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**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**  
**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported):**  
**May 23, 2006**

**ALLIANCE DATA SYSTEMS CORPORATION**

(Exact Name of Registrant as Specified in Charter)

**DELAWARE**  
(State or Other Jurisdiction  
of Incorporation)

**001-15749**  
(Commission  
File Number)

**31-1429215**  
(IRS Employer  
Identification No.)

**17655 WATERVIEW PARKWAY**  
**DALLAS, TEXAS 75252**  
(Address and Zip Code of Principal Executive Offices)

**(972) 348-5100**  
(Registrant's Telephone Number, including Area Code)

**NOT APPLICABLE**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
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**ITEM 7.01. Regulation FD Disclosure**

Attached is a slide presentation given to investors and others by senior officers of Alliance Data Systems Corporation.

**ITEM 9.01. Financial Statements and Exhibits**

(d) Exhibits

<b>EXHIBIT NUMBER</b>	<b>DESCRIPTION</b>
99.1	Investor Presentation Materials.

*Note:* The information contained in this report (including Exhibit 99.1) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Alliance Data Systems Corporation

Date: May 23, 2006

By: /s/ Edward J. Heffernan

Edward J. Heffernan  
Executive Vice President and  
Chief Financial Officer

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## EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
99.1	Investor Presentation Materials.

Alliance Data  
NYSE: ADS



Q2 2006



AllianceData

## Forward-Looking Statements

Statements contained in this presentation may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to Alliance Data Systems or our management. When we make forward-looking statements, we are basing them on our management's beliefs and assumptions, using information currently available to us. Although we believe that the expectations reflected in the forward looking statements are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions including those discussed in our filings with the Securities and Exchange Commission. If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Any forward-looking statements contained in this presentation reflect our current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We have no intention, and disclaim any obligation, to update or revise any forward-looking statements, whether as a result of new information, future results or otherwise.

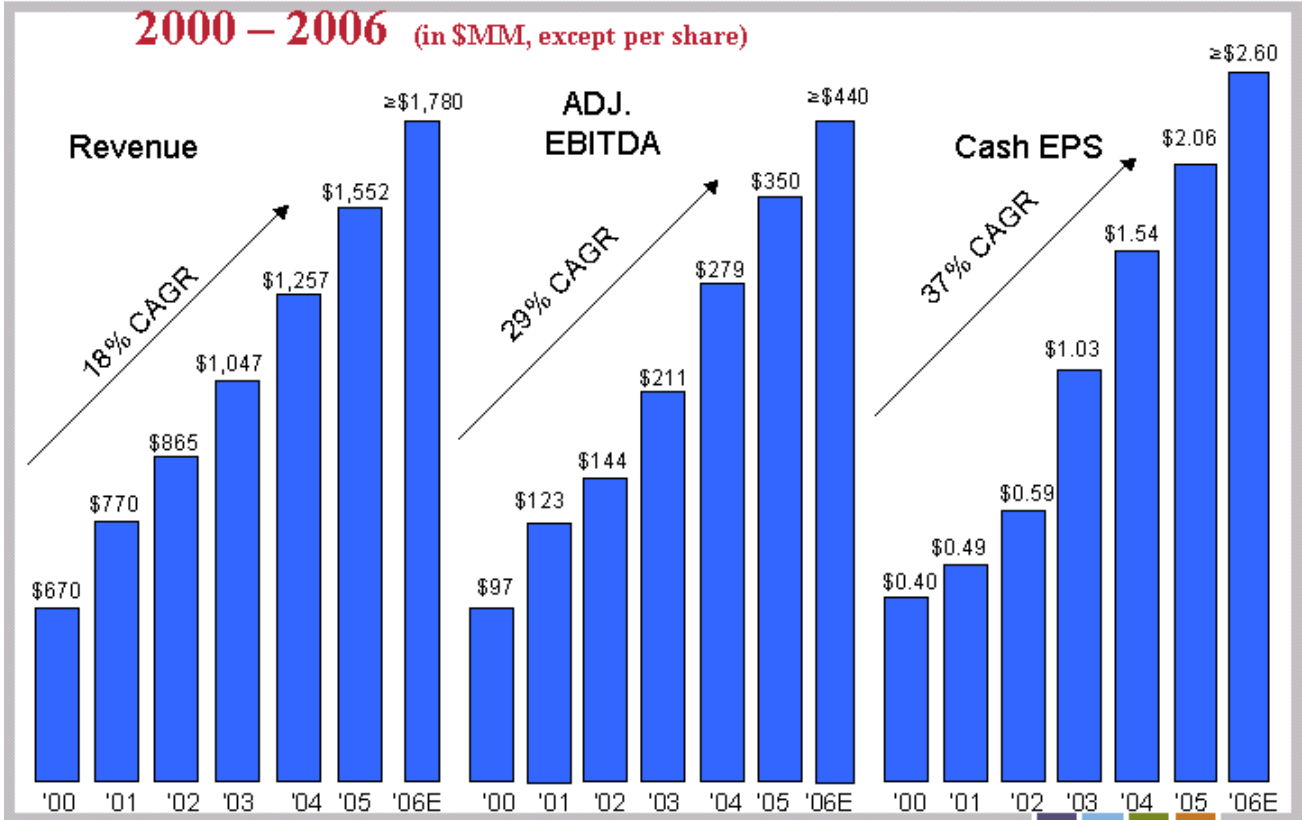


## Alliance Data – Financial Profile

- Growth Company
  - Baseline Targets
  - Strong Visibility & Predictability
  - Free Cash Flow > Reported Earnings
- Double-digit Organic Growth
- 12% Topline
- 15% EBITDA
- 18% Cash EPS

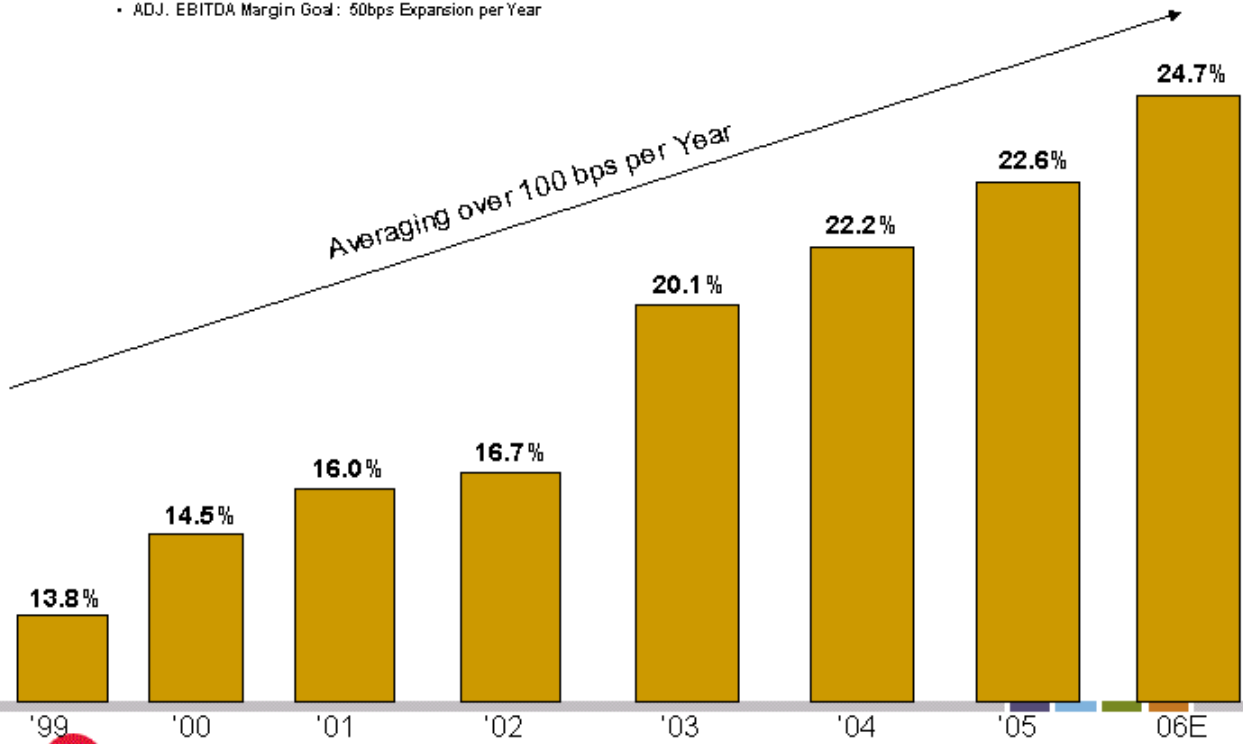


**2000 – 2006** (in \$MM, except per share)



# Operating Leverage

• ADJ. EBITDA Margin Goal: 50bps Expansion per Year



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## 2006 Guidance

• <b>Revenues</b>	}	≈\$1.78 Billion
• <b>EBITDA</b>		≈\$440 Million
• <b>Cash EPS</b>		≈\$2.60
• <b>Free Cash/Share</b>		≈\$2.84

## 2006 Est. Free Cash Flow

(\$MM, Except per Share)

ADJ. EBITDA	\$440
Loyalty Cash Flow Adj.	<u>25</u>
Operating EBITDA	<u>\$465</u>
Less Capex / Int. / Taxes	<u>(232)</u>
Free Cash Flow	<u>\$233</u>
Per Share	<u>\$2.84</u>

## Marketing Services

### (1) Canada: Loyalty AIR MILES® Program

- **Solid Mid-teens Growth**
- **Coalition Loyalty Program**
  - Based Upon Everyday Spend -- Not an Airline Program
- **2/3 of Canada Active**
- **Clients:** Shell Oil, Safeway, American Express, Bank of Montreal
- **Three Sources of Future Growth:**
  - New Sponsor Categories
  - Deeper Commitments from Existing Sponsors
  - Additional Household Penetration



Canada Safeway Limited



Shell Oil of Canada



## Marketing Services (cont.)

### (2) US: Epsilon

- **Solid Mid-teens Growth**
- **Top 25 Clients:** 10 Year Average Tenure
- **Customer Management and Loyalty Solutions:**
  - Design and Management of Loyalty Databases
  - Analytical Services
  - Customized Marketing Campaigns
    - Added BigFoot and Doubleclick
      - 20Bn Permission Based E-mails Annually
  - Back-end Processing
- **Clients:** Hilton Hotels, Principal Financial Group, Pfizer, Nestle Purina PetCare, AstraZeneca, Midas, Bank of America



Washingtonpost . Newsweek Interactive

## Utility Services

- **Serving Both Regulated & De-regulated**
- **Services:**
  - Core Processing
  - Customer Care / Call Center
  - Database and Marketing Services
- **Income Stream:** Earnings Based on Monthly # Statements
- **Clients:** Duke, Entergy, Puget Sound, AEP, Centrica, Georgia Natural Gas, Orlando, City of Austin
- **Market Opportunity:**
  - 200 - 250 Potential Clients (US & Canada)
  - \$2 - \$3 Billion Market
  - \$5MM - \$10MM Revenue Per Client
  - 2 - 3 New Client Adds Per Year



Georgia Natural Gas®



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## Private Label Services

- **Attractive Market – 1998-03:**  
**Double-digit Annual Growth for Outsourcers**
- **Services:**
  - Private Label Processing
  - Customer Care / Call Center
  - Credit: 700 Score, No Sub-Prime Targeting
  - Database Marketing Services
- **Income Streams:** Split Between Processing and Credit
- **Clients:** Victoria's Secret, Pottery Barn, Abercrombie & Fitch, Ann Taylor, Crate & Barrel, Dress Barn, Eddie Bauer, Fortunoff
- **Market Opportunity:**
  - 296 Potential Clients
    - 126 Existing Programs Today (Outsourced and In-House)
    - 75 Alliance Data Clients
      - 4 New Client Adds Per Year

P O T T E R Y B A R N

VICTORIA'S SECRET

ANN TAYLOR

Crate&Barrel

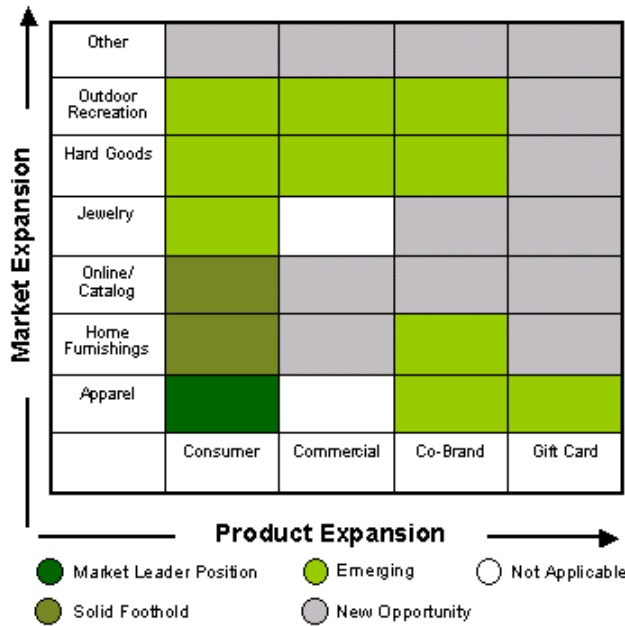
dressbarn.

*Eddie Bauer*  
EST. 1920

fortunoff  
THE SOURCE



# Private Label Market



- **Adding New Clients**
- **Expanding Into New Retail Segments**
- **Expanding Our Product Offering**
  - Consumer
  - Commercial
  - Co-Brand
  - Gift Card

## **Our Keys for Success**

Services with Pricing Power

Long-term Relationships

10 – 12 New Clients per Year