

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

	For the Three Months Ended June 30,			
	2006	2005	\$ Variance	% Variance
Revenue:				
Services	261,892	238,499	23,393	9.8%
Data	74,813	71,772	3,041	4.2%
Total revenue	<u>336,705</u>	<u>310,271</u>	26,434	8.5%
Operating costs and expenses:				
Cost of revenue				
Services	196,073	194,349	1,724	0.9%
Data	49,572	48,885	687	1.4%
Total cost of revenue	<u>245,645</u>	<u>243,234</u>	2,411	1.0%
Services gross margin	25.1%	18.5%		
Data gross margin	33.7%	31.9%		
Total gross margin	27.0%	21.6%		
Selling, general and administrative	54,745	53,700	1,045	1.9%
Gains, losses and nonrecurring items, net	<u>-</u>	<u>(1,637)</u>	1,637	0.0%
Total operating costs and expenses	<u>300,390</u>	<u>295,297</u>	5,093	1.7%
Income from operations	<u>36,315</u>	<u>14,974</u>	21,341	142.5%
Other income (expense):				
Interest expense	(7,769)	(5,162)	(2,607)	50.5%
Other, net	647	891	(244)	(27.4%)
Total other income (expense)	<u>(7,122)</u>	<u>(4,271)</u>	(2,851)	66.8%
Earnings before income taxes	29,193	10,703	18,490	172.8%
Income taxes	<u>11,385</u>	<u>4,064</u>	7,321	180.1%
Net earnings	<u>17,808</u>	<u>6,639</u>	11,169	168.2%
Earnings per share:				
Basic	<u>0.20</u>	<u>0.07</u>	0.13	185.7%
Diluted	<u>0.20</u>	<u>0.07</u>	0.13	185.7%

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

	For the Three Months Ended			
	June 30, 2006	March 31, 2006	\$ Variance	% Variance
Revenue:				
Services	261,892	257,591	4,301	1.7%
Data	<u>74,813</u>	<u>86,752</u>	(11,939)	(13.8%)
Total revenue	<u>336,705</u>	<u>344,343</u>	(7,638)	(2.2%)
Operating costs and expenses:				
Cost of revenue				
Services	196,073	196,428	(355)	(0.2%)
Data	<u>49,572</u>	<u>52,142</u>	(2,570)	(4.9%)
Total cost of revenue	<u>245,645</u>	<u>248,570</u>	(2,925)	(1.2%)
Services gross margin	25.1%	23.7%		
Data gross margin	33.7%	39.9%		
Total gross margin	27.0%	27.8%		
Selling, general and administrative	54,745	51,642	3,103	6.0%
Gains, losses and nonrecurring items, net	<u>-</u>	<u>(456)</u>	456	(100.0%)
Total operating costs and expenses	<u>300,390</u>	<u>299,756</u>	634	0.2%
Income from operations	<u>36,315</u>	<u>44,587</u>	(8,272)	(18.6%)
Other income (expense):				
Interest expense	(7,769)	(7,531)	(238)	3.2%
Other, net	<u>647</u>	<u>135</u>	512	379.3%
Total other income (expense)	<u>(7,122)</u>	<u>(7,396)</u>	274	(3.7%)
Earnings before income taxes	29,193	37,191	(7,998)	(21.5%)
Income taxes	<u>11,385</u>	<u>14,132</u>	(2,747)	(19.4%)
Net earnings	<u><u>17,808</u></u>	<u><u>23,059</u></u>	(5,251)	(22.8%)
Earnings per share:				
Basic	<u>0.20</u>	<u>0.27</u>	(0.07)	(25.9%)
Diluted	<u>0.20</u>	<u>0.26</u>	(0.06)	(23.1%)

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

	For the Three Months Ended		
	June 30, 2006	June 30, 2005	March 31, 2006
Basic earnings per share:			
Numerator - net earnings	17,808	6,639	23,059
Denominator - weighted-average shares outstanding	88,155	91,044	86,981
Basic earnings per share	0.20	0.07	0.27
Diluted earnings per share:			
Numerator - net earnings			
Net earnings	17,808	6,639	23,059
Denominator:			
Weighted-average shares outstanding	88,155	91,044	86,981
Dilutive effect of common stock options, warrants and restricted stock	2,268	2,752	2,855
	90,423	93,796	89,836
Diluted earnings per share	0.20	0.07	0.26

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

For the Three Months Ended

Revenue:	June 30, 2006	June 30, 2005	March 31, 2006
US services & data	291,419	265,434	295,795
International services & data	<u>45,286</u>	<u>44,837</u>	<u>48,548</u>
Total revenue	<u>336,705</u>	<u>310,271</u>	<u>344,343</u>
US supplemental information:			
Services & data excluding IT mgmt	201,242	178,632	206,853
IT management services	<u>90,177</u>	<u>86,802</u>	<u>88,942</u>
	<u>291,419</u>	<u>265,434</u>	<u>295,795</u>
International supplemental information:			
Services & data excluding IT mgmt	<u>45,286</u>	<u>44,837</u>	<u>48,548</u>
Income from operations:			
US services & data	35,950	14,717	40,794
International services & data	365	(1,380)	3,337
Corporate & other	<u>0</u>	<u>1,637</u>	<u>456</u>
Total income from operations	<u>36,315</u>	<u>14,974</u>	<u>44,587</u>
Margin:			
US services & data	12.3%	5.5%	13.8%
International services & data	0.8%	-3.1%	6.9%
Total margin	10.8%	4.8%	12.9%

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

For the Three Months Ended

	June 30, 2006	June 30, 2005	\$ Variance	% Variance	March 31, 2006	\$ Variance	% Variance
Data	54,530	53,218	1,312	2.5%	66,176	(11,646)	(17.6%)
Passthrough data	<u>20,283</u>	<u>18,554</u>	1,729	9.3%	<u>20,576</u>	(293)	(1.4%)
Total data revenue	<u><u>74,813</u></u>	<u><u>71,772</u></u>	3,041	4.2%	<u><u>86,752</u></u>	(11,939)	(13.8%)
Cost of data revenue:							
Data	29,289	30,331	(1,042)	(3.4%)	31,566	(2,277)	(7.2%)
Passthrough data	<u>20,283</u>	<u>18,554</u>	1,729	9.3%	<u>20,576</u>	(293)	(1.4%)
Total cost of data	<u><u>49,572</u></u>	<u><u>48,885</u></u>	687	1.4%	<u><u>52,142</u></u>	(2,570)	(4.9%)
Margin:							
Data	46.3%	43.0%			52.3%		
Passthrough data	0.0%	0.0%			0.0%		
Total data	33.7%	31.9%			39.9%		

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

	June 30, 2006	March 31, 2006	\$ Variance	% Variance
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	4,163	7,705	(3,542)	(46.0%)
Trade accounts receivable, net	264,933	261,624	3,309	1.3%
Deferred income taxes	24,517	24,587	(70)	(0.3%)
Other current assets	45,204	44,937	267	0.6%
Total current assets	<u>338,817</u>	<u>338,853</u>	<u>(36)</u>	<u>(0.0%)</u>
Property and equipment	685,515	662,948	22,567	3.4%
Less - accumulated depreciation and amortization	353,633	329,177	24,456	7.4%
Property and equipment, net	<u>331,882</u>	<u>333,771</u>	<u>(1,889)</u>	<u>(0.6%)</u>
Software, net of accumulated amortization	41,313	45,509	(4,196)	(9.2%)
Goodwill	477,291	472,401	4,890	1.0%
Purchased software licenses, net of accumulated amortization	161,814	155,518	6,296	4.0%
Unbilled and notes receivable, excluding current portions	17,188	19,139	(1,951)	(10.2%)
Deferred costs, net	116,651	112,817	3,834	3.4%
Data acquisition costs	38,712	40,828	(2,116)	(5.2%)
Other assets, net	21,379	21,662	(283)	(1.3%)
	<u>1,545,047</u>	<u>1,540,498</u>	4,549	0.3%
<u>Liabilities and Stockholders' Equity</u>				
Current liabilities:				
Current installments of long-term obligations	96,701	93,518	3,183	3.4%
Trade accounts payable	41,905	44,144	(2,239)	(5.1%)
Accrued payroll and related expenses	27,487	32,139	(4,652)	(14.5%)
Other accrued expenses	79,345	81,428	(2,083)	(2.6%)
Deferred revenue	112,313	123,916	(11,603)	(9.4%)
Income taxes	9,759	4,845	4,914	101.4%
Dividends payable	4,403	-	4,403	-
Total current liabilities	<u>371,913</u>	<u>379,990</u>	<u>(8,077)</u>	<u>(2.1%)</u>
Long-term obligations:				
Long-term debt and capital leases, net of current installments	345,992	353,692	(7,700)	(2.2%)
Software and data licenses, net of current installments	28,854	22,723	6,131	27.0%
Total long-term obligations	<u>374,846</u>	<u>376,415</u>	<u>(1,569)</u>	<u>(0.4%)</u>
Deferred income taxes	77,735	77,916	(181)	(0.2%)
Commitments and contingencies				
Stockholders' equity:				
Common stock	10,985	10,946	39	0.4%
Additional paid-in capital	685,086	677,026	8,060	1.2%
Unearned stock-based compensation	(1,736)	(1,941)	205	(10.6%)
Retained earnings	423,683	410,278	13,405	3.3%
Accumulated other comprehensive loss	8,637	2,205	6,432	291.7%
Treasury stock, at cost	(406,102)	(392,337)	(13,765)	3.5%
Total stockholders' equity	<u>720,553</u>	<u>706,177</u>	14,376	2.0%
	<u>1,545,047</u>	<u>1,540,498</u>	4,549	0.3%

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

	For the Three Months Ended	
	June 30,	
	2006	2005
Cash flows from operating activities:		
Net earnings	17,808	6,639
Non-cash operating activities:		
Depreciation and amortization	59,047	55,534
Loss (gain) on disposal or impairment of assets, net	(84)	43
Deferred income taxes	(233)	3,635
Non-cash stock compensation expense	553	298
Changes in operating assets and liabilities:		
Accounts receivable	(1,796)	17,297
Other assets	3,186	(17,945)
Accounts payable and other liabilities	(9,743)	917
Deferred revenue	(12,388)	(4,942)
Net cash provided by operating activities	<u>56,350</u>	<u>61,476</u>
Cash flows from investing activities:		
Capitalized software	(5,719)	(5,673)
Capital expenditures	(217)	(2,929)
Cash collected from the sale and license of software	5,000	-
Deferral of costs	(16,887)	(16,192)
Payments received from investments	783	721
Net cash paid in acquisitions	-	(106,719)
Net cash used by investing activities	<u>(17,040)</u>	<u>(130,792)</u>
Cash flows from financing activities:		
Proceeds from debt	28,873	281,706
Payments of debt	(67,866)	(54,130)
Dividends paid	-	(4,432)
Sale of common stock	6,773	13,527
Acquisition of treasury stock	(11,965)	(160,354)
Tax benefit of stock options exercised	1,079	-
Net cash used by financing activities	<u>(43,106)</u>	<u>76,317</u>
Effect of exchange rate changes on cash	<u>254</u>	<u>(297)</u>
Net increase in cash and cash equivalents	(3,542)	6,704
Cash and cash equivalents at beginning of period	7,705	4,185
Cash and cash equivalents at end of period	<u>4,163</u>	<u>10,889</u>
Supplemental cash flow information:		
Cash paid during the period for:		
Interest	7,830	4,397
Income taxes	5,268	190
Payments on capital leases and installment payment arrangements	18,905	19,929
Payments on software and data license liabilities	7,847	10,938
Other debt payments, excluding line of credit	1,711	1,357
Noncash investing and financing activities:		
Issuance of options for acquisition	-	7,541
Software licenses and maintenance acquired under software obligation	15,266	2,161
Acquisition of property and equipment under capital lease and installment payment arrangements	19,426	26,458
Construction and other financing	5,904	3,654

ACXIOM CORPORATION AND SUBSIDIARIES
FREE CASH FLOW DEFINITION

- There has been discussion over Acxiom's Free Cash Flow definition
- No single universally accepted definition of Free Cash Flow exists
- Acxiom's goal is to communicate Free Cash Flow available to equity vs. available for debt service
- Going forward calculation will continue to be transparent and consistent with an equity Free Cash Flow point of view

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF FREE CASH FLOW AVAILABLE TO EQUITY (Q1 FY07 Comparison)
AND RECONCILIATION TO OPERATING CASH FLOW
(Unaudited)
(Dollars in thousands)

	Old	New	Change	
	06/30/06	06/30/06	\$	%
Net cash provided by operating activities	56,350	56,350	-	0.0%
Less:				
Tax benefit of stock options and warrants	-	-	-	-
Subtotal	56,350	56,350	-	0.0%
Plus:				
Proceeds received from the disposition of operations	-	-	-	-
Proceeds received from the disposition of assets	-	-	-	-
Payments received from investments	-	783	783	-
Less:				
Capitalized software	(5,719)	(5,719)	-	0.0%
Capital expenditures	(217)	(217)	-	0.0%
Deferral of costs	(16,887)	(16,887)	-	0.0%
Payments on capital leases and installment payment arrangements	-	(18,905)	(18,905)	-
Payments on software and data license liabilities	-	(7,847)	(7,847)	-
Other required debt payments	-	(1,711)	(1,711)	-
Subtotal	33,527	5,847	(27,680)	-82.6%
Plus:				
Tax benefit of stock options and warrants	1,079	1,079	-	0.0%
Subtotal	34,606	6,926	(27,680)	-80.0%
Plus:				
Cash collected from sale of software	5,000	5,000	-	0.0%
Total	39,606	11,926	(27,680)	-69.9%

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF FREE CASH FLOW AVAILABLE TO EQUITY (FY06 Comparison)
AND RECONCILIATION TO OPERATING CASH FLOW
(Unaudited)
(Dollars in thousands)

	Old	New	Change	
	FY 2006	FY 2006	\$	%
Net cash provided by operating activities	275,833	275,833	-	0.0%
Less:				
Tax benefit of stock options and warrants	-	(19,097)	(19,097)	-
Subtotal	275,833	256,736	(19,097)	-6.9%
Plus:				
Proceeds received from the disposition of operations	-	4,844	4,844	-
Proceeds received from the disposition of assets	5,123	5,123	-	0.0%
Payments received from investments	-	3,760	3,760	-
Less:				
Capitalized software	(21,903)	(21,903)	-	0.0%
Capital expenditures	(6,848)	(6,848)	-	0.0%
Deferral of costs	(70,454)	(70,454)	-	0.0%
Payments on capital leases and installment payment arrangements	-	(72,232)	(72,232)	-
Payments on software and data license liabilities	-	(29,069)	(29,069)	-
Other required debt payments	-	(9,302)	(9,302)	-
Subtotal	181,751	60,655	(121,096)	-66.6%
Plus:				
Tax benefit of stock options and warrants	-	19,097	19,097	-
Subtotal	181,751	79,752	(101,999)	-56.1%
Plus:				
Cash collected from sale of software	20,000	20,000	-	0.0%
Total	201,751	99,752	(101,999)	-50.6%

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF FREE CASH FLOW AVAILABLE TO EQUITY
AND RECONCILIATION TO OPERATING CASH FLOW
(Unaudited)
(Dollars in thousands)

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06
Net cash provided by operating activities	61,476	44,785	95,414	74,158	275,833	56,350
Less:						
Tax benefit of stock options and warrants	-	-	-	(19,097)	(19,097)	-
Subtotal	61,476	44,785	95,414	55,061	256,736	56,350
Plus:						
Proceeds received from the disposition of operations	-	1,529	3,315	-	4,844	-
Proceeds received from the disposition of assets	-	3,613	1,510	-	5,123	-
Payments received from investments	721	41	2,093	905	3,760	783
Less:						
Capitalized software	(5,673)	(5,809)	(5,204)	(5,217)	(21,903)	(5,719)
Capital expenditures	(2,929)	(3,025)	(401)	(493)	(6,848)	(217)
Deferral of costs	(16,192)	(18,703)	(19,603)	(15,956)	(70,454)	(16,887)
Payments on capital leases and installment payment arrangements	(19,929)	(15,967)	(17,994)	(18,342)	(72,232)	(18,905)
Payments on software and data license liabilities	(10,938)	(5,328)	(7,344)	(5,459)	(29,069)	(7,847)
Other required debt payments	(1,357)	(2,434)	(1,715)	(3,796)	(9,302)	(1,711)
Subtotal	5,179	(1,298)	50,071	6,703	60,655	5,847
Plus:						
Tax benefit of stock options and warrants	-	-	-	19,097	19,097	1,079
Subtotal	5,179	(1,298)	50,071	25,800	79,752	6,926
Plus:						
Cash collected from sale of software	-	-	20,000	-	20,000	5,000
Total	5,179	(1,298)	70,071	25,800	99,752	11,926

ACXIOM CORPORATION AND SUBSIDIARIES
CALCULATION OF FREE CASH FLOW (Old Format)
(Unaudited)
(Dollars in thousands)

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06
Net cash provided by operating activities	61,476	44,785	95,414	74,158	275,833	56,350
Less:						
Tax benefit of stock options and warrants	-	-	-	-	-	-
Subtotal	61,476	44,785	95,414	74,158	275,833	56,350
Plus:						
Proceeds received from the disposition of operations	-	-	-	-	-	-
Proceeds received from the disposition of assets	-	3,613	1,510	-	5,123	-
Payments received from investments	-	-	-	-	-	-
Less:						
Capitalized software	(5,673)	(5,809)	(5,204)	(5,217)	(21,903)	(5,719)
Capital expenditures	(2,929)	(3,025)	(401)	(493)	(6,848)	(217)
Deferral of costs	(16,192)	(18,703)	(19,603)	(15,956)	(70,454)	(16,887)
Payments on capital leases and installment payment arrangements	-	-	-	-	-	-
Payments on software and data license liabilities	-	-	-	-	-	-
Other required debt payments	-	-	-	-	-	-
Subtotal	36,682	20,861	71,716	52,492	181,751	33,527
Plus:						
Tax benefit of stock options and warrants	-	-	-	-	-	1,079
Subtotal	36,682	20,861	71,716	52,492	181,751	34,606
Plus:						
Cash collected from sale of software	-	-	20,000	-	20,000	5,000
Total	36,682	20,861	91,716	52,492	201,751	39,606

ACXIOM CORPORATION AND SUBSIDIARIES
RECONCILIATION OF FREE CASH FLOW AS REPORTED
(Unaudited)
(Dollars in thousands)

	<u>FY 2005</u>	<u>FY 2006</u>
Free cash flow as previously reported	158,962	201,751
Plus:		
Proceeds received from the disposition of operations	-	4,844
Payments received from investments	<u>2,533</u>	<u>3,760</u>
Subtotal free cash flow available for debt service	161,495	210,355
Less:		
Required payments of debt	<u>94,105</u>	<u>110,603</u>
Total free cash flow available to equity	<u><u>67,390</u></u>	<u><u>99,752</u></u>

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

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06	Q1 FY06 to Q1 FY07		Q4 FY06 to Q1 FY07	
							%	\$	%	\$
Revenue:										
Services	238,499	253,193	263,266	257,591	1,012,549	261,892	9.8%	23,393	1.7%	4,301
Data	71,772	77,330	84,165	86,752	320,019	74,813	4.2%	3,041	-13.8%	(11,939)
Total revenue	310,271	330,523	347,431	344,343	1,332,568	336,705	8.5%	26,434	-2.2%	(7,638)
Operating costs and expenses:										
Cost of revenue										
Services	194,349	191,883	189,502	196,428	772,162	196,073	0.9%	1,724	-0.2%	(355)
Data	48,885	52,124	48,799	52,142	201,950	49,572	1.4%	687	-4.9%	(2,570)
Total cost of revenue	243,234	244,007	238,301	248,570	974,112	245,645	1.0%	2,411	-1.2%	(2,925)
Selling, general and administrative	53,700	54,902	57,625	51,642	217,869	54,745	1.9%	1,045	6.0%	3,103
Gains, losses and nonrecurring items, net	(1,637)	12,799	(1,202)	(456)	9,504	0	-100.0%	1,637	-100.0%	456
Total operating costs and expenses	295,297	311,708	294,724	299,756	1,201,485	300,390	1.7%	5,093	0.2%	634
Income from operations	14,974	18,815	52,707	44,587	131,083	36,315	142.5%	21,341	-18.6%	(8,272)
% <i>Margin</i>	4.8%	5.7%	15.2%	12.9%	9.8%	10.8%				
Other income (expense)										
Interest expense	(5,162)	(7,416)	(8,635)	(7,531)	(28,744)	(7,769)	50.5%	(2,607)	3.2%	(238)
Other, net	891	1,050	(71)	135	2,005	647	-27.4%	(244)	379.3%	512
Total other income (expense)	(4,271)	(6,366)	(8,706)	(7,396)	(26,739)	(7,122)	66.8%	(2,851)	-3.7%	274
Earnings before income taxes	10,703	12,449	44,001	37,191	104,344	29,193	172.8%	18,490	-21.5%	(7,998)
Income taxes	4,064	5,300	16,720	14,132	40,216	11,385	180.1%	7,321	-19.4%	(2,747)
Net earnings	6,639	7,149	27,281	23,059	64,128	17,808	168.2%	11,169	-22.8%	(5,251)
Diluted earnings (loss) per share	0.07	0.08	0.31	0.26	0.71	0.20	185.7%	0.13	-23.1%	(0.06)

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

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06	Q1 FY06 to Q1 FY07		Q4 FY06 to Q1 FY07	
							%	\$	%	\$
Revenue	310,271	330,523	347,431	344,343	1,332,568	336,705	8.5%	26,434	-2.2%	(7,638)
Operating costs and expenses:										
Salaries and benefits	126,264	127,325	129,888	132,579	516,056	135,917	7.6%	9,653	2.5%	3,338
Computer, communications and other equipment	77,647	76,250	73,614	71,730	299,241	73,119	-5.8%	(4,528)	1.9%	1,389
Data costs	41,831	44,752	42,021	44,593	173,197	43,372	3.7%	1,541	-2.7%	(1,221)
Other operating costs and expenses	51,192	50,582	50,403	51,310	203,487	47,982	-6.3%	(3,210)	-6.5%	(3,328)
Gains, losses and nonrecurring items, net	(1,637)	12,799	(1,202)	(456)	9,504	0	-100.0%	1,637	-100.0%	456
Total operating costs and expenses	295,297	311,708	294,724	299,756	1,201,485	300,390	1.7%	5,093	0.2%	634
Income (loss) from operations	14,974	18,815	52,707	44,587	131,083	36,315	142.5%	21,341	-18.6%	(8,272)
Operating Margin	4.8%	5.7%	15.2%	12.9%	9.8%	10.8%				
Other income (expense):										
Interest expense	(5,162)	(7,416)	(8,635)	(7,531)	(28,744)	(7,769)	50.5%	(2,607)	3.2%	(238)
Other, net	891	1,050	(71)	135	2,005	647	-27.4%	(244)	379.3%	512
	(4,271)	(6,366)	(8,706)	(7,396)	(26,739)	(7,122)	66.8%	(2,851)	-3.7%	274
Earnings (loss) before income taxes	10,703	12,449	44,001	37,191	104,344	29,193	172.8%	18,490	-21.5%	(7,998)
Income taxes	4,064	5,300	16,720	14,132	40,216	11,385	180.1%	7,321	-19.4%	(2,747)
Net earnings (loss)	6,639	7,149	27,281	23,059	64,128	17,808	168.3%	11,169	-22.8%	(5,251)
Diluted earnings (loss) per share	0.07	0.08	0.31	0.26	0.71	0.20	185.7%	0.13	-23.1%	(0.06)

ACXIOM CORPORATION AND SUBSIDIARIES
MARGIN ANALYSIS
(Unaudited)

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06	Q1 FY06 to Q1 FY07		Q4 FY06 to Q1 FY07	
							%	\$	%	\$
Gross profit	67,037	86,516	109,130	95,773	358,456	91,060	35.8%	24,023	-4.9%	(4,713)
Gross margin	21.6%	26.2%	31.4%	27.8%	26.9%	27.0%				
Operating margin	4.8%	5.7%	15.2%	12.9%	9.8%	10.8%				
Services gross profit	44,150	61,310	73,764	61,163	240,387	65,819	49.1%	21,669	7.6%	4,656
Services gross margin	18.5%	24.2%	28.0%	23.7%	23.7%	25.1%				
Data gross profit	22,887	25,206	35,366	34,610	118,069	25,241	10.3%	2,354	-27.1%	(9,369)
Data gross margin	31.9%	32.6%	42.0%	39.9%	36.9%	33.7%				

ACXIOM CORPORATION AND SUBSIDIARIES
EXPENSE TREND ANALYSIS
(Unaudited)

	06/30/05	09/30/05	12/31/05	03/31/06	FY2006	06/30/06
Salaries and benefits % of revenue	40.7%	38.5%	37.4%	38.5%	38.7%	40.4%
Computer, communications and and other equipment % of revenue	25.0%	23.1%	21.2%	20.8%	22.5%	21.7%
Data costs % of revenue	13.5%	13.5%	12.1%	13.0%	13.0%	12.9%
Other operating costs and expenses % of revenue	16.5%	15.3%	14.5%	14.9%	15.3%	14.3%
Total operating costs and expenses % of revenue	95.2%	94.3%	84.8%	87.1%	90.2%	89.2%
SG&A % of revenue	17.3%	16.6%	16.6%	15.0%	16.3%	16.3%