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Report for the Third Quarter of the Fiscal Year Ending August 2006 (Non-Consolidated)

July 18, 2006

Company Name: Index Holdings
(formerly Index Corporation)

URL: www.index-hd.com

Securities Code: No. 4835, JASDAQ

Representative: Yoshimi Ogawa, President

Contact: Atsushi Hori, Director: Administration Division

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(Note) On June 1, 2006 Index Holdings' name was changed in accordance with a decision made at the April 27, 2006 extraordinary shareholders' meeting.

1. 3rd Quarter Financial Information Facts

① No accounting methods have changed from recent fiscal year calculations

2. 3rd Quarter Earnings Performance Overview

(3rd Quarter FY2006: September 1, 2005 – May 31, 2006)

(note) Amounts shown in this report for the 3rd Quarter are not audited

(1) Non-Consolidated Operating Results

	Sales	Operating Income	Ordinary Income
	(millions of yen) (%)	(millions of yen) (%)	(millions of yen) (%)
3 rd Quarter of the fiscal year ending August 2006	8,581 (8.3)	2,371 (1.7)	2,353 (△5.3)
3 rd Quarter of the fiscal year ended August 2005	7,924 (△5.1)	2,333 (65.3)	2,484 (70.6)
(note) FY2005	10,706	2,855	2,973

	Net Profit	Net Profit Per Share	Earnings Per Share After Adjustment
	millions of yen (%)	yen	yen
3 rd Quarter of the fiscal year ending August 2006	2,516 (△39.1)	1,224 21	1,180 56
3 rd Quarter of the fiscal year ended August 2005	4,129 (71.0)	4,957 25	4,446 07
(note) FY2005	4,475	5,200 51	4,715 73

(note) Figures in parentheses above represent the percent change from the prior year

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(2) Non-Consolidated Financials

	Total assets	Shareholders' equity	Shareholders' equity as a percentage of total assets	Shareholders' equity per share
	(millions of yen)		%	(Yen)
3rd Quarter of the fiscal year ending August 2006	123,097	96,601	78.5	45,475 24
3rd Quarter of the fiscal year ended August 2005	98,690	47,055	47.7	55,528 58
(note) FY2005	110,725	74,289	67.1	75,990 00

3. Non-Consolidated performance forecast for the fiscal year ending August 2006
(FY2006: September 1, 2005 - August 31, 2006)

	Sales	Ordinary profit	Net profit
	(Millions of yen)		
Full term	11,000	3,000	4,000

(note)

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

Attachment:

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1. Non-Consolidated Financial Statement

① Non-Consolidated Balance Sheet

(unit: thousands of yen)

	Previous 3 rd Quarter (May 31, 2005)	Current 3 rd Quarter (May 31, 2006)	Change Over Previous 3 rd Quarter		(note) Previous Fiscal Year (August 31, 2005)
	amount	amount	amount	(%)	amount
Assets				%	
I Current Assets					
1. Cash & bank deposits	7,046,402	5,831,261	△1,215,140		7,948,380
2. Bill receivable	1,023	3,234	2,211		—
3. Account receivable	2,517,701	2,584,410	66,708		3,105,319
4. Inventories	536,895	646,806	109,911		533,236
5. Short-term loan	1,943,217	1,882,813	△60,404		1,899,596
6. Deferred income taxes	108,054	838,877	730,822		293,503
7. Other	780,422	691,336	△89,085		2,394,651
Allowance for doubtful receivables	△20,422	△12,245	8,177		△17,344
Total current assets	12,913,295	12,466,495	△446,800	△3.5	16,157,344
II Fixed assets					
1. Tangible property	57,450	50,878	△6,572	△11.4	58,555
2. Intangible fixed asset					
(1) Software	679,562	406,492	△273,070		664,741
(2) Other	30,182	5,122	△25,060		2,639
Total intangible fixed assets	709,745	411,615	△298,130	△42.0	667,381
3. Investments & other assets					
(1) Investment securities	82,053,046	108,429,467	26,376,420		91,285,900
(2) Long-term loans receivable	2,620,699	1,543,670	△1,077,029		2,388,169
(3) Other	306,750	190,694	△116,055		144,937
Allowance for doubtful receivables	△1,781	△1,781	—		△1,781
Total investments & other assets	84,978,715	110,162,051	25,183,335	29.6	93,817,225
Total fixed assets	85,745,912	110,624,544	24,878,631	29.0	94,543,162
III Deferred assets					
1. Bond issuance cost	31,558	6,311	△25,247		25,247
Total deferred assets	31,558	6,311	△25,247	△80.0	25,247
Total assets	98,690,766	123,097,351	24,406,584	24.7	110,725,753

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(unit: thousands of yen)

	Previous 3 rd Quarter (May 31, 2005)	Current 3 rd Quarter (May 31, 2006)	Change Over Previous 3 rd Quarter		(note) Previous Fiscal Year (August 31, 2005)
	amount	amount	amount	(%)	amount
Liabilities					
I Current liabilities					
1. Notes and accounts payable	9,190,226	14,759,486	5,569,259		13,228,888
2. Short-term bank loans	17,279,579	23,089,921	5,810,341		20,573,581
3. Income taxes payable	2,725,578	2,768,971	43,392		3,189,883
4. Deferred income taxes	110,717	67,420	△43,297		285,804
5. Accrued bonuses	41,138	253,965	212,826		112,466
6. Reserve for loss on returned goods	147,689	70,306	△77,383		132,775
7. Other current liabilities	4,209,310	11,095,460	6,886,150		4,131,677
Total current liabilities	33,704,242	52,105,531	18,401,289	54.6	41,655,078
II Fixed liabilities					
1. Bonds	22,160,000	1,349,900	△20,810,100		4,689,900
2. Long-term debt	4,305,743	1,753,578	△2,552,164		3,922,949
3. Deferred income taxes	8,657,647	6,344,794	△2,312,852		7,632,490
4. Retirement benefits	73,371	518,170	444,798		52,430
5. Executive retirement allowance	22,304	73,730	51,426		21,092
6. Other fixed liabilities	1,000,615	3,470,072	2,469,456		3,261,895
Total fixed liabilities	36,219,682	13,510,247	△22,709,435	△62.7	19,580,757
Total liabilities	69,923,924	65,615,778	△4,308,146	△6.2	61,235,836
(Minority interests)					
Minority interests	8,156,546	—	—	—	8,399,563
(Shareholders' equity)					
I Capital stock	10,734,095	—	—	—	24,901,682
II Additional paid-in capital	11,080,913	—	—	—	25,248,461
III Retained earnings	△4,590,823	—	—	—	△4,007,123
IV Net unrealized holding (loss)gain on securities	12,808,573	—	—	—	11,369,723
V Translation adjustments	279,387	—	—	—	169,783
VI Treasury stock	△106,613	—	—	—	△109,602
Total shareholders' equity	30,205,532	—	—	—	57,572,924
Total liabilities and shareholders' equity	108,286,003	—	—	—	127,208,324

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(unit: thousands of yen)

	Previous 3 rd Quarter (May 31, 2005)	Current 3 rd Quarter (May 31, 2006)	Change Over Previous 3 rd Quarter		(note) Previous Fiscal Year (August 31, 2005)
	amount	amount	amount	(%)	amount
Liabilities				%	
I Current liabilities					
1. Accounts payable	158,936	192,998	34,061		2,462,717
2. Short-term debt	14,196,000	15,770,000	1,574,000		15,666,000
3. Accrued liability	695,975	760,545	64,569		781,660
4. Income tax payable etc.	1,662,858	2,029,847	366,989		2,048,000
5. Other	62,427	33,201	△29,225		70,005
Total current liabilities	16,776,198	18,786,592	2,010,393	12.0	21,028,382
II Fixed liabilities					
1. Bonds - new share rights	22,160,000	1,255,000	△20,905,000		4,640,000
2. Long-term debt	3,646,000	1,126,000	△2,520,000		3,017,000
3. Deferred tax liability	8,660,113	5,232,268	△3,427,845		7,535,365
4. Other	393,200	96,117	△297,082		215,320
Total fixed liabilities	34,859,313	7,709,386	△27,149,927	△77.9	15,407,685
Total liabilities	51,635,512	26,495,978	△25,139,533	△48.7	36,436,067
Shareholders' equity					
I Capital stock	10,734,095	—	—	—	24,901,682
II Additional paid-in capital					
1. Capital reserve	11,080,913	—	—		25,248,461
Total capital surplus	11,080,913	—	—	—	25,248,461
III Retained earnings					
1. Profit reserve	2,000	—	—		2,000
2. 3 rd Quarter undistributed profits	12,521,939	—	—		12,868,512
Total retained earnings	12,523,939	—	—	—	12,870,512
IV Net unrealized holding (loss)gain on securities	12,822,919	—	—	—	11,378,631
V Treasury stock	△106,613	—	—	—	△109,602
Total shareholders' equity	47,055,254	—	—	—	74,289,685
Total liabilities and shareholders' equity	98,690,766	—	—	—	110,725,753

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(unit: thousands of yen)

	Previous 3 rd Quarter (May 31, 2005)	Current 3 rd Quarter (May 31, 2006)	Change Over Previous 3 rd Quarter		(note) Previous Fiscal Year (August 31, 2005)
	amount	amount	amount	(%)	amount
Net Assets				%	
I Shareholders' equity					
1. Capital	—	36,027,000	—	—	—
2. Capital surplus					
(1) Capital reserve	—	36,373,760	—		—
Total capital surplus	—	36,373,760	—	—	—
3. Retained earnings					
(1) Profit reserve	—	2,000	—		—
(2) Surplus at the beginning of the period	—	14,798,263	—		—
Total retained earnings	—	14,800,263	—	—	—
4. Treasury stock	—	△110,832	—	—	—
Total shareholders' equity	—	87,090,191	—	—	—
II Account - balance exchange etc.					
1. Net unrealized holding (loss)/gain on securities	—	9,511,180	—		—
Total account - balance exchange etc.	—	9,511,180	—	—	—
Total net assets	—	96,601,372	—	—	—
Total liabilities - assets	—	123,097,351	—	—	—

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② 3rd Quarter Non-Consolidated Earnings Statement (unit: thousands of yen)

	Previous 3 rd Quarter (September 1, 2004 - May 31, 2005)	Current 3 rd Quarter (September 1, 2005 - May 31, 2006)	Change Over Previous 3 rd Quarter		(note) Previous Fiscal Year (August 31, 2005)
	amount	amount	amount	(%)	amount
I Sales	7,924,024	8,581,848	657,824	8.3	10,706,734
II Cost of sales	3,631,419	3,659,084	27,664	0.8	4,924,927
Gross profit	4,292,604	4,922,763	630,159	14.7	5,781,807
III Selling, general and administrative expenses	1,959,316	2,550,786	591,469	30.2	2,926,392
Operating income	2,333,287	2,371,977	38,689	1.7	2,855,415
IV Other income	250,436	235,271	△15,164	△6.1	389,157
V Other expenses	99,059	253,784	154,724	156.2	270,889
Ordinary income	2,484,664	2,353,464	△131,200	△5.3	2,973,684
VI Extraordinary income	4,578,033	7,572,565	2,994,531	65.4	4,693,978
VII Extraordinary loss	94,973	5,526,685	5,431,711	—	317,571
Term net profit before income taxes and minority interests	6,967,724	4,399,344	△2,568,380	△36.9	7,350,090
Income taxes - current	2,553,324	3,449,783	896,458	35.1	2,908,040
Income taxes - deferred	284,990	△1,566,763	△1,851,754	—	△33,932
3 rd Quarter net profit	4,129,409	2,516,324	△1,613,084	△39.1	4,475,982