

INDEX CORPORATION

Amendment of the Brief Announcement on the Interim Financial Statements for Fiscal Year August 2002 (Consolidated)

May 22, 2002

Index Corporation

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Company Code number:	4835
Share traded:	JASDAQ
Location of headquarters:	4-1-1, Taishido, Setagaya-ku, Tokyo
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1. Amendments

Concerning descriptions in our Brief Announcement on the Interim Financial Statements for Fiscal Year August 2002 (Consolidated) publicized on April 23, 2002, this announcement provides the amendments of the descriptions of Item 1-2 Consolidated financial position and 1-3 Consolidated cash flow statement (Page 1 of the Brief Announcement), the cash flow (Page 6), Consolidated balance sheet (Interim) (Page 8), and Consolidated statement of the cash flow (Interim) (page 11), due to a change in the accounting method for consumption tax and short-term borrowings.

2. Details of the amendments (underlined with a dotted line)

Original

1. Consolidated operating results

(2) Consolidated financial position (Page 1)

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Million Yen	Million Yen	%	Yen
February 28, 2002 (Interim)	6,360	<u>3,260</u>	51.3	<u>119,485.49</u>
February 28, 2001 (Interim)	1,832	1,386	75.6	57,896.56
August 31, 2001	4,590	3,118	67.9	114,411.67

Amended

1. Consolidated operating results

(2) Consolidated financial position (Page 1)

	Total assets	Shareholders' equity	Equity ratio	Shareholders' equity per share
	Million Yen	Million Yen	%	Yen
February 28, 2002 (Interim)	6,360	<u>3,246</u>	51.1	<u>119,001.87</u>
February 28, 2001 (Interim)	1,832	1,386	75.6	57,896.56
August 31, 2001	4,590	3,118	67.9	114,411.67

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Original

1. Consolidated operating results (Interim period ended February 28)

(3) Consolidated cash flow statement (Page 1)

	Net cash used in operating activities	Net cash used in investment activities	Net cash provided by financing activities	Cash and cash equivalents at end of period
	Million Yen	Million Yen	Million Yen	Million Yen
February 28, 2002 (Interim)	-107	-588	734	940
February 28, 2001 (Interim)	-225	-480	-51	423
August 31, 2001	-370	-1,608	1,684	897

Amended

1. Consolidated operating results (Interim period ended February 28)

(3) Consolidated cash flow statement (Page 1)

	Net cash used in operating activities	Net cash used in investment activities	Net cash provided by financing activities	Cash and cash equivalents at end of period
	Million Yen	Million Yen	Million Yen	Million Yen
February 28, 2002 (Interim)	31	-706	707	940
February 28, 2001 (Interim)	-225	-480	-51	423
August 31, 2001	-370	-1,608	1,684	897

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Original

3. Operating Performance

(2) Cash flow (Page 6)

On a consolidated basis, operations in the current interim period resulted in an outflow of cash of 107 million yen (improvement of 118 million yen from the same term last year), due to the expansion of business. Investment activities resulted in an outflow of cash of 588 million yen (overspending of 107 million yen from the same term last year), reflecting acquisition of software, investment securities and fixed assets, and takeover of business. Financial activities generated an increase in cash of 734 million yen (increase of 785 million yen from the same term last year), including short-term borrowings and equity financing by the subsidiary from minority shareholders. Consequently, cash increased by a total of 40 million yen, bringing the balance of cash and cash equivalent to 940 million yen (122.1% up from the same term last year) at the end of the term.

Amended

3. Operating Performance

(2) Cash flow (Page 6)

On a consolidated basis, operations in the current interim period resulted in an increase in cash of 31 million yen, due to the increase in operating revenues. Investment activities resulted in an outflow of cash of 706 million yen, reflecting acquisition of software and investment securities. Financial activities generated an increase in cash of 707 million yen, including short-term borrowings and equity financing by the subsidiary from minority shareholders. Consequently, cash increased by a total of 42 million yen, bringing the balance of cash and cash equivalent to 940 million yen at the end of the term.

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4. Consolidated financial statements (Interim)

(1) Consolidated balance sheet (Interim) (Page 8)

(Unit: Thousand Yen)

Account title	February 28, 2002 (Interim)		February 28, 2001 (Interim)		August 31, 2001	
	Amounts	Percentage	Amounts	Percentage	Amounts	Percentage
		%		%		%
I Current liabilities						
1. Accounts payable-trade	1,551,550		202,331		788,748	
2. Short-term borrowings*1	815,891		96,396		93,288	
3. Income taxes payable	226,203		53,890		173,922	
4. Reserve for sales returns	20,106		-		11,024	
5. Others	200,482		57,507		106,351	
Total current liabilities	<u>2,814,234</u>	44.2	410,124	22.4	1,173,335	25.6
II Long-term liabilities						
1. Long-term debt*1	17,161		7,509		23,818	
Total long-term liabilities	17,161	0.3	7,509	0.4	23,818	0.5
Total liabilities	<u>2,831,395</u>	44.5	417,633	22.8	1,197,153	26.1
Minority interests in income (loss) of consolidated companies						
Minority interests in income (loss) of consolidated companies	268,812	4.2	28,799	1.6	275,029	6.0
Shareholders' equity						
I Common stock	1,210,380	19.0	693,500	37.8	1,209,880	26.3
II Additional paid-in capital	1,596,405	25.1	550,000	30.0	1,596,013	34.8
III Retained earnings	476,987	7.5	148,281	8.1	319,307	7.0
IV Valuation losses on other securities	-40,558	-0.6	-5,762	-0.3	-7,330	-0.2
V Foreign currency translation adjustments	<u>16,826</u>	0.3	24	0.0	877	0.0
Total shareholders' equity	<u>3,260,041</u>	51.3	1,386,043	75.6	3,118,747	67.9
Total liabilities, minority interest in income (loss) of consolidated companies and shareholders' equity	<u>6,360,250</u>	100.0	1,832,476	100.0	4,590,930	100.0

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4. Consolidated financial statements (Interim)

(1) Consolidated balance sheet (Interim) (Page 8)

(Unit: Thousand Yen)

Account title	February 28, 2002 (Interim)		February 28, 2001 (Interim)		August 31, 2001	
	Amounts	Percentage	Amounts	Percentage	Amounts	Percentage
		%		%		%
I Current liabilities						
1. Accounts payable-trade	1,551,550		202,331		788,748	
2. Short-term borrowings*1	<u>829,086</u>		96,396		93,288	
3. Income taxes payable	226,203		53,890		173,922	
4. Reserve for sales returns	20,106		-		11,024	
5. Others	200,482		57,507		106,351	
Total current liabilities	<u>2,827,429</u>	44.4	410,124	22.4	1,173,335	25.6
II Long-term liabilities						
1. Long-term debt*1	17,161		7,509		23,818	
Total long-term liabilities	17,161	0.3	7,509	0.4	23,818	0.5
Total liabilities	<u>2,844,590</u>	44.7	417,633	22.8	1,197,153	26.1
Minority interests in income (loss) of consolidated companies						
Minority interests in income (loss) of consolidated companies	268,812	4.2	28,799	1.6	275,029	6.0
Shareholders' equity						
I Common stock	1,210,380	19.0	693,500	37.8	1,209,880	26.3
II Additional paid-in capital	1,596,405	25.1	550,000	30.0	1,596,013	34.8
III Retained earnings	476,987	7.5	148,281	8.1	319,307	7.0
IV Valuation losses on other securities	-40,558	-0.6	-5,762	-0.3	-7,330	-0.2
V Foreign currency translation adjustments	<u>3,631</u>	0.1	24	0.0	877	0.0
Total shareholders' equity	<u>3,246,846</u>	51.1	1,386,043	75.6	3,118,747	67.9
Total liabilities, minority interest in income (loss) of consolidated companies and shareholders' equity	<u>6,360,250</u>	100.0	1,832,476	100.0	4,590,930	100.0

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4. Consolidated interim financial statements

(4) Consolidated interim statement of cash flow (Page 11)

Account title	Fiscal term	Current interim period, from September 1, 2001 to February 28, 2002
		Amounts, Thousand Yen
I	Net cash used in operating activities	
	Operating revenue	3,476,751
	Payments for purchase of goods	-1,847,148
	Payments of personnel costs	-786,639
	Other operating costs and expenses	-814,486
	Subtotal	28,477
	Interest and dividend income	12,001
	Interest expenses	-7,096
	Income tax and others	-148,047
	Others	7,644
	Net cash used in operating activities	-107,021
II	Net cash used in Investment activities	
	Payments for acquisition of tangible fixed assets	-10,304
	Payments for software	-248,383
	Payments for investment securities	-899,811
	Payments for acquisition of newly consolidated subsidiary	-80,000
	Proceeds from sales of investment securities	657,465
	Payments for loans and advances	-10,000
	Proceeds from collection of loans and advances	12,724
	Payments for takeover of business	-10,000
	Others	-337
	Net cash used in investment activities	-588,646
III	Net cash provided by financing activities	
	Proceeds from increase in short-term borrowings	2,377,887
	Payments of short-term borrowings	-1,641,674
	Proceeds from increase in long-term debt	-
	Payments of long-term debt	-9,144
	Proceeds from issuing of securities	892
	Proceeds from issuance of stock to minority shareholders	25,000
	Payout of dividends	-18,781
	Others	-
	Net cash provided by financing activities	734,180
IV	Effect of exchange rate changes on cash and cash equivalents	1,838
V	Increase of cash and cash equivalent	40,351
VI	Cash and cash equivalent at beginning balance	897,855
VII	Cash and cash equivalent held by newly consolidated company at beginning balance	2,196
VIII	Cash and cash equivalent at ending balance	940,403

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4. Consolidated interim financial statements

(4) Consolidated interim statement of cash flow (Page 11)

Account title	Fiscal term	Current interim period, from September 1, 2001 to February 28, 2002
		Amounts, Thousand Yen
I	Net cash used in operating activities	
	Operating revenue	3,594,529
	Payments for purchase of goods	-2,010,396
	Payments of personnel costs	-820,050
	Other operating costs and expenses	-590,476
	Subtotal	173,606
	Interest and dividend income	11,867
	Interest expenses	-5,653
	Income tax and others	-146,658
	Others	-1,435
	Net cash used in operating activities	31,727
II	Net cash used in Investment activities	
	Payments for acquisition of tangible fixed assets	-10,485
	Payments for software	-274,462
	Payments for investment securities	-905,452
	Payments for acquisition of the subsidiary bringing the change of scope of consolidation	-77,803
	Proceeds from sales of investment securities	587,537
	Payments for loans and advances	-15,900
	Proceeds from collection of loans and advances	-
	Payments for takeover of business	-10,000
	Others	-72
	Net cash used in investment activities	-706,638
III	Net cash provided by financing activities	
	Proceeds from increase in short-term borrowings	1,164,995
	Payments of short-term borrowings	-455,586
	Proceeds from increase in long-term debt	-
	Payments of long-term debt	-9,144
	Proceeds from issuing of securities	892
	Proceeds from issuance of stock to minority shareholders	25,000
	Payout of dividends	-18,781
	Others	-
	Net cash provided by financing activities	707,375
IV	Effect of exchange rate changes on cash and cash equivalents	10,084
V	Increase of cash and cash equivalent	42,548
VI	Cash and cash equivalent at beginning balance	897,855
VII	Cash and cash equivalent held by newly consolidated company at beginning balance	-
VIII	Cash and cash equivalent at ending balance	940,403