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Consolidated Earnings Report for the First Quarter of the 2007 Fiscal Year

January 15, 2007

Index Holdings
(Securities Code No. 4835, JASDAQ)

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1. First Quarter Financial Information Facts

1) Simplified accounting methods were adopted

Details: Simplified accounting methods were adopted in part to prepare corporate tax, etc.

2) Accounting methods have changed from those used in recent consolidated fiscal years.

Details:

- Statement classification of dividend income

The Company previously stated dividend income from affiliates as “non-operating profit.” Beginning in the consolidated first quarter of the 2007 fiscal year, however, such dividends were included in “net sales,” considering the said dividend income occurs based on the main business activities now that the Company shifted to a holding company on June 1, 2006.

This change has insignificant effect on profits and losses.

- Statement classification of business consignment commissions

The Company previously stated business consignment commissions from affiliates as “selling, general and administrative expenses.” Beginning in the consolidated first quarter under review, however, such commissions were included in “net sales,” considering the said commissions occur based on the main business activities, now that the Company has shifted to a holding company on June 1, 2006.

As a result, net sales increased 2 million yen compared with the conventional method.

3) Classification changes among consolidated subsidiaries and equity method affiliates:

Consolidated Subsidiaries:

- Additions: 1 company
- Exclusions: 1 company

Equity method affiliates:

- Additions: None
- Exclusions: None

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2. Consolidated financial performance for the first quarter of the 2007 fiscal year
(September 1, 2006 - November 30, 2006)
(Note) Amounts shown in this consolidated flash report for the quarter are unaudited.

(1) Consolidated Performance

	Net Sales & Operating Revenue		Operating Profit		Ordinary Profit	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
1 st Quarter: 2007 FY	31,018	(32.7)	746	(△57.4)	1,556	(△9.9)
1 st Quarter: 2006 FY	23,368	(35.3)	1,750	(9.1)	1,727	(0.8)
(Reference) 2006 FY	111,685		6,173		6,651	

	Net Profit (1 st Quarter)		EPS (1 st Quarter)		EPS (Diluted) (1 st Quarter)	
	(Millions of yen)	%	(Yen)		(Yen)	
1 st Quarter: 2007 FY	1,004	(-)	472.48		451.97	
1 st Quarter: 2006 FY	△1,008	(-)	△512.65		-	
(Reference) 2006 FY	3,070		1,481.49		1,442.92	

(Note)

1. Net Sales and Operating revenue (or items corresponding to do it) are the amount accumulating to the end of the first quarter.
2. Net sales & operating revenue, operating profit, ordinary profit and net profit show the percentage of increase or decrease compared with the results of the 1st quarter of the prior year.

Qualitative information concerning Consolidated Performance

Please refer to page 4 of the Attachment for qualitative information concerning the above Consolidated Performance.

(2) Consolidated Finances

	Total Assets	Net Assets	Capital Ratio	Net Assets Per Share
	(Millions of yen)	(Millions of yen)	(%)	(Yen)
1 st Quarter: 2007 FY	184,590	92,762	41.3	35,847.48
1 st Quarter: 2006 FY	132,709	51,590	38.9	26,125.81
(Reference) 2006 FY	161,737	86,531	47.0	35,788.84

(Note) With regard to the figures for the first quarter of the fiscal year ended August 2006, “Shareholders’ equity” is now included in “Net assets”; “Shareholders’ equity as a percentage of total assets” is included in “Capital ratio”; and “Shareholders’ equity per share” is now included in “Net assets per share.”

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Qualitative information concerning Consolidated Financial Situation

Please refer to page 5 of the Attachment for qualitative information on the above Consolidated Financial Situation.

3. Consolidated forecast for the fiscal year ending August 2007
(September 1, 2006 - August 31, 2007)

	Net Sales & Operating Revenue	Ordinary Profit	Net Profit
	(Millions of yen)	(Millions of yen)	(Millions of yen)
Interim	60,000 - 70,000	3,000 - 4,000	1,500 - 2,500
Full term	135,000 - 140,000	7,000 - 9,000	3,500 - 6,000

(Reference) Forecast EPS for the 2007 fiscal year: 1,645.05 –2,820.09 yen

(Note) Estimated net profit per share for the first quarter has been calculated based on the total number of outstanding shares at the end of the first quarter (2,127,592 shares).

- * The above performance forecast is dependent upon the information available on the day of release of document's publication and assumption made about a number of uncertain factors on the day of release of this document's publication that can affect results. Actual results may vary from the forecasts for various factors.

Qualitative information concerning performance forecast

Please refer to page 5 of the Attachment for qualitative information on the above performance forecast.

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Attachment:

1. Qualitative Information

Qualitative information concerning consolidated performance

(1) Overview of first quarter under review

In the first quarter of the fiscal year under review, the Group adopted the unit system for each business field. Under the new framework, the Group pursued each company's business growth and synergy within each unit group, and proactively implemented sales activities using the capabilities of the overall group more than before.

Against this backdrop, Index Holdings received steady orders for system development for cellular phones from major companies, including those engaged in public transport. In the entertainment field, Nikkatsu Corporation's movie was a big hit, and Madhouse Ltd. continuously offered high quality animations, one of which earned high marks and received various awards.

In overseas, the Company continued to strengthen its administration system, and made efforts to improve management quality by a holding company. A North American subsidiary established the foundation for flexible management by introducing external capital.

As a result, consolidated net sales and operating revenues for the first quarter under review rose 32.7% from the corresponding quarter of the previous year to 31,018 million yen. The Group began to reduce selling, general and administrative expenses at each division through all-out efforts to improve operational efficiency, but at the same time the Group was affected by higher-than-expected costs for business promotion activities, including enhancement of the development system, and partly sluggish operations overseas. Accordingly, operating profit decreased 57.4% to 746 million yen. Ordinary profit also fell 9.9% to 1,556 million yen, as gains on sales of investment securities failed to offset a decline in operating profit.

(2) Change in business segment category

The Group's businesses were previously divided into the four categories of Content Business, Solutions Business, Commerce Business, and Publishing Business. However, beginning in the current fiscal year, they were recategorized into the Mobile & Solutions Business, Entertainment Business, and Commerce & Publishing Business.

The Group introduced the unit system consisting of four business fields, including overseas operations, in order to further strengthen the management structure under the framework of holding company, which was adopted last year. Through these changes in its system, the Group is making efforts to improve operational efficiency of similar businesses while hoping to produce a synergy effect. And, aiming to appropriately disclose the results of our business management under the new policy, we changed the category of business segments.

(3) Overview of operating results

Operating results by business segment are as follows:

1) Mobile & Solutions Business

In the area of content distribution for mobile terminals, development of content for broadcasting stations remained steady. In addition, there was strong demand for large solutions, such as point management systems for noncontact IC. As a result, sales from this business were 13,403 million yen for the first quarter under review, increasing 3.4% from the previous year.

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2) Entertainment Business

“Death Note: The Last Name,” a movie produced by Nikkatsu Corporation, took more than 4.0 billion yen, marking the largest box-office revenue for four weeks in a row, and “*Toki wo Kakeru Shoyo*,” an animation movie produced by Madhouse Ltd. and directed by Mamoru Hosoda, received various awards. These brisk box-office sales greatly contributed to increasing this business’ earnings. Consequently, sales from this business soared 71.0% year-on-year to 12,341 million yen.

3) Commerce & Publishing Business

In the Commerce section, store member-linked mobile sites performed favorably, and TV shopping operations were boosted. Meanwhile, the Publishing sector saw fashion magazines continuously sell well. Accordingly, sales from this business stood at 5,526 million yen, increasing 50.3% from a year earlier.

Operating results by geographical segment are as follows:

1) Japan

The content operations for mobile and similar terminals grew, and the solutions and commerce operations contributed greatly to total earnings. As a result, sales posted 24,149 million yen, increasing 41.3% from the previous year.

2) North America

In the U.S., the Group introduced external capital into Mobliss, Inc., removing it from the scope of consolidation. Hence, sales in the region dropped substantially 96.3% from a year earlier to 10 million yen.

3) Europe

In Europe, amid a rapid shift of cell phones from 2G to 3G, the service for distributing video to new platforms grew, which contributed to earnings. Consequently, sales increased 22.4% year-on-year to 6,180 million yen.

4) Asia

Both sales and profits continued to level off in China, influenced by policy changes of major local cell phone carriers. As a result, sales were 648 million yen, decreasing 30.4% from a year earlier.

Qualitative information concerning consolidated financial situation

At the end of the first quarter under review, total assets were 184,590 million yen, increasing 22,852 million yen from the end of the previous consolidated accounting year, because of the addition of consolidated subsidiaries. As for current assets, cash & bank deposits rose 2,841 million yen from the end of the preceding year to 26,114 million yen; and with regard to fixed assets, deposit guarantees under investments & other assets registered 4,555 million yen, increasing 3,253 million yen.

Net assets were 92,762 million yen, increasing 6,230 million yen from the end of the previous year. Although net unrealized holding gain on securities decreasing 1,535 million yen from the end of the preceding year to 1,577 million yen, because of sales of investment securities, accumulated earnings increased 1,004 million yen thanks to net profit; and minority equity was 16,468 million yen, up 5,995 million yen from the end of the previous year, because of a rise in the number of consolidated subsidiaries.

Qualitative information concerning performance forecast

The first quarter performance was roughly in line with “Summary Report on Business Results for the Fiscal Year Ended August 2006 (Consolidated)” and “Summary of Non-consolidated Financial Statements for the Fiscal Year Ended August 2006,” both announced on October 30, 2006. There are no new modifications to earnings forecasts for the first half of the fiscal year and the full fiscal year at this moment.

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2. Consolidated Financial Statement

(1) 1st Quarter Consolidated Balance Sheet

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)	Current Fiscal Year 1 st Quarter (Nov. 30, 2006)	Change Over 1 st Quarter Prior Fiscal Year		(Reference) Prior Fiscal Year (Aug. 31, 2006)
	(millions of yen)	(millions of yen)	(millions of yen)	%	(millions of yen)
Assets					
I Current assets:					
1. Cash & bank deposits	20,437	26,114	5,677		23,273
2. Notes & accounts receivable	22,235	28,109	5,874		27,279
3. Marketable securities	7,171	515	△6,655		1,061
4. Inventories	7,786	10,072	2,286		8,762
5. Deferred tax assets	274	1,424	1,150		1,286
6. Other	8,583	14,405	5,821		9,535
7. Special account for returnable loans	△35	△38	△3		△38
Allowance for doubtful receivables	△84	△332	△247		△246
Total current assets	66,368	80,272	13,903	20.9	70,913
II Fixed assets:					
1. Tangible fixed assets:					
(1) Buildings/Structures	1,674	3,576	1,902		1,662
(2) Machinery & vehicles	963	252	711		262
(3) Property	679	887	207		679
(4) Other	1,422	3,412	1,989		2,019
Total fixed assets	4,740	8,128	3,387	71.5	4,624
2. Intangible assets:					
(1) Goodwill & consolidated adjustments	85	25,585	25,500		253
(2) Software	1,753	1,685	△67		1,365
(3) Software in progress	80	448	368		424
(4) Consolidation goodwill	14,908	-	△14,908		25,259
(5) Other	506	1,481	974		1,646
Total intangible assets	17,334	29,201	11,867	68.5	28,949
3. Investments/other assets:					
(1) Investment securities	41,895	59,667	17,771		54,575
(2) Long-term loans receivable	190	990	800		290
(3) Deferred tax liabilities	337	429	91		302
(4) Other	1,868	6,086	4,217		2,168
Allowance for doubtful receivables	△46	△185	△139		△86
Total investments & other assets	44,246	66,987	22,741	51.4	57,250
Total fixed assets	66,321	104,317	37,996	57.3	90,824
III Deferred assets:					
1. Bond expense	18	-	△18		-
Total deferred assets	18	-	△18	-	-
Total assets	132,709	184,590	51,881	39.1	161,737

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	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)	Current Fiscal Year 1 st Quarter (Nov. 30, 2006)	Change Over 1 st Quarter Prior Fiscal Year		(Reference) Prior Fiscal Year (Aug. 31, 2006)
	(millions of yen)	(millions of yen)	(millions of yen)	%	(millions of yen)
Liabilities					
I Current liabilities					
1. Notes and accounts payable	12,521	17,346	4,825		14,664
2. Short-term bank loans	37,336	46,754	9,417		30,427
3. Income taxes payable etc.	1,464	947	△517		9,055
4. Deferred tax liability	280	62	△217		65
5. Accrued bonuses	168	617	448		258
6. Allowance for sales return	152	89	△62		88
7. Other	4,415	13,001	8,585		13,881
Total current liabilities	56,339	78,820	22,480	39.9	68,441
II Fixed liabilities					
1. Bonds	3,104	1,522	△1,582		1,522
2. Long-term debt	3,195	6,789	3,594		1,047
3. Deferred tax liabilities	3,490	678	△2,811		1,472
4. Retirement benefits	490	562	71		552
5. Directors' retirement allowance	66	130	64		24
6. Other	3,074	3,324	249		2,143
Total fixed liabilities	13,422	13,007	△414	△3.1	6,764
Total liabilities	69,761	91,827	22,065	31.6	75,205
Minority equity					
Minority equity	11,357	-	-	-	-
Equity section					
I Capital	25,789	-	-	-	-
II Additional paid-in capital	26,136	-	-	-	-
III Accumulated earnings	△5,868	-	-	-	-
IV Other - security revaluation	5,198	-	-	-	-
V Currency adjustment account	443	-	-	-	-
VI Treasury stock	△110	-	-	-	-
Total capital	51,590	-	-	-	-
Total liabilities, minority equity, and capital	132,709	-	-	-	-

<Translation>

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)	Current Fiscal Year 1 st Quarter (Nov. 30, 2006)	Change Over 1 st Quarter Prior Fiscal Year		(Reference) Prior Fiscal Year (Aug. 31, 2006)
	(millions of yen)	(millions of yen)	(millions of yen)	%	(millions of yen)
Net assets				%	
I Shareholders' equity					
1. Capital	-	36,071	-	-	36,027
2. Capital surplus	-	36,418	-	-	36,374
3. Accumulated earnings	-	△1,365	-	-	△1,714
4. Treasury stock	-	△110	-	-	△110
Total shareholders' equity	-	71,013	-	-	70,575
II Exchange rate effect					
1. Other revaluations of securities	-	1,577	-	-	3,113
2. Currency adjustment account	-	3,678	-	-	2,369
Total exchange rate effect	-	5,255	-	-	5,482
III Share warrant	-	277	-	-	-
IV Minority shareholders' equity	-	16,468	-	-	10,473
Total net assets	-	92,762	-	-	86,531
Total Liabilities & Assets	-	184,590	-	-	161,737

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(2) 1st Quarter Consolidated Statement of Income

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)	Current Fiscal Year 1 st Quarter (Nov. 30, 2006)	Change Over 1 st Quarter Prior Fiscal Year		(Reference) Prior Fiscal Year (Aug. 31, 2006)
	(millions of yen)	(millions of yen)	(millions of yen)	%	(millions of yen)
I Net sales	23,368	31,018	7,649	32.7	111,685
II Cost of sales	15,951	22,041	6,090	38.2	73,669
Gross profit on sales	7,417	8,977	1,559	21.0	38,015
III Sales & administrative expenses	5,666	8,230	2,564	45.3	31,841
Operating profit	1,750	746	△1,004	△57.4	6,173
IV Non operating income	171	966	794	462.5	1,377
V Non operating expense	195	157	△38	△19.6	899
Ordinary profit	1,727	1,556	△171	△9.9	6,651
VI Extraordinary profit	613	602	△10)	△1.7	23,326
VII Extraordinary loss	2,259	254	△2,005	△88.8	17,990
Income before income tax etc. (1 st Quarter)	80	1,904	1,823	-	11,987
Corporate, municipal and business tax	502	573	71	14.2	10,513
Corporate tax adjustments etc.	333	55	△278	△83.4	△2,072
Minority interest	252	271	18	7.3	474
Net profit (1 st Quarter)	△1,008	1,004	2,012	-	3,070

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(3) 1st Quarter Consolidated Statement of Retained Earnings

	Prior Fiscal Year 1 st Quarter (September 1, 2005 - November 30, 2005)	
	(millions of yen)	
Additional paid-in capital		
I Opening balance		25,248
II Increase in additional paid-in capital		
1. Capital increase by public offering	58	
2. New shares issued through the exercise of options and bonds	829	887
III Closing balance		26,136
Retained earnings		
I Opening balance		△4,007
II Decrease in retained earnings		
1. Dividends paid	586	
2. Decrease from increase in consolidated subsidiaries	260	
3. Decrease from increase in affiliated companies	6	
4. Net loss (1 st Quarter)	1,008	1,861
III Closing balance		△5,868

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(4) 1st Quarter Statement of Consolidated Shareholders' Equity

Current Fiscal Year 1st Quarter (September 1, 2006 – November 30, 2006)

	Shareholders' equity				
	Capital	Capital surplus	Accumulated earnings	Treasury stock	Total shareholders' equity
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Balance - August 31, 2006	36,027	36,374	△1,714	△110	70,575
1 st Quarter changes					
New shares issued	43	43	-	-	87
Surplus dividend	-	-	△637	-	△637
Current net profit	-	-	1,004	-	1,004
Increase due to exclusion of subsidiaries from consolidation	-	-	61	-	61
Decrease due to merger	-	-	△78	-	△78
Total consolidated changes besides shareholders' equity items	-	-	-	-	-
Total 1 st Quarter amount change	43	43	349	-	437
Balance - November 30, 2006	36,071	36,418	△1,365	△110	71,013

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Current Fiscal Year 1st Quarter (September 1, 2006 – November 30, 2006)

	Exchange rate effect			Share warrant	Minority equity	Total net assets
	Variance on other stocks & bonds	Currency adjustment account	Total assessment/ exchange difference			
	(millions of yen)	(millions of yen)	(millions of yen)			
Balance - August 31, 2006	3,113	2,369	5,482	-	10,473	86,531
1 st Quarter changes						
New shares issued	-	-	-	-	-	87
Surplus dividend	-	-	-	-	-	△637
Current net profit	-	-	-	-	-	1,004
Increase due to exclusion of subsidiaries from consolidation	-	-	-	-	-	61
Decrease due to merger	-	-	-	-	-	△78
Total consolidated changes besides shareholders' equity items	△1,535	1,308	△227	25	5,995	5,793
Total 1 st Quarter amount change	△1,535	1,308	△227	25	5,995	6,230
Balance - November 30, 2006	1,577	3,678	5,255	25	16,468	92,762

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(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Shareholders' equity				
	Capital	Capital surplus	Accumulated earnings	Treasury stock	Total shareholders' equity
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Balance - August 31, 2005	24,901	25,248	△4,007	△109	46,033
Changes in fiscal year					
New shares issued	11,125	11,125	-	-	22,251
Surplus dividend	-	-	△586	-	△586
Current net profit	-	-	3,070	-	3,070
Increase associated with new consolidations	-	-	156	-	156
Decrease associated with new consolidations	-	-	△260	-	△260
Decrease associated with equity method affiliate increase	-	-	△6	-	△6
Decrease associated with equity method affiliate decrease	-	-	△82	-	△82
Treasury stock acquisition	-	-	-	△1	△1
Total consolidated changes besides shareholders' equity items	-	-	-	-	-
Total changes in fiscal year	11,125	11,125	2,292	△1	24,542
Balance - August 31, 2006	36,027	36,374	△1,714	△110	70,575

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(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Exchange rate effect			Minority equity	Total net assets
	Variance on other stocks & bonds	Currency adjustment account	Total assessment/ exchange difference		
	(millions of yen)	(millions of yen)	(millions of yen)		
Balance - August 31, 2005	11,369	169	11,539	8,399	65,972
Changes in fiscal year					
New shares issued	-	-	-	-	22,251
Surplus dividend	-	-	-	-	△586
Current net profit	-	-	-	-	3,070
Increase associated with new consolidations	-	-	-	-	156
Decrease associated with new consolidations	-	-	-	-	△260
Decrease associated with equity method affiliate increase	-	-	-	-	△6
Decrease associated with equity method affiliate decrease	-	-	-	-	△82
Treasury stock acquisition	-	-	-	-	△1
Total consolidated changes besides shareholders' equity items	△8,256	2,199	△6,056	2,073	△3,982
Total changes in fiscal year	△8,256	2,199	△6,056	2,073	20,559
Balance - August 31, 2006	3,113	2,369	5,482	10,473	86,531

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3. Segment Information

(1) Business segment information

Prior Fiscal Year 1st Quarter (September 1, 2005 – November 30, 2005)

	Content	Solutions	Commerce	Publishing	Total	Elimination	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales							
(1) Sales from external clients	13,632	6,204	3,093	438	23,368	-	23,368
(2) Internal sales or transfer between segments	20	97	10	0	128	△128	-
Total	13,652	6,302	3,104	438	23,497	△128	23,368

Current Fiscal Year 1st Quarter (September 1, 2006 – November 30, 2006)

	Mobile & Solutions Business	Entertainment Business	Commerce & Publishing Business	Total	Elimination or corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales						
(1) Sales from external clients	13,205	12,326	5,486	31,018	-	31,108
(2) Internal sales or transfer between segments	198	14	40	252	△252	-
Total	13,403	12,341	5,526	31,271	△252	31,018

(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Content	Solutions	Commerce	Publishing	Total	Elimination or corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales							
(1) Sales from external clients	63,192	29,413	15,548	3,531	111,685	-	111,685
(2) Internal sales or transfer between segments	121	564	134	24	845	△845	-
Total	63,313	29,977	15,682	3,556	112,530	△845	111,685

(Note)

1. Each business category is based on internal administration with consideration of market and business structure .
2. The primary businesses of each category in the first quarter of the previous year and the previous fiscal year are as follows:

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	Planning, production, publishing of magazines and other items

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3. Change in business segment category

The business category for “Business segment information” had been previously divided into the four categories of Content Business, Solutions Business, Commerce Business, and Publishing Business. However, beginning in the first quarter under review, they were recategorized into the Mobile & Solutions Business, Entertainment Business, and Commerce & Publishing Business. The primary businesses of each category are as follows:

Category of Business	Content of Business
Mobile & Solutions Business	Planning, development and distribution of content for cell phones (portable IP terminals) that can access the Internet, as well as entrusted development of systems and provision of solutions, such as terminal production, for customer companies
Entertainment Business	Acquisition of the copyright on and planning, production and distribution of content, including animation, games, and movies
Commerce & Publishing Business	Editing and publishing of books, magazines, and other items, and the mail order business linked to these media (through multiple platforms such as mobile devices and Internet TV), as well as operations of virtual and real shops

On June 1, 2006, the Group adopted a new system with the Company as a holding company. Under the new Group management structure, we will make every effort to maximize corporate value of the entire Group, pursuing efficient allocation of management resources and creation of group synergy. Business segment information by new business segment category for the first quarter of the previous year and the previous fiscal year are as follows:

Prior Fiscal Year 1st Quarter (September 1, 2005 – November 30, 2005)

	Mobile & Solutions Business	Entertainment Business	Commerce & Publishing Business	Total	Elimination or corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales						
(1) Sales from external clients	12,487	7,211	3,670	23,368	-	23,368
(2) Internal sales or transfer between segments	475	5	6	488	△488	-
Total	12,962	7,217	3,676	23,857	△488	23,368

(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Mobile & Solutions Business	Entertainment Business	Commerce & Publishing Business	Total	Elimination or corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales						
(1) Sales from external clients	51,321	40,751	19,612	111,685	-	111,685
(2) Internal sales or transfer between segments	2,721	147	67	2,936	△2,936	-
Total	54,042	40,898	19,679	114,621	△2,936	111,685

<Translation>

(2) Geographical Segment information

Prior Fiscal Year 1st Quarter (September 1, 2005 – November 30, 2005)

	Japan	North America	Europe	Asia	Other	Total	Eliminations or Corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales								
(1) Sales from external clients	17,091	284	5,048	932	12	23,368	-	23,368
(2) Internal sales or transfer between segments	1	-	0	-	-	2	△2	-
Total	17,093	284	5,049	932	12	23,371	△2	23,368

Current Fiscal Year 1st Quarter (September 1, 2006 – November 30, 2006)

	Japan	North America	Europe	Asia	Other	Total	Eliminations or Corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales								
(1) Sales from external clients	24,149	10	6,180	648	30	31,018	-	31,018
(2) Internal sales or transfer between segments	-	-	0	-	-	0	△0	-
Total	24,149	10	6,180	648	30	31,019	△0	31,018

(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Japan	North America	Europe	Asia	Other	Total	Eliminations or Corporate	Consolidated
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Sales								
(1) Sales from external clients	85,408	1,011	20,802	4,425	35	111,685	-	111,685
(2) Internal sales or transfer between segments	2	-	12	-	-	14	△14	-
Total	85,411	1,011	20,814	4,425	35	111,699	△14	111,685

(Note)

1. Countries or regions are categorized on the basis of geographical proximity.
2. Business regions outside of Japan have been categorized as follows:
 - North America: America
 - Europe: France, United Kingdom, Germany, Spain, Luxembourg and Italy
 - Asia: Thailand, Indonesia, China and South Korea
 - Other: Morocco and Australia

<Translation>

(3) Overseas Sales

Prior Fiscal Year 1st Quarter (September 1, 2005 – November 30, 2005)

	Europe	Other	Total
	(Millions of yen)	(Millions of yen)	(Millions of yen)
I Overseas Sales	5,052	2,871	7,923
II Consolidated Sales			23,368
III Overseas sales as a percentage of consolidated sales (%)	21.6	12.3	33.9

Current Fiscal Year 1st Quarter (September 1, 2006 – November 30, 2006)

	Europe	Other	Total
	(Millions of yen)	(Millions of yen)	(Millions of yen)
I Overseas Sales	6,184	1,397	7,582
II Consolidated Sales			31,018
III Overseas sales as a percentage of consolidated sales (%)	19.9	4.5	24.4

(Reference) Prior Fiscal Year (September 1, 2005 - August 31, 2006)

	Europe	Other	Total
	(Millions of yen)	(Millions of yen)	(Millions of yen)
I Overseas Sales	20,851	10,387	31,239
II Consolidated Sales			111,685
III Overseas sales as a percentage of consolidated sales (%)	18.67	9.30	27.97

(Note)

1. Countries or regions are categorized on the basis of geographical proximity.
2. Business regions have been categorized as follows:
 - Europe: France, Germany, United Kingdom, Spain, Luxembourg and Italy
 - Other: America, Morocco, Thailand, Indonesia, South Korea, China, Taiwan, Singapore and Australia
3. Overseas sales represent sales by the Company and consolidated subsidiaries in countries or regions excluding Japan.



**Report for the 1st Quarter of the Fiscal Year Ending August 2007
(Unconsolidated)**

January 15, 2007

Index Holdings
(Securities Code No. 4835, JASDAQ)

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

1. First Quarter Financial Information Facts

1) Simplified accounting methods were adopted

Details: Simplified accounting methods were adopted in part to prepare corporate tax, etc.

2) Accounting methods have changed from those used in recent fiscal years.

Details:

- Statement classification of dividend income

The Company previously stated dividend income from affiliates as "non-operating profit." Beginning in the first quarter of the 2007 fiscal year, however, such dividends were included in "net sales," considering the said dividend income occurs based on the main business activities now that the Company shifted to a holding company on June 1, 2006.

As a result, net sales and operating profit increased 400 million yen compared with the conventional method.

- Statement classification of business consignment commissions

The Company previously stated business consignment commissions from affiliates as "selling, general and administrative expenses." Beginning in the first quarter under review, however, such commissions were included in "net sales," considering the said commissions occur based on the main business activities, now that the Company has shifted to a holding company on June 1, 2006.

As a result, net sales increased 21 million yen compared with the conventional method.

2. Unconsolidated financial performance for the 1st quarter of the 2007 fiscal year
(September 1, 2006 to November 30, 2006)

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

<Translation>

(1) Unconsolidated Operating Results

	Net sales	Operating income	Ordinary income
	(Millions of yen)(%)	(Millions of yen)(%)	(Millions of yen)(%)
1 st Quarter: 2007 FY	445 (△85.0)	△51 (—)	779 (△26.1)
1 st Quarter: 2006 FY	2,978 (16.5)	1,053 (68.4)	1,053 (66.9)
(Reference) 2006 FY	8,881	2,189	2,982

	Net profit (1 st Quarter)	Earnings per share (1 st Quarter)	Earnings per share fully diluted (1 st Quarter)
	(Millions of yen)(%)	(yen)	(yen)
1 st Quarter: 2007 FY	364 (△45.5)	171.37	164.20
1 st Quarter: 2006 FY	668 (74.9)	339.61	323.99
(Reference) 2006 FY	1,875	904.62	874.26

(Note)

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

<Translation>

(2) Unconsolidated Financials

	Total assets	Shareholders' equity	Shareholders' equity as a percentage of total assets	Shareholders' equity per share
	(Millions of yen)		%	(yen)
1 st Quarter: 2007 FY	133,357	87,861	65.9	41,296.41
1 st Quarter: 2006 FY	112,104	69,909	62.4	35,403.09
(Reference) 2006 FY	122,059	89,574	73.4	42,148.53

(Note) With regard to the figures for the first quarter of the fiscal year ended August 2006, "Shareholders' equity" is now included in "Net assets"; "Shareholders' equity as a percentage of total assets" is included in "Capital ratio"; and "Shareholders' equity per share" is now included in "Net assets per share."

2. Unconsolidated performance forecast for the fiscal year ending August 2007 (September 1, 2006 to August 31, 2007)

	Net sales	Ordinary profit	Net profit
	(Millions of yen)		
Interim	1,100	1	1
Full Term	3,100	1,200	600

(Note*) Forecast EPS for the full term: 282.01 yen

(Note**) EPS forecast is calculated based on the total number of outstanding shares at the end of the 1st quarter: 2,127,592 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.

<Translation>

Unconsolidated Financial Statements

(1) Balance Sheet

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)		Current Fiscal Year 1 st Quarter (Nov. 30, 2006)		Change Over 1 st Quarter Prior Fiscal Year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	Change (%)
Assets						
I Current assets						
1. Cash and bank deposits	6,827		5,526		△1,301	
2. Trade account receivable	2,171		—		△2,171	
3. Inventories	1,256		1		△1,255	
4. Short-term loan receivable	1,929		3,574		1,645	
5. Deferred tax assets	157		583		426	
6. Other current assets	2,559		3,475		916	
Allowance for doubtful receivables	△15		—		15	
Total current assets	14,885		13,161		△1,724	△11.6
II Fixed assets						
1. Tangible fixed assets	55		39		△16	△29.9
2. Intangible assets						
(1) Software	637		49		△587	
(2) Other	18		1		△16	
Total intangible fixed assets	655		51		△604	△92.2
3. Investments and other assets						
(1) Investment securities	93,910		116,425		22,515	
(2) Long-term loans receivable	2,408		1,779		△628	
(3) Deferred tax assets	—		1,679		1,679	
(4) Other assets	170		222		51	
Allowance for doubtful receivable	△1		△1		—	
Total investments and other assets	96,488		120,106		23,617	24.5
Total fixed assets	97,199		120,196		22,996	23.7
4. Deferred assets						
(1) Bond issuance cost	18		—		△18	
Total deferred assets	18		—		△18	—
Total assets	112,104		133,357		21,253	19.0

<Translation>

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)		Current Fiscal Year 1 st Quarter (Nov. 30, 2006)		Change Over 1 st Quarter Prior Fiscal Year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	Change (%)
Liabilities						
I Current Liabilities						
1. Accounts payable trade	175		—		△175	
2. Short-term borrowings	29,366		32,970		3,603	
3. Current portion of long-term borrowings	2,516		4,872		2,356	
4. Other accounts payable	891		322		△569	
5. Income tax payable	292		249		△43	
6. Other current liabilities	98		101		2	
Total current liabilities	33,340		38,515		5,174	15.5
II Fixed Liabilities						
1. Share options and bonds	3,005		1,265		△1,739	
2. Long-term debt	2,388		5,716		3,328	
3. Deferred tax liabilities	3,267		—		△3,267	
4. Other fixed liabilities	193		—		△193	
Total fixed liabilities	8,854		6,981		△1,873	△21.2
Total liabilities	42,195		45,496		3,301	7.8
Shareholders' equity						
I Capital	25,789		—		—	—
II Additional paid-in capital						
1. Capital reserve	26,136		—		—	
Total additional paid-in capital	26,136		—		—	—
III Retained earnings						
1. Earned reserve	2		—		—	
2. Unappropriated profits (1 st Quarter)	12,950		—		—	
Total retained earnings	12,952		—		—	—
IV Balance on securities revaluation	5,142		—		—	—
V Treasury stock	△110		—		—	—
Total shareholders' equity	69,909		—		—	—
Total liabilities and shareholders' equity	112,104		—		—	—

<Translation>

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)		Current Fiscal Year 1 st Quarter (Nov. 30, 2006)		Change Over 1 st Quarter Prior Fiscal Year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	Change (%)
Net Assets						
I Shareholders' equity						
1. Capital	—		36,071		—	—
2. Capital surplus						
(1)Capital reserve	—		36,418		—	
Total additional paid-in capital	—		36,418		—	—
3. Accumulated earnings						
(1)Earned reserve	—		2		—	
(2)Unappropriated profits (1 st Quarter)	—		13,883		—	
Total retained earnings	—		13,885		—	—
4. Treasury stock	—		△110		—	—
Total shareholders' equity	—		86,264		—	—
II Exchange rate effect						
1. Other revaluations of securities	—		1,597		—	—
Total exchange rate effect	—		1,597		—	—
Total net assets	—		87,861		—	—
Total liabilities and net assets	—		133,357		—	—

<Translation>

(2) Income Statement

	Prior Fiscal Year 1 st Quarter (Nov. 30, 2005)		Current Fiscal Year 1 st Quarter (Nov. 30, 2006)		Change Over 1 st Quarter Prior Fiscal Year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
I Net sales	2,978		445		△2,532	△85.0
II Cost of sales	1,104		—		△1,104	—
Gross profit	1,874		445		△1,428	△76.2
III Selling, general and administrative cost	820		496		△323	△39.5
Operating income	1,053		△51		△1,104	—
IV Other income	69		920		850	—
V Other expenses	68		89		20	30.0
Ordinary income	1,053		779		△274	△26.1
VI Extraordinary profit	56		0		△55	△98.5
VII Extraordinary loss	14		166		152	—
Income before tax etc. (1 st Quarter)	1,096		613		△482	△44.0
Corporate, municipal, and business tax	279		249		△30	△10.8
Adjusted corporate tax, etc.	148		—		△148	—
Net income (1 st Quarter)	668		364		△303	△45.5

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