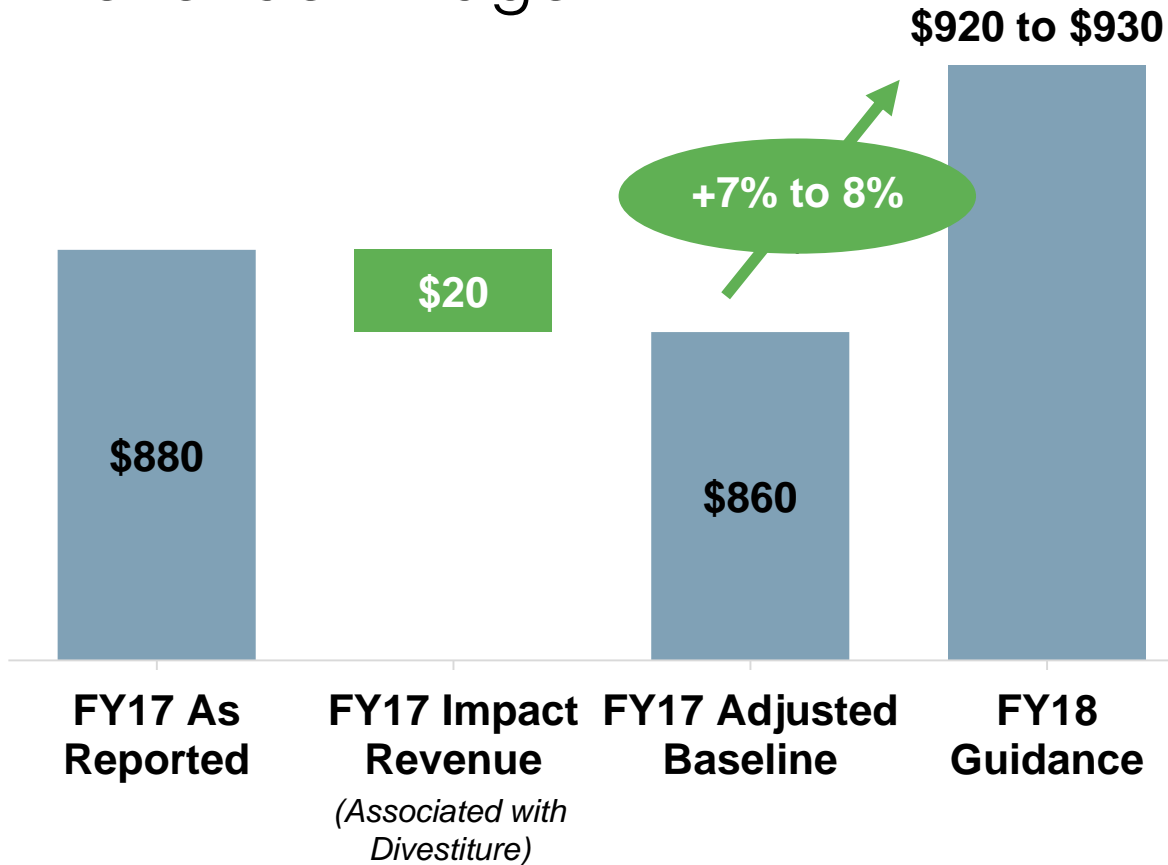
	Q118	Q117	Y/Y Change
Operating Cash Flow	\$ 5	\$ 1	560%
Free Cash Flow to Equity	\$ (6)	\$ (22)	NM
Total Capital Spending¹	\$ 10	\$ 15	(29%)

¹Includes capital expenditures, capitalized software and data acquisition costs

FISCAL 2018 GUIDANCE

\$M, except per share amounts

Revenue Bridge



	GAAP	Non-GAAP ¹
Revenue	\$920 to \$930	\$920 to \$930
Diluted EPS	~ (\$0.06)	~ \$0.80

¹Non-GAAP guidance excludes non-cash stock compensation, purchased intangible asset amortization, restructuring charges and separation costs

FISCAL 2018 GUIDANCE PHASING

% of Total Revenue

	Q1	Q2	Q3	Q4
Revenue (estimated)	23%	24%	26%	27%

Historical Average (Last Three Fiscal Years)

	Q1	Q2	Q3	Q4
Revenue	24%	25%	26%	26%



APPENDIX

FY16 – Q1 FY18 MS EX. IMPACT

\$M

Marketing Services	FY16A				FY17A				FY18	Full Year	
	Q116A	Q216A	Q316A	Q416A	Q117A	Q217A	Q317A	Q417A	Q118A	FY16A	FY17A
Revenue	\$ 108	\$ 113	\$ 116	\$ 113	\$ 110	\$ 106	\$ 101	\$ 94	\$ 92	\$ 450	\$ 411
V%	-1%	0%	1%	3%	2%	-6%	-13%	-17%	-17%	1%	-9%
Gross Profit	36	37	38	40	37	34	37	31	31	152	141
GM %	33%	33%	33%	35%	34%	33%	37%	33%	34%	34%	34%
Segment Income	17	18	20	19	20	20	21	20	20	74	81
Segment Margin %	16%	16%	18%	17%	18%	19%	21%	21%	22%	17%	20%
Acxiom Impact	FY16A				FY17A				FY18	Full Year	
	Q116A	Q216A	Q316A	Q416A	Q117A	Q217A	Q317A	Q417A	Q118A	FY16A	FY17A
Revenue	\$ 16	\$ 16	\$ 15	\$ 14	\$ 12	\$ 8	-	-	-	\$ 60	\$ 20
Gross Profit	6	4	4	3	1	1	-	-	-	17	2
GM %	35%	27%	27%	21%	11%	10%	-	-	-	28%	10%
Segment Income	3	3	3	1	(0)	0	-	-	-	10	(0)
Segment Margin %	21%	19%	17%	11%	0%	2%	-	-	-	17%	-1%
Marketing Services ex. Impact	FY16A				FY17A				FY18	Full Year	
	Q116A	Q216A	Q316A	Q416A	Q117A	Q217A	Q317A	Q417A	Q118A	FY16A	FY17A
Revenue	\$ 92	\$ 97	\$ 101	\$ 100	\$ 97	\$ 98	\$ 101	\$ 94	\$ 92	\$ 390	\$ 390
V%	-1%	0%	3%	6%	6%	0%	0%	-5%	-6%	2%	0%
Gross Profit	31	33	34	37	36	34	38	31	31	136	139
GM %	33%	34%	34%	37%	37%	34%	37%	33%	34%	35%	35%
Segment Income	13	15	18	18	20	20	21	20	20	64	81
Segment Margin %	15%	15%	18%	18%	21%	20%	21%	21%	22%	16%	21%

Marketing Services ex. Impact revenue, gross profit, and segment income are non-GAAP financial measures. We believe these non-GAAP measures provide investors with meaningful supplemental information to evaluate the ongoing performance of the Marketing Services segment after the divestiture of Acxiom Impact. This schedule reconciles the results excluding the divested business to the reported Marketing Services segment results.

Numbers may not foot due to rounding

ADJUSTED EBITDA BY SEGMENT

\$M

	FY16A					FY17A					FY18A	Q1 Y/Y Change	
	Q116A	Q216A	Q316A	Q416A	FY16A	Q117A	Q217A	Q317A	Q417A	FY17A	Q118A	V%	V\$
Segment Income from Operations													
Marketing Services	\$17	\$18	\$20	\$19	\$74	\$20	\$20	\$21	\$20	\$81	\$20	-2%	(\$0)
Audience Solutions	\$24	\$25	\$31	\$30	\$110	\$25	\$30	\$35	\$34	\$123	\$29	14%	\$3
Connectivity	(\$1)	(\$1)	(\$1)	(\$0)	(\$3)	\$0	\$2	\$2	\$1	\$5	(\$0)	NM	(\$0)
Total Segment Income from Operations	\$40	\$42	\$50	\$48	\$181	\$46	\$51	\$58	\$55	\$209	\$48	6%	\$3
Segment D&A													
Marketing Services	\$8	\$8	\$8	\$8	\$32	\$8	\$8	\$7	\$7	\$30	\$7	-19%	(\$1)
Audience Solutions	\$5	\$6	\$5	\$5	\$21	\$6	\$5	\$5	\$5	\$21	\$5	-16%	(\$1)
Connectivity	\$2	\$2	\$2	\$2	\$7	\$2	\$2	\$2	\$2	\$8	\$3	58%	\$1
Total Segment D&A	\$15	\$15	\$15	\$15	\$60	\$15	\$15	\$14	\$14	\$59	\$14	-10%	(\$1)
Segment EBITDA													
Marketing Services	\$25	\$25	\$28	\$27	\$106	\$28	\$28	\$28	\$27	\$111	\$26	-7%	(\$2)
Audience Solutions	\$29	\$31	\$36	\$35	\$131	\$31	\$35	\$39	\$38	\$144	\$33	8%	\$3
Connectivity	\$1	\$1	\$1	\$2	\$4	\$2	\$3	\$4	\$4	\$13	\$2	31%	\$1
Total Segment EBITDA	\$55	\$57	\$65	\$64	\$240	\$61	\$67	\$71	\$69	\$268	\$62	2%	\$1

Segment EBITDA is a non-GAAP measure. We believe Segment EBITDA provides useful supplemental information to and facilitates analysis by investors in evaluating segment performance and trends. The presentation of segment EBITDA is not meant to be considered in isolation or as an alternative to segment income from operations as an indicator of segment performance. This schedule reconciles segment income from operations to segment EBITDA.

D&A by segment includes allocated corporate D&A for shared facilities and infrastructure based on usage

Numbers may not foot due to rounding

GAAP TO NON-GAAP RECON

\$M, Non-GAAP

	Q118 GAAP	Restructuring	Intangible Amort.	SBC	Separation/ Transformation	Tax	Q118 Non-GAAP
Revenue	\$212.5	-	\$0.0	-	-	-	\$212.5
Cost of revenue	114.0	-	(6.0)	(1.6)	-	-	106.4
Gross profit	98.6	-	6.0	1.6	-	-	106.1
% Gross margin	46.4%						49.9%
Operating expenses:							
Research and development	23.6	-	-	(4.2)	-	-	19.4
Sales and marketing	48.4	-	-	(6.3)	-	-	42.2
General and administrative	32.4	-	-	(3.0)	(7.1)	-	22.2
Gains, losses and other items, net	(0.1)	0.1	-	-	-	-	-
Total operating expenses	104.3	0.1	-	(13.5)	(7.1)	-	83.8
Income (loss) from operations	(5.7)	(0.1)	6.0	15.0	7.1	-	22.3
% Margin	-2.7%						10.5%
Other expense:							
Interest expense	(2.3)	-	-	-	-	-	(2.3)
Other, net	(0.7)	-	-	-	-	-	(0.7)
Total other expense	(3.0)	-	-	-	-	-	(3.0)
Earnings (loss) before income taxes	(8.7)	(0.1)	6.0	15.0	7.1	-	19.3
Income taxes	(7.4)	(0.0)	2.2	5.5	2.9	4.5	7.7
Net earnings (loss)	(1.3)	(0.1)	3.7	9.5	4.2	(4.5)	11.6
Diluted earnings (loss) per share:	(\$0.02)	(\$0.00)	\$0.05	\$0.12	\$0.05	(\$0.06)	\$0.14
Basic shares	78.7	78.7	78.7	78.7	78.7	78.7	78.7
FDWA Shares	81.4	81.4	81.4	81.4	81.4	81.4	81.4

All reconciling items tax effected at 40.0% unless the nature of the reconciling item included a non-deductible expense for tax purposes.
Tax adjustment to balance to non-GAAP tax expense. Numbers may not foot due to rounding.

NON-CASH STOCK COMPENSATION TREND

\$M

	FY15A	FY16A	FY17A	FY18E
Non-Cash Stock Compensation Expense				
Time-Based	\$ 10	\$ 12	\$ 20	\$ 26
Performance	\$ 1	\$ 1	\$ 14	\$ 9
Acquisition Related	\$ 17	\$ 19	\$ 16	\$ 28
Total	\$ 28	\$ 32	\$ 49	\$ 64

<i>% of Total Non-Cash Stock Compensation Expense</i>				
<i>Time-Based</i>	37%	37%	40%	41%
<i>Performance</i>	1%	4%	28%	14%
<i>Acquisition Related</i>	62%	59%	32%	44%

Numbers may not foot due to rounding

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