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ACXIOM CORP
Form 11-K
June 29, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

Annual Report pursuant to Section 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2004.

OR

Transition Report pursuant to Section 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____
Commission File Number 0-16163

A. Full title of the plan and the address of the plan, if different from that of the issuer, set forth below:

Acxiom Corporation
Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Acxiom Corporation
1 Information Way
Little Rock, AR 72202

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Financial Statements and Supplemental Schedule

December 31, 2004 and 2003

(With Report of Independent Registered Public Accounting Firm The

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

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All other schedules required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 are omitted as they are inapplicable or not required.

Report of Independent Registered Public Accounting Firm

The Plan Administrator
Acxiom Corporation Retirement Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the Acxiom Corporation Retirement Savings Plan (the Plan) as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and estimates made by management, as well as evaluating the overall financial statement presentation. Our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the net assets available for benefits of the Acxiom Corporation Retirement Savings Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 31, 2004, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements. The supplemental schedule of assets (held at end of year) is presented for purposes of additional information as a part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is the responsibility of the Plan's management. The supplemental schedule has been subjected to the same audit procedures as the basic financial statements and, in our opinion, is fairly stated in all material aspects when taken in conjunction with the basic financial statements taken as a whole.

/s/ KPMG LLP

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Dallas, Texas
 April 29, 2005

ACXIOM CORPORATION
 RETIREMENT SAVINGS PLAN
 Statements of Net Assets Available for Benefits
 December 31, 2004 and 2003

	2004

Assets:	
Investments, at fair value (note 3):	
Acxiom Corporation common stock	\$ 85,390,87
Other common stock	866,87
Mutual funds	137,945,88
Common collective trust fund	20,960,32
Participant notes receivable	4,689,57

Total investments	249,853,54
Cash	-----

Net assets available for benefits (note 8)	\$ 249,853,54
	=====

See accompanying notes to financial statements.

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ACXIOM CORPORATION
 RETIREMENT SAVINGS PLAN
 Statement of Changes in Net Assets Available for Benefits
 Year ended December 31, 2004

Additions to net assets attributed to:

Investment income:

 Dividends
 Interest
 Net assets transferred from other plans (note 1)
 Net appreciation in fair value of investments (note 3)

Contributions:

 Participants
 Employer, net of \$1,350,096 of forfeitures

Total additions

Deductions from net assets attributed to:

 Plan expenses
 Distribution of benefits

Total deductions

Net increase in net assets available for benefits
 Net assets available for benefits, beginning of year

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Net assets available for benefits, end of year

See accompanying notes to financial statements.

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ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

(1) Plan Description

The following description of the Acxiom Corporation Retirement Savings Plan (the Plan) information. Participants should refer to the Plan agreement (the Agreement) for a more complete provisions.

(a) General

The Plan is a defined contribution Plan covering substantially all employees of domestic subsidiaries (Acxiom, the Company or the Employer). The Plan is subject to the Retirement Income Security Act of 1974 (ERISA), as amended.

(b) Contributions

The Plan includes a 401(k) provision whereby each non-highly compensated participant's annual compensation not to exceed limits determined under Section 415(c) of the Internal Revenue Code. Deferrals for highly compensated participants are limited to meet nondiscrimination requirements currently limited to 6% of annual compensation.

The Plan has historically provided a matching contribution of 50% of deferrals for non-highly compensated participants (and a matching contribution of 3%). During 2003 the Plan was amended to allow the Company to make mandatory matching contributions. From August 1, 2003 until October 31, 2003, the matching contribution was suspended. On November 1, 2003, the discretionary matching contribution was increased to 25% for deferrals up to 6% (maximum matching contribution of 1.5%). During the year ended December 31, 2003, the discretionary match was increased back to its prior level of 50% of 6%, for a maximum matching contribution of 3%.

Participant contributions to the Plan are invested as directed by participants in the Plan. The Company's matching contributions are made with Acxiom common stock and are valued at the fair market value of the common stock at the date contributed. During the years ended December 31, 2003 and 2002, the Company contributed 228,488 and 142,481 shares, respectively, of Acxiom common stock. In the Plan, the match shares are 100% diversifiable, at the election of the Participant, and are held in a trust with the Plan.

Certain fees for attorneys, accountants, and Plan administration have been paid by the Company through December 31, 2004. The Company may continue to pay these fees in the future, and any such fees will be paid out of the trust of the Plan.

(c) Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's matching contributions, and discretionary contributions, if any, and is adjusted for investment income/loss. Withdrawals are made according to formulas specified in the Agreement based on participant contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

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(d) Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of 50% of their vested account balance. Loans are repayable through payroll deduction unless the loan is for the purchase of a primary residence, in which case the loan is repaid through the participant's account. The loans are secured by the balance in the participant's account and bear interest at the date of the loan plus 2%. The interest rates on outstanding participant loans range from 6.0% to 11.5%.

(e) Vesting

Participants are immediately vested in their voluntary contributions and the earnings on those contributions. Participants are also vested in the remainder of their accounts based on years of service, whereby participants begin to vest beginning after two years of service until participants become fully vested after five years of service. If a participant leaves the Company, applicable, nonvested portions of Company contributions are forfeited as of the date of termination. Forfeited amounts are used to reduce future Company matching contributions or to pay Plan expenses.

At December 31, 2004 and 2003, forfeited nonvested accounts totaled \$854,378 and \$4,521,000, respectively. Forfeited accounts will be used to reduce future Employer contributions. During 2004 \$1,552,000 were forfeited and Employer contributions were reduced by \$1,350,096 from forfeited amounts. In 2004 the forfeiture account balance was also increased by \$220,487 on the fair market value of the Plan in the account.

(f) Investment Options

Upon enrollment in the Plan, a participant may direct employee contributions in a common collective trust fund currently offered by T. Rowe Price Investment Services (see Note 4). In addition, participants have the option to open a self-directed brokerage account in order to invest in numerous other stocks, bonds, and mutual funds. Acxiom provides an investment option for employee contributions. For the years ended December 31, 2004 and 2003, the fair market value of Acxiom common stock fund were \$216,858 and \$158,601, respectively.

The Plan's investment in the T. Rowe Price Stable Value Fund (the Fund), a common collective trust fund, includes substantial investments in guaranteed investment contracts, bank investment contracts, and other fixed income investments. The value of the Fund reflects the value of the underlying contracts, principal value, reinvested dividends and capital gains distributions, and appropriate interest rates of the contracts vary and the average yield for the year ended December 31, 2004 was 4.5% after expenses.

The Plan's investment in the T. Rowe Price Equity Index Trust (the Trust), a common collective trust fund, includes substantial investments in common stocks of companies that comprise the S&P 500 Index. The value of the Trust investments vary and the average yield for the year ended December 31, 2004 was 10.5%.

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(g) Withdrawals and Payment of Benefits

Benefits paid upon retirement, death, or disability are made in the form of a lump sum payment of cash or a lump sum of the Company stock. If a participant receives benefits prior to retirement, death, or disability, the amount of the benefit from the participant's Employer contribution account shall not exceed the participant's vested account balance.

(h) Net Assets Transferred from Other Plans

On March 31, 2004, the account balances of all current participants in the Computer and Trust (CG 401(k) Plan) were transferred to the Plan. The sum of the participant's account balances in each Plan equaled the fair market value of the Plan (determined as of the date of the merger), each participant in the merged Plan had an account balance equal to that which they had in the Plans immediately prior to the merger. Separate accounts for the merged Plan were established under the Plan to receive and account for the merged CG 401(k) account balances and to provide for the accrual of accrued benefits to participants as a result of the merger.

(2) Summary of Significant Accounting Policies

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(a) Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

(b) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the period and the reported amounts of additions to and deductions from net assets during the period. These estimates and assumptions results could differ from those estimates.

(c) Investment Valuation and Income Recognition

The Plan's investments are stated at fair value, based upon quoted market prices for publicly traded securities, notes receivable, which are stated at unpaid principal balance, which approximates fair value. Dividend and interest sales of securities and related income are recorded on a trade date basis.

The Plan provides for investment in investment securities that, in general, are subject to market risk, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with investment securities, changes can materially affect the amounts reported in the statement of net assets for benefits.

(d) Payment of Benefits

Benefits are recorded when paid.

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(3) Investments

The fair value of the individual investments held by the Plan is as follows:

	2004		2003	
	Number of shares or units	Fair value		Number of shares or units
Acxiom common stock	3,246,801	\$ 85,390,879 *		3,599,602
Other common stock		866,875		
Mutual funds:				
** T. Rowe Price Equity Income Fund	884,421	23,516,751	*	803,035
** T. Rowe Price Balanced Fund	969,011	19,089,526	*	932,819
** T. Rowe Price Growth Stock Fund	777,127	20,725,990	*	773,103
** T. Rowe Price Small-Cap Value Fund	453,771	16,190,559	*	388,226
** T. Rowe Price Mid-Cap Growth Fund	391,127	19,509,410	*	359,851
** Other funds		38,913,652		
Total mutual funds		137,945,888		
Common collective trust funds:				
** T. Rowe Price Stable Value Fund	16,274,040	16,274,040	*	15,186,509
** T. Rowe Price Equity Index Trust	137,146	4,686,289		_____
Participant notes receivable				

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(6.0% - 11.5%)	4,689,578

Total investments	\$ 249,853,549
	=====

* Represents 5% or more of total assets available for benefits.

** All T. Rowe Price Funds are a party in interest. Other Funds consist of various investments including T. Rowe Price Funds in the amount of \$27,400,367 for 2004 and \$32,962,682 for 2003

During 2004, the Plan's investments (including investments bought, sold, and held during the year) are as follows:

Acxiom common stock	\$ 23,286,298
Other common stock	70,151
Mutual funds	17,668,810

	\$ 41,025,259
	=====

ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

(4) Plan Administration

The Plan is administered by the Company. During 2004 and 2003 participant records and T. Rowe Price Trust Company as recordkeeper and trustee (see note 6).

(5) Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated June 2004 that the Plan is designed in accordance with applicable sections of the IRC. The Plan has been amended since that time by a subsequent letter. The Plan Administrator and the Plan's tax counsel believe that the Plan is currently in compliance with the applicable requirements of the IRC.

(6) Parties in Interest

All investment transactions were executed with T. Rowe Price Trust Company, the Plan's trustee, which is a party in interest. During 2004 and 2003, total fees paid to T. Rowe Price were \$19,569 and \$19,569, respectively.

(7) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan at any time and to terminate the Plan subject to the provisions of ERISA. Upon completion of the Plan's contributions, termination, or partial termination of the Plan, participants will become fully vested in which event the value of such accounts shall be distributed as provided in the Plan.

(8) Reconciliation to Form 5500

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Participant directed brokerage accounts are reported in the aggregate on Form 5500 but a investment type in the statements of net assets available for benefits. As of December 31, directed brokerage accounts included \$0 and \$444,492 of mutual fund investments and \$0 an investments, respectively.

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ACXIOM CORPORATION
RETIREMENT SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2004

Identity of issuer, borrower, lessor, or similar party	Description	Shares	Cost
* Acxiom Corporation	Common stock	3,246,801	\$ 32,531,0
Participant Directed Investments	Tradelink Investments	866,875	866,8
* T. Rowe Price	Mutual funds:		
	PIMCO Total Return Admin.	58,299	635,0
	American Growth Fund of America	105,486	2,474,7
	Retirement Income Fund	447	5,4
	Retirement 2005 Fund	10,030	100,6
	Retirement 2010 Fund	7,091	94,2
	Retirement 2015 Fund	52,516	541,4
	Retirement 2020 Fund	32,879	456,1
	Retirement 2025 Fund	40,279	404,0
	Retirement 2030 Fund	49,601	713,4
	Retirement 2035 Fund	33,521	331,5
	Retirement 2040 Fund	34,884	499,6
	American Funds Europacific Growth	178,395	5,548,5
	J P Morgan Mid-Cap Value, A Growth Stock Fund	74,686	1,543,2
	New Horizons Fund	777,127	20,513,1
	Small-Cap Value Fund	331,688	7,887,4
	Mid-Cap Growth Fund	453,771	11,103,3
	Balanced Fund	391,127	15,303,8
	Equity Income Fund	969,011	16,837,5
	Spectrum Income Fund	884,421	20,862,1
	Spectrum Growth Fund	624,536	6,999,3
	Spectrum Growth Fund	401,296	5,988,3
	Total mutual funds		
* T. Rowe Price	Common collective trust fund	16,411,186	20,537,1
* Participant notes receivable, loans to participants, interest rates range from 6.0% - 11.5%			
	Total investments		

* Indicates a party in interest.

See accompanying report of independent registered public accounting firm.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, Acxiom Corporation has
be signed on its behalf by the undersigned thereunto duly authorized.

Acxiom Corporation
As Sponsor and Administrator
Acxiom Corporation Retirement

Date: June 29, 2005

By: /s/ Rodger S. Kline

Rodger S. Kline
Chief Finance and Adm

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Exhibit Index

Exhibit 23.1 Consent of KPMG LLP