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**Report for the 1st Quarter of the Fiscal Year Ending August 2006
(Consolidated)**

January 23, 2006

Index Corporation
(Securities Code No. 4835, JASDAQ)

Representative: Yoshimi Ogawa, President
Contact: Atsushi Hori, Director: Administration Division
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Adoption of US Accounting Standards: None

1. Consolidated operating results for the 1st quarter of the fiscal year ending August 2006 (September 1, 2005 to November 30, 2005)

(Note) 1. Amounts shown in this flash report for the quarter are unaudited.

(1) Consolidated Operating Results

	Net sales	Operating income	Ordinary income
	(Millions of yen)(%)	(Millions of yen)(%)	(Millions of yen)(%)
1st quarter of the fiscal year ending August 2006	23,368 (35.3)	1,750 (9.1)	1,727 (0.8)
1st quarter of the fiscal year ended August 2005	17,271 (186.5)	1,605 (126.8)	1,713 (136.2)

	Net profit (1 st Quarter)	Earnings per share (1 st Quarter)	Earnings per share fully diluted (1 st Quarter)
	(Millions of yen)(%)	(yen)	(yen)
1st quarter of the fiscal year ending August 2006	△1,008 (-)	△512.65	-
1st quarter of the fiscal year ended August 2005	606 (54.9)	736.92	657.80

(Note)

1. Average numbers of shares outstanding for the period (consolidated)
1st quarter of the fiscal year ending August 2006: 1,967,248 shares
1st quarter of the fiscal year ended August 2005: 822,571 shares
2. Changes in accounting method: Yes

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3. Net sales (or items corresponding to it) are the amount accumulating to the end of the current quarter.
4. Net sales, operating income, ordinary income and net income show the percentage of increase or decrease compared with the results of the 1st quarter of the prior year.

(2) Consolidated Financials

	Total assets	Shareholders' equity	Shareholders' equity as a percentage of total assets	Shareholders' equity per share
	(Millions of yen)		%	(yen)
1 st quarter of the fiscal year ending August 2006	132,709	51,590	38.9	26,125.81
1 st quarter of the fiscal year ended August 2005	50,424	8,468	16.8	10,281.23

(Note)

Outstanding shares at end of the quarter (consolidated):

1 st quarter of the fiscal year ending August 2006:	1,974,679 shares
1 st quarter of the fiscal year ended August 2005:	823,705 shares

(3) Items regarding scope of consolidation and adoption of equity method

Consolidated subsidiaries:	58 companies
Unconsolidated subsidiaries accounted for by the equity method:	none
Affiliates accounted for by the equity method:	6 companies

(4) Changes in scope of consolidation and adoption of equity method

Initially included in consolidation:	4 companies
Excluded from consolidation:	1 company
Initially accounted for by the equity method:	1 company
Excluded from equity method:	none

2. Consolidated performance forecast for the fiscal year ending August 2006 (Period from September 1, 2005 to August 31, 2006)

	Net sales	Ordinary profit	Net profit
	(Millions of yen)		
Interim	45,000	4,000	2,000
Full Term	105,000	11,000	5,500

(Note*) Forecast EPS for the full term: 2,785.26 yen

(Note**) EPS forecast is calculated based on the total number of

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outstanding shares at the end of the 1st quarter: 1,974,679 shares.

The above performance forecast is dependent upon the information, future business prospects, and assumptions available on the day of this document's publication. Actual results may be affected by various factors.

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1. Consolidated Financial Statements

(1) Consolidated Balance Sheet

	Previous 1 st Quarter (November 30, 2004)		Current 1 st Quarter (November 30, 2005)		Change over previous 1 st Quarter	
	(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	(%)
Assets						
I Current Assets						
1. Cash and bank deposits	9,688,185		20,437,616		10,749,431	
2. Notes and accounts receivable - trade	16,664,018		22,235,343		5,571,325	
3. Marketable securities	1,670,092		7,171,252		5,501,160	
4. Inventories	4,326,031		7,786,245		3,460,213	
5. Deferred tax assets	380,762		274,136		△106,625	
6. Other current assets	2,728,885		8,583,702		5,854,817	
7. Special account for returnable loans	△29,412		△35,065		△5,652	
Allowance for doubtful receivables	△200,119		△84,550		115,569	
Total current assets	35,228,444	69.9	66,368,682	50.0	31,140,238	88.4
II Fixed assets						
1. Property, plant and equip.						
(1) Buildings and structures	245,229		1,674,734		1,429,504	
(2) Machinery and vehicles	198,747		963,962		765,214	
(3) Land	151,097		679,381		528,283	
(4) Other	513,870		1,422,830		908,960	
Total fixed assets	1,108,945	2.2	4,740,908	3.6	3,631,963	327.5
2. Intangible assets						
(1) Goodwill	170,804		85,560		△85,244	
(2) Software	878,566		1,753,123		874,556	
(3) Software in progress	80,431		80,446		15	
(4) Consol. adjust. for goodwill	—		14,908,155		14,908,155	
(5) Other	91,083		506,881		415,798	
Total intangible assets	1,220,886	2.4	17,334,167	13.1	16,113,281	—
3. Investments and other assets						
(1) Investment securities	11,242,815		41,895,581		30,652,766	
(2) Long-term loans receivable	526,369		190,489		△335,879	
(3) Deferred tax liabilities	61,139		337,625		276,486	
(4) Other assets	1,035,362		1,868,796		833,433	
Allowance for doubtful receivables	△43,530		△46,067		△2,537	
Total investment & other assets	12,822,155	25.4	44,246,425	33.3	31,424,269	245.1
Total fixed assets	15,151,987	30.0	66,321,502	50.0	51,169,514	337.7
III Deferred assets						
1. Bond issuance cost	44,182		18,935		△25,247	
Total deferred assets	44,182	0.1	18,935	0.0	△25,247	△57.1
Total assets	50,424,614	100.0	132,709,120	100.0	82,284,506	163.2

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	Previous 1 st Quarter (November 30, 2004)		Current 1 st Quarter (November 30, 2005)		Change over previous 1 st Quarter	
	(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	(%)
Liabilities						
I Current liabilities						
1. Notes and accounts payable - trade	8,967,240		12,521,113		3,553,872	
2. Short-term bank loans	6,258,196		37,336,965		31,078,769	
3. Income taxes payable	706,307		1,464,824		758,516	
4. Deferred tax liabilities	27,700		280,163		252,463	
5. Accrued bonuses	221,620		168,590		△53,030	
6. Reserve for loss on returned goods	147,046		152,160		5,114	
7. Other current liabilities	3,622,909		4,415,496		792,586	
Total current liabilities	19,951,022	39.6	56,339,315	42.5	36,388,292	182.4
II Fixed liabilities						
1. Bonds	14,610,000		3,104,900		△11,505,100	
2. Long-term debt	16,76,789		3,195,056		1,518,266	
3. Deferred tax liabilities	1,191,842		3,490,328		2,298,485	
4. Retirement benefits	67,151		490,946		423,794	
5. Directors' retirement allowance	19,992		66,298		46,306	
6. Other fixed liabilities	1,312,659		3,074,715		1,762,055	
Total fixed liabilities	18,878,436	37.4	13,422,244	10.1	△5,456,191	△28.9
Total liabilities	38,829,458	77.0	69,761,559	52.6	30,932,101	79.7
Minority Interests						
Minority Interests	3,126,458	6.2	11,357,470	8.5	8,231,012	263.3
Shareholders' equity						
I Capital	7,843,199	15.6	25,789,499	19.4	17,946,299	228.8
II Additional paid-in capital	8,190,028	16.2	26,136,271	19.7	17,946,242	219.1
III Retained earnings	△9,468,238	△18.7	△5,868,371	△4.3	3,599,866	38.0
IV Balance on securities revaluation	1,884,771	3.7	5,198,849	3.9	3,314,078	175.8
V Translation adjustment	122,596	0.2	443,954	0.3	321,358	262.1
VI Treasury stock	△103,659	△0.2	△110,111	△0.1	△6,452	△6.2
Total shareholders' equity	8,468,697	16.8	51,590,090	38.9	43,121,393	509.2
Total liabilities and shareholders' equity	50,424,614	100.0	132,709,120	100.0	82,284,506	163.2

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(2) Consolidated Statement of Income

		Prior 1 st Quarter (September 1, 2004 - November 30, 2004)		Current 1 st Quarter (September 1, 2005 - November 30, 2005)		Change over prior 1 st Quarter	
		(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	Change (%)
I	Net sales	17,271,524	100.0	23,368,819	100.0	6,097,294	35.3
II	Cost of sales	10,101,119	58.5	15,951,188	68.3	5,850,068	57.9
	Gross profit	7,170,404	41.5	7,417,630	31.7	247,226	3.4
III	Selling, general and administrative	5,564,984	32.2	5,666,637	24.2	101,652	1.8
	Operating income	1,605,420	9.3	1,750,993	7.5	145,573	9.1
IV	Other income	138,703	0.8	171,897	0.7	33,193	23.9
V	Other expenses	30,441	0.2	195,364	0.8	164,923	541.8
	Ordinary income	1,713,681	9.9	1,727,525	7.4	13,843	0.8
VI	Extraordinary profit	23,125	0.1	613,076	2.6	589,950	—
VII	Extraordinary loss	190,505	1.1	2,259,933	9.7	2,069,428	—
	Income before tax etc. (1 st Quarter)	1,546,302	8.9	80,667	0.3	△1,465,634	△94.8
	Corporate, municipal, and business tax	671,676	3.9	502,385	2.2	△169,290	△25.2
	Corporate tax adjustments etc.	83,160	0.5	333,834	1.4	250,673	301.4
	Minority interests	185,292	1.0	252,960	1.0	67,668	36.5
	Net income/loss (1 st Quarter)	606,172	3.5	△1,008,512	△4.3	△1,614,685	—

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(3) Consolidated Statement of Retained Earnings

	Prior 1 st Quarter (September 1, 2004 - November 30, 2004)		Current 1 st Quarter (September 1, 2005 - November 30, 2005)	
	(thousands of yen)		(thousands of yen)	
Additional paid-in capital				
I Opening balance		7,990,091		25,248,461
II Increase in additional paid-in capital				
1. Capital increase by public offering	2,012		58,050	
2. New shares issued through the exercise of options and bonds	197,923	199,936	829,758	887,809
III Closing balance		8,190,028		26,136,271
Retained earnings				
I Opening balance		△9,375,255		△4,007,123
II Increase in retained earnings				
1. Net income (1 st Quarter)	606,172	606,172	—	—
III Decrease in retained earnings				
1. Dividends paid	699,155		586,574	
2. Decrease from increase in consolidated subsidiaries	—		260,096	
3. Decrease from increase in affiliated companies	—		6,064	
4. Net loss (1 st Quarter)	—	699,155	1,008,512	1,861,248
IV Closing balance		△9,468,238		△5,868,371

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2. Segment Information

Business Segment Information

1st Quarter of the fiscal year ending August 2006
(September 1, 2005 – August 31, 2006)

	Content Business	Solutions Business	Commerce Business	Publishing Business	Total	Eliminations or Corporate	Consolidated
Sales	(Thousands of yen)						
(1) Sales from External Clients	13,632,099	6,204,782	3,093,719	438,217	23,368,819	—	23,368,819
(2) Internal Sales or transfer between segments	20,328	97,319	10,975	300	128,923	(128,923)	—
Total	13,652,428	6,302,102	3,104,694	438,517	23,497,742	(128,923)	23,368,819

(Note) *Each business category is based on internal administration, market, and business structure considerations.

**Primary business of each category

Category of Business	Content of Business
Contents Business	Planning, production and distribution of network contents for mobile and broadband
Solutions Business	Providing broadband system services and outsourcing system development
Commerce Business	Sales through mobile and websites
Publishing Business	Publishing of magazines and books

2. Geographical Segment Information

1st Quarter of the fiscal year ending August 2006
(September 1, 2005 – August 31, 2006)

	Japan	North America	Europe	Asia	Other	Total	Elimination or corporate	Consolidated
Sales	(thousands of yen)							
(1) Sales from external clients	17,091,729	284,233	5,048,174	932,076	12,604	23,368,819	—	23,368,819
(2) Internal sales or transfer between segments	1,804	—	975	—	—	2,780	(2,780)	—
Total	17,093,533	284,233	5,049,150	932,076	12,604	23,371,599	(2,780)	23,368,819

3. International Sales

1st Quarter of the fiscal year ending August 2006
(September 1, 2005 – August 31, 2006)

	Europe	Other	Total
I. International sales (Thousands of yen)	5,052,130	2,871,508	7,923,638
II. Consolidated sales (Thousands of yen)			23,368,819
III. International sales as a percentage of consolidated sales (%)	21.6	12.3	33.9

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**Report for the 1st Quarter of the Fiscal Year Ending August 2006
(Independent)**

January 23, 2006

Index Corporation
(Securities Code No. 4835, JASDAQ)

Representative: Yoshimi Ogawa, President
Contact: Atsushi Hori, Director: Administration Division
Phone: +81-(0)3-5779-5706

Interim dividend: Yes

1. Independent operating results for the 1st quarter of the fiscal year ending August 2006 (September 1, 2005 to November 30, 2005)

(Note) 1. Amounts shown in this flash report for the quarter are unaudited.

(1) Independent Operating Results

	Net sales	Operating income	Ordinary income
	(Millions of yen)(%)	(Millions of yen)(%)	(Millions of yen)(%)
1st quarter of the fiscal year ending August 2006	2,978 (16.5)	1,053 (68.4)	1,053 (66.9)
1st quarter of the fiscal year ended August 2005	2,556 (40.2)	625 (30.6)	631 (26.4)

	Net profit (1 st Quarter)	Earnings per share (1 st Quarter)	Earnings per share fully diluted (1 st Quarter)
	(Millions of yen)(%)	(yen)	(yen)
1st quarter of the fiscal year ending August 2006	668 (74.9)	339.61	323.99
1st quarter of the fiscal year ended August 2005	381 (34.0)	464.39	414.63

(Note)

1. Average numbers of shares outstanding for the period

1st quarter of the fiscal year ending August 2006: 1,967,248 shares

1st quarter of the fiscal year ended August 2005: 822,571 shares

2. Net sales (or items corresponding to it) are the amount accumulating to the end of the current quarter.

3. Net sales, operating income, ordinary income and net income show the

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percentage of increase or decrease compared with the results of the 1st quarter of the prior year.

(2) Independent Financials

	Total assets	Shareholders' equity	Shareholders' equity as a percentage of total assets	Shareholders' equity per share
	(Millions of yen)		%	(yen)
1 st quarter of the fiscal year ending August 2006	112,104	69,909	62.4	35,403.09
1 st quarter of the fiscal year ended August 2005	49,478	26,612	53.8	32,307.78

(Note)

Outstanding shares at end of the quarter (independent):

1 st quarter of the fiscal year ending August 2006:	1,974,679 shares
1 st quarter of the fiscal year ended August 2005:	823,705 shares

Common stock at the end of the quarter:

1 st quarter of the fiscal year ending August 2006:	4,847 shares
1 st quarter of the fiscal year ended August 2005:	2,402 shares

2. Independent performance forecast for the fiscal year ending August 2006 (September 1, 2005 to August 31, 2006)

	Net sales	Ordinary profit	Net profit	Annual dividend per share	
	(Millions of yen)			Term end	
Interim	4,500	1,200	600	—	—
Full Term	11,000	3,000	1,500	300.00	300.00

(Note*) Forecast EPS for the full term: 759.62 yen

(Note**) EPS forecast is calculated based on the total number of outstanding shares at the end of the 1st quarter: 1,974,679 shares.

The above performance forecast is dependent upon the information, future business prospects, and assumptions available on the day of this document's publication. Actual results may be affected by various factors.

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1. Balance Sheet

	Previous 1 st Quarter (November 30, 2004)		Current 1 st Quarter (November 30, 2005)		Change over previous 1 st Quarter	
	(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	Change (%)
Assets						
I Current assets						
1. Cash and bank deposits	1,869,249		6,827,832		4,958,582	
2. Trade account receivable	1,812,586		2,171,184		358,597	
3. Inventories	834,901		1,256,013		421,112	
4. Short-term loan receivable	2,794,084		1,929,060		△865,023	
5. Deferred tax assets	344,075		157,493		△186,581	
6. Other current assets	761,340		2,559,328		1,797,988	
Allowance for doubtful receivables	△27,663		△15,021		12,642	
Total current assets	8,388,574	16.9	14,885,892	13.3	6,497,318	77.5
II Fixed assets						
1. Tangible fixed assets	65,567	0.1	55,779	0.0	△9,787	△14.9
2. Intangible assets						
(1) Software	461,075		637,680		176,605	
(2) Other	11,934		18,231		6,296	
Total intangible fixed assets	473,009	1.0	655,911	0.6	182,901	38.7
3. Investments and other assets						
(1) Investment securities	37,043,126		93,910,308		56,867,182	
(2) Long-term loans receivable	3,320,706		2,408,767		△911,938	
(3) Other assets	145,528		170,967		25,439	
Allowance for doubtful receivable	△1,781		△1,781		—	
Total investments and other assets	40,507,579	81.9	96,488,262	86.1	55,980,683	138.2
Total fixed assets	41,046,155	83.0	97,199,953	86.7	56,153,797	136.8
4. Deferred assets						
(1) Bond issuance cost	44,182		18,935		△25,247	
Total deferred assets	44,182	0.1	18,935	0.0	△25,247	△57.1
Total assets	49,478,912	100.0	112,104,781	100.0	62,625,868	126.5

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	Previous 1 st Quarter (November 30, 2004)		Current 1 st Quarter (November 30, 2005)		Change over previous 1 st Quarter	
	(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	Change (%)
Liabilities						
I Current Liabilities						
1. Accounts payable trade	101,879		175,141		73,261	
2. Short-term borrowings	4,124,000		31,882,667		27,758,667	
3. Other accounts payable	378,268		891,229		512,961	
4. Income tax payable	180,934		292,417		111,483	
5. Other current liabilities	118,490		98,940		△19,550	
Total current liabilities	4,903,572	9.9	33,340,395	29.7	28,436,823	579.9
II Fixed Liabilities						
1. Share options and bonds	14,610,000		3,005,000		△11,605,000	
2. Long-term debt	1,460,000		2,388,000		928,000	
3. Deferred tax liabilities	1,195,458		3,267,800		2,072,342	
4. Other fixed liabilities	697,800		193,855		△503,945	
Total fixed liabilities	17,963,258	36.3	8,854,655	7.9	△9,108,602	△50.7
Total liabilities	22,866,830	46.2	42,195,051	37.6	19,328,220	84.5
Shareholders' equity						
I Capital	7,843,199	15.9	25,789,499	23.0	17,946,299	228.8
II Additional paid-in capital						
1. Capital reserve	8,190,028		26,136,271		17,946,242	
Total additional paid-in capital	8,190,028	16.6	26,136,271	23.3	17,946,242	219.1
III Retained earnings						
1. Earned reserve	2,000		2,000		—	
2. Unappropriated profits (1 st Quarter)	8,774,525		12,950,036		4,175,510	
Total retained earnings	8,776,525	17.7	12,952,036	11.6	4,175,510	47.6
IV Balance on securities revaluation	1,905,987	3.8	5,142,034	4.6	3,236,047	169.8
V Treasury stock	△103,659	△0.2	△110,111	△0.1	△6,452	△6.2
Total shareholders' equity	26,612,081	53.8	69,909,729	62.4	43,297,648	162.7
Total liabilities · shareholders' equity	49,478,912	100.0	112,104,781	100.0	62,625,868	126.5

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(2) Income Statement

	Prior 1 st Quarter (September 1, 2004 - November 30, 2004)		Current 1 st Quarter (September 1, 2005 - November 30, 2005)		Change over prior 1 st Quarter	
	(thousands of yen)	(%)	(thousands of yen)	(%)	(thousands of yen)	(%)
I Net sales	2,556,709	100.0	2,978,453	100.0	421,744	16.5
II Cost of sales	1,325,369	51.8	1,104,437	37.1	△220,932	△16.7
Gross profit	1,231,340	48.2	1,874,016	62.9	642,676	52.2
III Selling, general and administrative cost	606,018	23.7	820,697	27.5	214,679	35.4
Operating income	625,321	24.5	1,053,318	35.4	427,997	68.4
IV Other income	29,354	1.1	69,425	2.3	40,070	136.5
V Other expenses	23,036	0.9	68,791	2.3	45,754	198.6
Ordinary income	631,639	24.7	1,053,952	35.4	422,313	66.9
VI Extraordinary profit	—	—	56,410	1.9	56,410	—
VII Extraordinary loss	1,081	0.0	14,162	0.5	13,081	1,209.5
Income before tax etc. (1 st Quarter)	630,557	24.7	1,096,199	36.8	465,641	73.8
Corporate, municipal, and business tax	171,514	6.7	279,227	9.4	107,713	62.8
Adjusted corporate tax, etc.	77,048	3.0	148,874	5.0	71,826	93.2
Net income (1 st Quarter)	381,995	15.0	668,098	22.4	286,102	74.9

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