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, 1997 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	71-0581897
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

P.O. Box 2000, 301 Industrial Boulevard, Conway, Arkansas	72033-2000
(Address of Principal Executive Offices)	(Zip Code)

(501) 336-1000
(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

The number of shares of Common Stock, $ 0.10 par value per share, outstanding as of July 23, 1997 was 51,947,770.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Company for which report is filed:

ACXIOM CORPORATION

The consolidated financial statements included herein have been prepared by Registrant, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. In the opinion of the Registrant's management, however, all adjustments necessary for a fair statement of the results for the periods included herein have been made and the disclosures contained herein are adequate to make the information presented not misleading. All such adjustments are of a normal recurring nature.

Form 10-Q

ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 1997	March 31, 1997
Assets		
Current assets:		
Cash and cash equivalents	$ 626,000	2,721,000
Trade accounts receivable, net	81,874,000	70,636,000
Refundable income taxes	----	1,809,000
Other current assets	11,692,000	9,379,000
Total current assets	94,192,000	84,545,000
Property and equipment	204,032,000	199,286,000
Less - Accumulated depreciation and amortization	87,359,000	83,115,000
Property and equipment, net	116,673,000	116,171,000
Software, net of accumulated amortization	19,453,000	18,627,000
Excess of cost over fair value of net assets acquired	37,941,000	38,297,000
Other assets	48,249,000	42,028,000
	$ 316,508,000	299,668,000
Liabilities and Stockholders' Equity		
Current liabilities:		
Short-term notes payable	60,000	158,000
Current installments of long-term debt	3,645,000	3,923,000
Trade accounts payable	12,669,000	15,323,000
Accrued interest	1,599,000	1,128,000
Accrued payroll and related expenses	5,696,000	7,519,000
Accrued royalties	1,493,000	2,047,000
Other accrued expenses	5,613,000	5,492,000
Advances from customers	497,000	519,000
Income taxes	1,186,000	----
Total current liabilities	32,458,000	36,109,000
Long-term debt, excluding current installments	99,232,000	87,120,000
Deferred income taxes	17,324,000	17,324,000
Deferred revenue	3,802,000	3,018,000
Stockholders' equity:		
Preferred stock	----	----
Common stock	5,289,000	5,274,000
Additional paid-in capital	63,252,000	61,322,000
Retained earnings	97,051,000	91,738,000
Foreign currency translation adjustment	571,000	278,000
Treasury stock, at cost	(2,471,000)	(2,515,000)
Total stockholders' equity	163,692,000	156,097,000
Commitments and contingencies	$ 316,508,000	299,668,000

See accompanying condensed notes to consolidated financial statements.

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ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	For the Three Months Ended June 30 1997	For the Three Months Ended June 30 1996
Revenue	$ 100,327,000	93,953,000
Operating costs and expenses:		
Salaries and benefits	37,979,000	35,532,000
Computer, communications and other equipment	14,929,000	12,821,000
Data costs	20,688,000	18,781,000
Other operating costs and expenses	16,516,000	17,608,000
Total operating costs and expenses	90,112,000	84,742,000
Income from operations	10,215,000	9,211,000
Other income (expense):		
Interest expense	(1,534,000)	(818,000)
Other, net	(180,000)	(1,492,000)
	(1,714,000)	(2,310,000)
Earnings before income taxes	8,501,000	6,901,000
Income taxes	3,188,000	2,656,000
Net earnings	$ 5,313,000	4,245,000
Earnings per share	$ 0.09	0.07
Weighted average shares outstanding	59,193,000	58,506,000

See accompanying condensed notes to consolidated financial statements.

Form 10-Q

ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended June 30	
	1997	1996
Cash flows from operating activities:		
Net earnings	$ 5,313,000	4,245,000
Non-cash operating activities:		
Depreciation and amortization	9,532,000	6,660,000
Loss (Gain) on disposal or impairment of assets	(3,000)	1,000,000
Provision for returns and doubtful accounts	317,000	1,256,000
Changes in assets and liabilities:		
Accounts receivable	(11,446,000)	(5,471,000)
Other assets	(4,318,000)	231,000
Accounts payable and other liabilities	(2,553,000)	(1,316,000)
Net cash provided (used) by operating activities	(3,158,000)	6,605,000
Cash flows from investing activities:		
Sale of assets	372,000	----
Cash acquired in pooling acquisition	----	21,000
Development of software	(2,089,000)	(1,004,000)
Capital expenditures	(10,944,000)	(18,740,000)
Net cash used by investing activities	(12,661,000)	(19,723,000)
Cash flows from financing activities:		
Proceeds from debt	14,158,000	22,481,000
Payments of debt	(2,424,000)	(13,516,000)
Sale of common stock	1,989,000	1,220,000
Net cash provided by financing activities	13,723,000	10,185,000
Effect of exchange rate changes on cash	1,000	----
Net decrease in cash and short-term cash investments	(2,095,000)	(2,933,000)
Cash and short-term cash investments at beginning of period	2,721,000	3,469,000
Cash and short-term cash investments at end of period	$ 626,000	536,000
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	$ 1,063,000	901,000
Income taxes	193,000	73,000

See accompanying condensed notes to consolidated financial statements.

ACXIOM CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Certain note information has been omitted because it has not changed significantly from that reflected in Notes 1 through 17 of the Notes to Consolidated Financial Statements filed as a part of Item 14 of Registrant's 1997 Annual Report on Form 10-K as filed with the Securities and Exchange Commission on June 30, 1997.

ACXIOM CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Included in other assets are unamortized conversion costs in the amount of $20,259,000 and $18,137,000 at June 30, 1997 and March 31, 1997, respectively. These costs, incurred in connection with the conversion phase of outsourcing and facilities management contracts are deferred and amortized over the life of the contract.

2. Long-term debt consists of the following:

	June 30, 1997	March 31, 1997
6.92% Senior notes due March 30, 2007, payable in annual installments of $4,286,000 commencing March 30, 2001; interest is payable semi-annually	$ 30,000,000	30,000,000
3.12% Convertible note, interest and principal due April 30, 1999; collateralized by letter of credit; convertible at maturity into two million shares of common stock	25,000,000	25,000,000
Unsecured revolving credit agreement	35,612,000	21,454,000
9.75% Senior notes due May 1, 2000, payable in annual installments of $2,143,000 each May 1; interest is payable semi-annually	6,429,000	8,571,000
Note payable due in monthly installments of principal and interest of $50,000 with remaining balance due June 30, 2002; collateralized by real estate; floating interest rate	3,970,000	4,031,000
Other notes and capital lease obligations payable	1,866,000	1,987,000
Total long term debt	102,877,000	91,043,000
Less current installments	3,645,000	3,923,000
Long-term debt, excluding current installments	$ 99,232,000	87,120,000

The floating rate note payable was previously due June 30, 1997, but has been refinanced with the same lender. The interest rate is 2% above the Federal Reserve discount rate with a maximum of 8.75%.

3. Earnings per share computations are based upon the weighted average number of shares outstanding, including the dilutive effect of stock options and warrants and the convertible debt issued for the purchase of Direct Media/DMI, Inc. ("DMI"), all of which are considered common stock equivalents. For purposes of calculating earnings per share, the interest expense on the convertible note is eliminated. The calculation of earnings per share for the periods presented is as follows:

	For the Three months Ended	
	June 30, 1997	June 30, 1996
Net earnings	$ 5,313,000	4,245,000
Interest expense (net of tax effect)	111,000	120,000
Adjusted net earnings	$ 5,424,000	4,365,000
Earnings per share	$ 0.09	0.07
Weighted average shares outstanding	$ 59,193,000	58,506,000

4. Trade accounts receivable are presented net of allowances for doubtful accounts, returns, and credits of $4,630,000 and $4,333,000 at June 30, 1997 and March 31, 1997, respectively.

5. On July 24, 1997, the Company entered into an agreement to sell certain assets of its Pro CD, Inc. ("Pro CD") subsidiary to CD-Rom Technologies, Inc. ("CTI"), a wholly-owned subsidiary of American Business Information, Inc., for cash. The sale includes all of the assets of Pro CD which are used in connection with its business of retail and direct marketing sales of reference products on CD-ROM/DVD, but excludes certain other assets of Pro CD used in connection with its corporate sales business. The sale is subject to completion of due diligence by CTI and receipt of any required governmental consent. An addendum to the agreement, to be agreed upon prior to closing, will itemize the assets to be sold and liabilities to be assumed. Subject to the above, the sale is expected to close during the quarter ended September 30, 1997. The sale is expected to result in a one-time gain on disposal.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Consolidated revenue was a record $100.3 million for the quarter ended June 30, 1997, a 7% increase over the same quarter a year ago. Adjusting for prior year pass-through revenues discussed below, the revenue increase over the prior year was 10%. Overall, the revenue growth was slightly lower than anticipated in what has traditionally been the Company's weakest quarter, which was partially caused by delays in projects in the Telecommunications, Financial Services and Insurance business units which management expects to be completed in future periods. The Company has also been awarded a significant amount of new business during the quarter which will impact the remainder of the fiscal year.

Services Division revenue of $35.6 million increased 16% over the first quarter in the prior year. The Services Division represents the Company's traditional processing revenues and includes the Insurance, Retail, High Tech, Publishing, Telecommunications, Utilities, and Citicorp business units. Strong performances by the Insurance and Citicorp units offset a decrease from last year by the Telecommunications business unit reflecting delays in projects.

Alliances Division revenue of $28.3 million reflects a 4% decrease from the prior year. However, adjusting for a reduction in pass-through revenues recorded on the Trans Union Corporation ("Trans Union") marketing services contract in the prior year, revenue actually increased by 8%. The Alliances Division includes the Company's outsourcing relationships and the Financial Services business units. Financial Services revenue is off $1.5 million from the prior year due to a data license which was sold in the previous year's first quarter and several Financial Services customers' reduced mailing volumes or delayed projects which impacted the first quarter. This segment continues to show volatility but the trends appear to be improving.

Data Products Division revenue of $28.8 million increased 5% over the prior year. The Data Products Division includes the Acxiom Data Group (InfoBase), DataQuick, Direct Media and Pro CD business units. DataQuick revenue increased 29% due to strong list sales, which was largely offset by an 18% decrease in Pro CD revenues. Pro CD continues to be impacted by slowing revenues from its retail channel. Although corporate sales are growing, they have not offset the drop in retail sales.

The International Division recorded revenue of $7.6 million, an 18% increase over the prior year. This is particularly positive because the last year's first quarter included significant database design fees for new customers.

Operating expenses for the quarter increased 6% compared to the same quarter a year ago. Salaries and benefits increased $2.4 million or 7% over the prior year's first quarter due to headcount increases on the increased volume and normal pay increases. Computer, communications and other equipment costs increased $2.1 million or 16% reflecting the impact of the prior year's capital expenditures and the Polk Company ("Polk") data center outsourcing contract, partially mitigated by the offset in computer costs associated with lower Trans Union pass-through revenues. Data costs increased $1.9 million or 10% principally due to the increase in data volumes under the Allstate data management agreement. Other operating expenses were lower by $1.1 million or 6% lower than the prior year's first quarter due to a bad debt write-off related to sale of the lettershop facility in the prior year, combined with lower cost of sales associated with lower retail sales for Pro CD.

Income from operations increased from 9.8% of revenue to 10.2% of revenue.

Interest expense was higher in the quarter due primarily to higher debt levels, combined with slightly higher interest rates. Other expense in the prior year included a $1 million write-off related to the sale of the Company's lettershop facility.

The Company's effective tax rate for the quarter was 37.5% compared to 38.5% for the year-earlier period. For the full fiscal year ended March 31, 1997, the effective rate was 37.5%. The Company expects the rate to remain in the 37-39% range for the current fiscal year.

Net income and earnings per share increased 25% and 29%, respectively, over the prior year's first quarter results.

Capital Resources and Liquidity

Working capital at June 30, 1997 was $61.7 million compared to $48.4 million at March 31, 1997. At June 30, 1997 the Company had available credit lines of $51.5 million, of which $35.6 million was outstanding. The long-term debt, which has a balance as of of June 30, 1997 of $3,970,000, has been refinanced with the same lender and is now due June 30, 2002. This note had previously been due in full on June 30, 1997. The Company has also renewed its short-term unsecured credit agreement, in the amount of $1.5 million, which now expires July 31, 1998. The Company's debt-to-capital ratio (capital defined as long-term debt plus stockholders' equity) was 38% on June 30, 1997, compared with 36% on March 31, 1997. The increase is due to the increase in the amount outstanding under the revolving credit agreement, as discussed below.

Net cash used by operating activities was $3.2 million for the quarter ended June 30, 1997, compared with cash provided by operating activities of $6.6 million in the previous year's first quarter. Earnings before interest, taxes, depreciation, and amortization ("EBITDA") increased by 36% compared to the year-earlier period, but the resulting operating cash flow was offset by increases in accounts receivable and other assets. In the current year, $12.7 million was used by investing activities, including capital expenditures of $10.9 million. This represents a decrease from capital expenditures in the prior year period of $18.7 million. The prior year included significant capital expenditures for the Polk data center outsourcing contract. The Company continues to expect capital expenditures for the full year to be in the $40-50 million range. Financing activities of $13.7 million, primarily additional debt under the revolving credit agreement, provided the remainder of the Company's cash flow.

While the Company does not have any material contractual commitments for capital expenditures, additional investments in facilities and computer equipment continue to be necessary to support the growth of the business. In addition, new outsourcing or facilities management contracts frequently require substantial up-front capital expenditures in order to acquire or replace existing assets. Management believes that the combination of existing working capital, anticipated funds to be generated from future operations and the Company's available credit lines is sufficient to meet the Company's current operating needs as well as to fund the anticipated levels of capital expenditures. If additional funds are required, the Company would use existing credit lines to generate cash, followed by either additional borrowings to be secured by the Company's assets or the issuance of additional equity securities in either public or private offerings. Management believes that the Company has significant unused capacity to raise capital which could be used to support future growth.

The Financial Accounting Standards Board has recently issued Statements No. 130, "Reporting Comprehensive Income" and No. 131, "Disclosures about Segments of an Enterprise and Related Information." Both of these statements will be adopted by the Company in fiscal 1999. Statement No. 130 requires that all components of comprehensive income be reported in a financial statement displayed with the same prominence as other financial statements, and requires the reporting of total comprehensive income in that financial statement. Statement No. 131 requires public companies to report certain information about operating segments. The Company expects to report segment information using the four operating divisions into which it was organized effective April, 1997.

On July 24, 1997, the Company entered into an agreement to sell certain assets of its Pro CD, Inc. subsidiary to CD-Rom Technologies, Inc., a wholly owned subsidiary of American Business Information, Inc., for cash. The sale includes all of the assets of Pro CD which are used in connection with its business of retail and direct marketing sales of reference products on CD-ROM/DVD, but excludes certain other assets of Pro CD used in connection with its corporate sales business. The sale is subject to completion of due diligence by CTI and receipt of any required governmental consent. An addendum to the agreement, to be agreed upon prior to closing, will itemize the assets to be sold and liabilities to be assumed. Subject to the above, the sale is expected to close during the quarter ended September 30, 1997. The sale is expected to result in a one-time gain on disposal.

Certain statements in this Management's Discussion and Analysis may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. 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, regulatory matters, growth opportunities, and other similar forecasts and statements of expectation. Such forward-looking statements are not guarantees of future performance. They involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Representative examples of such factors are discussed in more detail in the Company's Annual Report on Form 10-K and include, among other things, the possible adoption of legislation or industry regulation concerning certain aspects of the Company's business; the removal of data sources and/or marketing lists from the Company; the ability of the Company to retain customers who are not under long-term contracts with the Company; technology challenges; year 2000 compliance issues; the risk of damage to the Company's data centers or interruptions in the Company's telecommunications links; acquisition integration; the effects of postal rate increases; and other market factors. See "Additional Information Regarding Forward-looking Statements" in the Company's Annual Report on Form 10-K.

ACXIOM CORPORATION
PART II - OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The Annual Meeting of Shareholders of the Company was held on July 30, 1997. At the meeting, the Shareholders approved the election of two directors. Voting results for each individual nominee were as follows: Dr. Ann Die, 42,268,614 votes for and 176,878 votes withheld; and Charles D. Morgan, 42,268,614 votes for and 176,878 votes withheld.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:

27 Financial Data Schedule

(b) Reports on Form 8-K.

None

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 12, 1997

By: /s/ Robert S. Bloom

(Signature)
Robert S. Bloom
Chief Financial Officer
(Chief Accounting Officer)

EXHIBIT INDEX

Exhibits to Form 10-Q

Exhibit Number	Exhibit
27	Financial Data Schedule

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEETS AND CONSOLIDATED STATEMENTS OF EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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3-MOS
MAR-31-1998
JUN-30-1997
626
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81,874
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94,192
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