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 September 30, 1995 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 October 25, 1995, was 23,491,335.

Form 10-Q

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)

	September 30, 1995	March 31, 1995
Assets		
Current assets:		
Cash and short-term cash investments	$ 1,592,000	3,149,000
Trade accounts receivable, net	40,657,000	37,764,000
Other current assets	2,976,000	2,604,000
Total current assets	45,225,000	43,517,000
Property and equipment	151,644,000	123,321,000
Less - Accumulated depreciation and amortization	67,016,000	55,902,000
Property and equipment, net	84,628,000	67,419,000
Software, net of accumulated amortization	8,718,000	9,693,000
Excess of cost over fair value of net assets acquired	14,777,000	9,638,000
Other assets	21,511,000	17,903,000
	$174,859,000	148,170,000
Liabilities and Stockholders' Equity		
Current liabilities:		
Short-term borrowings	827,000	---
Current installments of long-term debt	3,564,000	3,564,000
Trade accounts payable	8,786,000	8,342,000
Accrued interest	435,000	522,000
Accrued payroll and related expenses	5,026,000	5,280,000
Other accrued expenses	7,540,000	7,055,000
Advances from customers	232,000	162,000
Income taxes	994,000	39,000
Total current liabilities	27,404,000	24,964,000
Long-term debt, excluding current installments	29,280,000	18,219,000
Deferred income taxes	7,164,000	7,138,000

Deferred revenue	1,544,000	672,000
Stockholders' equity:		
Preferred stock	---	---
Common stock	2,412,000	2,308,000
Additional paid-in capital	51,883,000	46,493,000
Retained earnings	57,962,000	50,776,000
Foreign currency translation adjustment	(407,000)	7,000
Treasury stock, at cost	(2,383,000)	(2,407,000)
Total stockholders' equity	109,467,000	97,177,000
Commitments and contingencies		
	$174,859,000	148,170,000

See accompanying condensed notes to consolidated financial statements.

Form 10-Q

ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	For the Three Months Ended September 30, 1995	1994
Revenue	$ 62,376,000	47,853,000
Operating costs and expenses:		
Salaries and benefits	22,652,000	16,010,000
Computer, communications and other equipment	7,844,000	7,021,000
Data costs	15,992,000	13,414,000
Other operating costs and expenses	8,546,000	6,054,000
Total operating costs and expenses	55,034,000	42,499,000
Income from operations	7,342,000	5,354,000
Other income (expense):		
Interest expense	(546,000)	(585,000)
Other, net	(84,000)	(189,000)
	(630,000)	(774,000)
Earnings before income taxes	6,712,000	4,580,000
Income taxes	2,640,000	1,787,000
Net earnings	$ 4,072,000	2,793,000
Earnings per share	$ .16	.12
Weighted average shares outstanding	26,109,000	22,548,000

See accompanying condensed notes to consolidated financial statements.

ACXIOM CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	For the Six Months ended September 30, 1995	1994
Revenue	$121,558,000	94,734,000
Operating costs and expenses:		
Salaries and benefits	45,437,000	30,831,000
Computer, communications and other equipment	15,965,000	13,937,000
Data costs	31,492,000	29,919,000
Other operating costs and expenses	15,805,000	10,981,000
Total operating costs and expenses	108,699,000	85,668,000
Income from operations	12,859,000	9,066,000
Other income (expense):		
Interest expense	(938,000)	(1,257,000)
Other, net	(151,000)	(745,000)
	(1,089,000)	(2,002,000)
Earnings before income taxes	11,770,000	7,064,000
Income taxes	4,562,000	2,755,000
Net earnings	$ 7,208,000	4,309,000
Earnings per share	$ .28	.19
Weighted average shares outstanding	25,966,000	22,250,000

See accompanying condensed notes to consolidated financial statements.

Form 10-Q

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

	For the Six Months Ended September 30, 1995	For the Six Months Ended September 30, 1994
Cash flows from operating activities:		
Net earnings	$ 7,208,000	4,309,000
Non-cash operating activities:		
Depreciation and amortization	10,519,000	9,321,000
Loss on disposal of assets	---	547,000
Equity in operations of joint venture	---	279,000
Other, net	364,000	1,049,000
Changes in assets and liabilities:		
Accounts receivable	(254,000)	(6,660,000)
Other assets	(789,000)	408,000
Accounts payable and other liabilities	(1,047,000)	7,115,000
Net cash provided by operating activities	16,001,000	16,368,000
Cash flows from investing activities:		
Sale of assets	272,000	5,308,000
Cash acquired in pooling acquisition	1,624,000	---
Cash paid in purchase acquisition	(5,914,000)	---
Development of software	(547,000)	(546,000)
Capital expenditures	(21,950,000)	(9,178,000)
Net cash used by investing activities	(26,515,000)	(4,416,000)
Cash flows from financing activities:		
Proceeds from debt	12,261,000	---
Payments of debt	(2,999,000)	(11,987,000)
Sale of common stock	1,011,000	688,000
Cash dividends paid by acquired company prior to merger	(468,000)	---
Acquisition and retirement of common stock by acquired company prior to merger	(1,010,000)	---

Issuance of common stock by acquired company prior to merger	190,000	---
Net cash provided (used) by financing activities	8,985,000	(11,299,000)
Effect of exchange rate changes on cash	(28,000)	---
Net increase in cash and short-term cash investments	(1,557,000)	653,000
Cash and short-term cash investments at beginning of period	3,149,000	475,000
Cash and short-term cash investments at end of period	$ 1,592,000	1,128,000
Cash paid during the period for:		
Interest	$ 1,025,000	1,344,000
Income taxes	3,607,000	849,000

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 15 of the Notes to Consolidated Financial Statements filed as a part of Item 14 of Registrant's 1995 Annual report on Form 10-K as filed with the Securities and Exchange Commission on June 28, 1995.

Notes to Consolidated Financial Statements:

1. On July 14, 1995, the Company purchased the outstanding stock of Generator Datamarketing Limited ("Generator"). Generator is located in Hertfordshire, near London, and provides data and database marketing software and processing services to its customers. The purchase price was 4,000,000 pounds sterling (approximately $6,460,000). The acquisition has been accounted for as a purchase, and, accordingly, Generator's results of operations are included in the consolidated statements of earnings as of the purchase date. The purchase price exceeded the fair value of the net assets acquired by $5,648,000. The resulting excess of cost over net assets acquired is being amortized using the straight-line method over its estimated economic life of 15 years.

   The pro forma combined results of operations, assuming the acquisition occurred at the beginning of each period presented, are not materially different than the historical results of operations reported. Generator had revenue of $3,122,000 and earnings before income taxes of $215,000 for the year ended December 31, 1994.

2. On August 25, 1995 the Company acquired all of the outstanding capital stock of DataQuick Information Systems (formerly an "S" Corporation) and DQ Investment Corporation (collectively referred to as "DataQuick"). The Company exchanged 984,839 shares of its common stock for all of the outstanding shares of capital stock of DataQuick. Additionally, the Company assumed all of the currently outstanding options granted under DataQuick's stock option plans, with the result that 808,370 shares of the Company's common stock are now subject to issuance upon exercise of such options. The acquisition was in the form of a merger of two wholly owned subsidiaries of the Company into each of DataQuick Information Systems and DQ Investment Corporation and is accounted for as a pooling of interests.

DataQuick is headquartered in San Diego, California, and provides real property information to support a broad range of applications including marketing, appraisal, real estate, banking, mortgage and insurance. This information is distributed on-line and via CD-ROM, list services, and microfiche.

The stockholders' equity and operations of DataQuick are not material in relation to those of the Company. As such, the Company has recorded the combination by restating stockholders' equity as of April 1, 1995, without restating prior years' statements of earnings to reflect the pooling of interests combination. DataQuick's net assets as of April 1, 1995 totaled $5,773,000. The statements of earnings for the three months and six months ended September 30, 1995 include the results of DataQuick for the entire period presented.

For the year ended December 31, 1994, DataQuick had revenues and earnings before income taxes of $20,251,000 and $891,000, respectively. Included in the current fiscal year's results are revenues of $8,048,000 and earnings before income taxes of $79,000 for DataQuick for the period from April 1, 1995 to August 25, 1995.

3. On July 25, 1995, a customer of the Company, Highlights for Children, Inc. ("Highlights"), filed a demand for arbitration with the American Arbitration Association. The demand alleges, among other things, breaches of express warranties in connection with a software license agreement for the Company's GS/2000 software product. The demand seeks compensatory damages of approximately $22,000,000 and punitive damages of $44,000,000, plus attorneys' fees and costs.

   The Company believes that the action is substantially without merit. Highlights is and has been using the GS/2000 software in the daily operation of its business for over two years. Highlights accepted the software as operational as of September 1, 1993 and paid the final license fee payment. Acxiom's software license fee and related fees invoiced to Highlights for the GS/2000 software totaled approximately $2,000,000. The Company intends to vigorously defend the arbitration claim. Management believes that the ultimate outcome of the arbitration case will result in a final settlement, if any, which would not be material to the financial statements and which would be substantially lower than the amount noted above.

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

4. The Company's unsecured credit agreement providing for revolving loans in amounts of up to $30,000,000 which was set to expire August 31, 1996, has been extended through August 31, 1998. The Company's other unsecured credit line of $1,000,000 has also been renewed and now expires in June 1996. At September 30, 1995 there was a balance of $12,261,000 outstanding under the Company's revolving credit agreement.

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

Results of Operations

Consolidated revenue was a record $62,376,000 for the quarter ended September 30, 1995, a 30% increase over revenue of $47,853,000 for the same quarter a year ago. The financial services segment grew 46% reflecting the continued strong activity in credit card marketing. The direct marketing, insurance, and information and communication segments grew 43%, 30% and 15%, respectively. The media segment was down 8% from the prior year. The DataQuick and Generator acquisitions added revenue of $6,006,000 in the quarter.

For the six months ended September 30, 1995, consolidated revenue was $121,558,000, up 28% from the $94,734,000 reported for the same period in the prior year. The financial services segment was responsible for over half of the growth, increasing 67% from the prior year. The other segments all reported gains with direct marketing, insurance, information and communication services, and media up 35%, 11%, 11% and 2%, respectively. Year-to-date the DataQuick and Generator acquisitions added revenue of $10,798,000.

Operating costs and expenses for the quarter increased 29% when compared to the same quarter last year. Salaries and benefits increased 41% reflecting increased headcount. Computer, communications and other equipment costs increased 12%, data costs increased 19% and other operating costs and expenses increased 41%. The expense increases are primarily associated with the acquisitions noted above. Excluding the effects of the acquisitions, operating expenses increased 15%. Operating costs decreased as a percentage of revenue and as a result, operating margins for the quarter were 12% compared to 11% in the same quarter a year ago.

For the six months ended September 30, 1995, operating costs and expenses increased 27% when compared with the same period the previous year. Salaries and benefits increased 47%, computer, communications and other equipment expenses increased 15%, data costs increased 5%, and other operating costs increased 44%. Once again, most of the expense increases were associated with the acquisitions noted above. Excluding these effects, operating expenses increased 14%. Operating margins for the six months were 11% of revenue compared to 10% for the same period in the prior year.

Interest expense for the current quarter and the year-to-date period are lower than in the prior year, due to lower average levels of debt. Other expense in the first quarter of the prior year included $500,000 for the estimated disposal cost of certain BSA assets in the United States.

The Company's effective tax rate was 39% for both the current quarter and the six months ended September 30, 1995, unchanged from the comparable periods in the prior year. The effective tax rate for the year ended March 31, 1995 was 38%. The Company expects the effective rate for fiscal 1996 to remain in the 37-39% range.

Capital Resources and Liquidity

Working capital at September 30, 1995 was $17,821,000 compared to $18,553,000 at March 31, 1995. At September 30, 1995 the Company had available credit lines of $31,000,000 of which $12,261,000 was outstanding. The Company's debt-to-capital ratio (capital defined as long-term debt plus stockholders' equity) was 21% at September 30, 1995 compared to 16% at March 31, 1995. As discussed in footnote 4 to the consolidated financial statements, the Company's $30,000,000 revolving credit agreement which was set to expire August 31, 1996 has been amended to extend through August 31, 1998.

Cash provided by operating activities was $16,001,000 for the six months ended September 30, 1995 compared to $16,368,000 for the same period a year earlier. In the current period, $26,515,000 was used by investing activities and $8,985,000 was provided by financing activities. Investing activities included capital expenditures of $21,950,000 compared to $9,178,000 in the prior period. Investing activities also included $5,914,000 paid for the acquisition of Generator Datamarketing Limited ("Generator") which is discussed more fully in footnote 1 to the consolidated financial statements. Generator's results of operations are included in the Company's consolidated results for the second quarter of the current fiscal year. Investing activities in the prior year included $5,308,000 collected from the sale of assets, primarily from the sale of substantially all of the assets of Acxiom Mailing Services. Financing activities in the current year include the effects of cash dividends and common stock transactions made by DataQuick Information Systems ("DataQuick") prior to its acquisition in a pooling-of-interests transaction on August 25, 1995. For a more detailed description of the DataQuick merger see footnote 2 to the consolidated financial statements. The statements of earnings and cash flows for the current year include the results of DataQuick for the entire periods presented.

The Company has completed and begun to occupy an expansion of its Conway, Arkansas data center to accommodate increasing data processing requirements. The cost of the expansion was approximately $4,000,000. The Company is building a new 100,000 square-foot customer service building on its main campus in Conway. The new facility is projected to cost $8,000,000 and will be ready for occupancy in the third quarter of fiscal 1996. Both projects are being funded through current operations and existing credit lines. Management expects total capital expenditures for fiscal year 1996 to be approximately $35,000,000.

On October, 4, 1995, the Company announced a letter of intent to form a business alliance with The Polk Company ("Polk"). The Company will assume management of Polk's data center in Taylor, Michigan and a definitive ten-year agreement is expected to be completed in November 1995. A phased program will transfer Polk's data center operations to the Company's headquarters in Conway, Arkansas. Management estimates the agreement will contribute $12-$16 million in initial annual revenues. The Company and Polk will also explore joint ventures in marketing, product development, data acquisition, and international sales. The exact nature of the partnership in these areas will be determined by future discussions.

As discussed in footnote 3 to the consolidated financial statements, the Company is involved in an arbitration claim, which if resolved against the Company, could result in a payment of an amount which could be material to the financial statements. However, management believes the ultimate outcome of this case will result in a settlement, if any, which will not be material to the financial statements.

While the Company does not have any other material contractual commitments for capital expenditures, additional investments in facilities and computer equipment will continue to be necessary to support the anticipated growth of the business. In addition, new outsourcing or facilities management contracts frequently require substantial up-front capital expenditures in order to acquire 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 capacity to raise capital which could be used to support future growth.

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 August 2, 1995. The following matters were voted upon at the meeting:

(1) Shareholders approved the election of three directors. Voting results for each individual nominee were as follows: Rodger S. Kline, 15,523,324 votes for and 556,307 withheld; Robert A. Pritzker, 15,533,130 votes for and 546,501 votes withheld; James T. Womble, 15,523,450 votes for and 556,181 votes withheld.

(2) Shareholders approved an amendment to the Company's Certificate of Incorporation to increase the number of authorized shares of Common Stock, $.10 par value per share, from 30,000,000 to 60,000,000, with 15,512,829 votes for, 503,070 votes against, 40,676 votes withheld, and no broker non-votes.

(3) Shareholders approved an amendment to the Company's U.S. Stock Option Plan, with 12,885,154 votes for, 2,335,498 votes against, 403,206 withheld, and 535,773 broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

3.1 Company's Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 4.1 to Registration No. 33-63423)

27 Financial Data Schedule

(b) Reports on Form 8-K filed during the second quarter:

A report was filed on August 25, 1995 under Item 5 of Form 8-K, which reported the acquisitions of DataQuick Information Systems and DQ Investment Corporation.

A report was filed on September 27, 1995 under Item 5 of Form 8-K, in which the Registrant filed, in connection with the DataQuick acquisition, the Registrant's first quarter financial statements to reflect the pooling of interests combination.

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 November 2, 1995

/s/ Robert S. Bloom

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

EXHIBIT INDEX

Exhibits to Form 10-Q

Exhibit Number	Exhibit
3.1	Company's Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 4.1 to Registration No. 33-63423)
27	Financial Data Schedule

A RESTATED ART. 5 FDS FOR THE FIRST QUARTER 10-Q WAS NECESSITATED BY THE ACQUISITION OF DATAQUICK INFORMATION SYSTEMS AND DQ INVESTMENT CORPORATION, WHICH ACQUISITION WAS ACCOUNTED FOR AS A POOLING OF INTERESTS. 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.

1,000

3-MOS
MAR-31-1996
JUN-30-1995
1,741
0
39,298
0
0
43,813
139,680
63,144
160,268
25,151
21,187
0
0
2,410
102,656
160,268
0
59,182
0
53,665
67
0
392
5,058
1,922
3,136
0
0
0
3,136
.12
.12

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.

1,000

3-MOS
MAR-31-1996
SEP-30-1995
1,592
0
40,657
0
0
45,225
151,644
67,016
174,859
27,404
29,280
0
0
2,412
107,055
174,859
0
121,558
0
108,699
151
0
938
11,770
4,562
7,208
0
0
0
7,208
.28
.28