TAGLICH BROTHERS
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Research Note

Investors should consider this report as only a single factor in making their investment decision.

INX Inc.

Rating: Speculative Buy

Luis Martins

INXI $11.90 (NASDAQ)

September 14, 2007

	FY2004A	FY2005A*	FY2006A	FY2007E	FY2008E
Revenues (Thousands)# *	$71,487	$107,319	$156,013	$215,000	$291,335
Earnings (loss) per share	$0.31	$(1.38)	$0.16	$0.42	$0.79

52-Week Range	$12.43 – 6.01	Fiscal Year Ends	December
Shares Outstanding	6.96 million	Revs/Share (TTM)	$23.67
Approximate Float	5.02 million	Price/Sales(TTM)	0.5X
Market Capitalization	$82 million	Price/Sales(2008)E	0.3X
Tangible Book Value/Share	$1.73	Price/Earnings(TTM)	38.4X
Price/Tangible book	6.9X	Price/Earnings(2008)E	15.1X

*# Restated * FY 2005 includes a $5.7 million non-cash expense included in SG&A.*

INX Inc. (NASDAQ: INXI), formerly known as I-Sector Corp., was founded in 1983 in Texas. The Company's focus is providing professional and integration services for Cisco-centric Internet Protocol (IP) Communications/Telephony solutions.

Key Investment Considerations:

We are maintaining our Speculative Buy rating on the shares of INXI and increasing our 12-month price target to $15.00 from $14.00 per share. Our price target is based on a relative P/E analysis.

On September 4, 2007, INX announced that on August 31, 2007, it closed on the acquisition of Select, Inc., a Boston, Massachusetts-based Cisco-centric solutions provider focused on delivering best in class IP Telephony, IP Storage and network infrastructure solutions throughout New England.

Select generates approximately $40 million in annual revenues and is a Gold Certified Cisco partner.

We are adjusting estimates for 2007 and 2008 due to the acquisition of Select, Inc. Our revised 2007 forecast calls for revenues of $215.0 million and net income of $3.2 million or $0.42 per diluted share. Our previous 2007 forecast called for revenues of $202.0 million and net income of $3.3 million or $0.43 per diluted share. Our revised 2008 forecast calls for revenues of $291.3 million and net income of $6.5 million or $0.79 per diluted share. Our previous estimates for 2008 called for revenues of $244.3 million and net income of $6.0 million or $0.75 per diluted share.

**** Please view our disclaimer located on page 9.***

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Company Overview

INX Inc. (NASDAQ: INXI), formerly known as I-Sector Corp., was founded in 1983 in Texas. The Company's focus is providing professional and integration services for Cisco-centric Internet Protocol (IP) communication solutions to corporations, schools and federal, state and local governmental agencies.

INX, through its Business Ready Networks approach, offers a complete range of products and services for Cisco-centric IP Telephony solutions that support the entire life-cycle (design, implementation, and support) of enterprise IP communications, including a full suite of convergence solutions and network infrastructure products. INX is believed to be one of the few publicly traded companies focused on providing end-to-end solutions in this space, providing hardware, professional services, applications, and managed services. Through its NetSurant business unit, INX provides comprehensive services, including remote monitoring and management, for managing converged Cisco networks with a suite of industry-standard management technologies.

INXI intends to employ the following strategies in pursuit of rapid growth:

- Expanding geographically by principally acquiring complementary businesses. The Company's efforts toward becoming a national provider of IP Communications are focused on acquiring new and larger customer opportunities in new and existing markets;
- Aligning itself with Cisco Systems as its primary supplier of IP communications technology;
- Increasing higher margin service offerings and its post-sale support services (NetSurant) in an effort to improve revenues and margins;
- Exploiting its national footprint to obtain larger customers; and
- Marketing custom, specialized IP communications solutions.

The Company's goal is to obtain operating margins of 4% to 7%. Management believes that this can be achieved by increased gross margins and lower S, G, & A expenses as a percentage of sales. The following chart illustrates the Management's long-term plan for margins:

Projected INX Long-term Margins (%)

	Goal
Product Margins	15 - 19%
Service Margins	30 - 35%
Overall Gross margins	19 - 21%
S, G, A Expense	14 - 15%
Operating Margins	4 - 7%

Source: SEC filings

Recent Developments

On September 4, 2007, INX announced that on August 31, 2007, it acquired Select, Inc., a Boston, Massachusetts-based Cisco-centric solutions provider focused on delivering best in class IP Telephony, IP Storage and network infrastructure solutions throughout New England. It designs, implements, maintains and supports advanced IP communications networks for enterprises. The 20 year old company generates approximately $40 million in annual revenues and is a Gold Certified Cisco partner.

The purchase price consisted of $6.25 million in cash and $2.25 million in INX common shares totaling 231,958 shares. Additional purchase consideration consists of two components: (a) a non-competition fee of $500,000 payable to Dana Zahka over a period of two years, and (b) a contingent purchase price payment, which is based upon financial performance of the acquired operations, and which consists of (i) up to an additional $1.2 million if the first year operating profit contribution from the acquired organization is

$3.5 million or greater, and (ii) up to an additional $1.2 million in consideration if the second year operating profit contribution is $5.51 million or greater.

Projections

We are adjusting estimates for 2007 and 2008 due to the acquisition of Select, Inc.

Our revised 2007 forecast calls for revenues of $215.0 million and net income of $3.2 million or $0.42 per diluted share. Our previous 2007 forecast called for revenues of $202.0 million and net income of $3.3 million or $0.43 per diluted share.

Our revised 2008 forecast calls for revenues of $291.3 million and net income of $6.5 million or $0.79 per diluted share. Our previous estimates for 2008 called for revenues of $244.3 million and net income of $6.0 million or $0.75 per diluted share.

Our revised estimates incorporate our previous estimates for INX's existing operations and the operations of the newly acquired Select. Key trends and facts that investors should be aware of relative to the Select business include:

- Historical annual revenues of $40 million with adjusted operating margins of 3.5%;
- Earn outs in the first and second year after the acquisition based on revenue ($44 million and $53 million, respectively) and operating income ($1.76 million and $3.71 million, respectively) targets;
- Historical revenue mix of 90%/10% in favor of product sales versus service revenues; and
- Acquisition costs and financing.

As we obtain additionally visibility and details of the acquired operations and the integration process, we are likely to adjust our estimates. This could occur after INXI reports its third quarter results.

Risks

Acquisition Risk
The Company makes selected acquisitions a part of its business strategy. In August 2007, it acquired Select, Inc. In February 2006, INX acquired the assets and operations of Southern California-based Datatran Network Systems (DNS), a specialized provider of network solutions serving the southern California market primarily focusing on IP Telephony. Previously, the Company made two other acquisitions in mid-2005, InfoGroup Northwest, Inc. and Network Architechs Corp. As part of its stated strategy to emerge as a national IP telephony service provider, Management intends to make further acquisitions. Issues that may come up in the integration process include, differing corporate cultures, customer polices, and management styles. These issues may cause a clash resulting in a lack of synergies and the inability to execute stated goals and financial objectives.

Balance Sheet
The Company's credit facility features a variable interest rate tied to the prime rate. If interest rates rise or INXI becomes increasingly indebted, debt service will increase. This will adversely impact the Company's financial results.

The Company uses its credit facility to finance purchases of Cisco products from Cisco and from certain wholesale distributors. Cisco provides 60-day terms, and other wholesale distributors typically provide 30-day terms. Balances under the credit facility that are within the 60-day period do not accrue interest and are classified as accounts payable on its balance sheet.

Dependency on Cisco Systems
The Company has aligned itself with Cisco Systems. An overwhelming majority of revenues are derived from the sale of Cisco products, network products and related services. As a result, INXI's success is dependent on its ongoing relationship with Cisco and business decisions made by Cisco (including those relative to its sales incentive programs).

While Cisco Systems (NYSE: CSCO) is one of leading players in IP hardware, other companies such as Nortel (NYSE: NT), Avaya (NYSE: AV), Alcatel Lucent (NYSE: ALU), and Siemens (NYSE: SI), have a competitive market share. Although INXI and Cisco believe that Cisco-based systems will continue to gain market acceptance, there can be no assurance that Cisco-centric systems will continue to be held in high regard by the marketplace.

Investors should note that INX participates in a vendor incentive program under which incentives are principally earned by sales volume, sales growth and customer satisfaction levels. The amounts earned under these programs are accrued when they are deemed probable and can be reasonably measured; otherwise, they are recorded when they are declared by the vendor or the cash is received, whichever is earlier. As a result of these estimates, the amount of rebates declared by the vendor, or the amount of rebates received in cash, the effect of vendor incentives on cost of goods can vary significantly between quarterly and annual reporting periods. The incentives are recorded as a reduction of cost of goods and services. Selling, general and administrative expenses are increased for any associated commission expense and payroll tax related to the incentives.

Economic Risk
The Company's financial results depend largely on customer buying cycles, capital spending trends, and the general business outlook of existing and new customers. An adverse indication on these and other key metrics may negatively impact the Company's financial results and equity values.

Competition
According to our research, the following public companies provide IP products that may directly or indirectly compete with Cisco's product offerings: Alcatel Lucent (NYSE: ALU), Avaya (NYSE: AV), 8X8 (NASDAQ: EGHT), Inter-Tel (NASDAQ: INTL), NEC (NASDAQ: NIPNY), Nortel (NYSE: NT), Polycom (NASDAQ: PLCM), Siemens (NYSE: SI), Sonus (NASDAQ: SONS), VocalTec (NASDAQ: VOCL) and 3Com (NASDAQ: COMS). Cisco also faces competition from a number of private companies.

The market for IP communications solutions is extremely competitive. The Company believes that it competes directly with such large companies as: Electronic Data Systems (NYSE: EDS), IBM (NYSE: IBM), and AT&T (NYSE: T). According to CSCO's Internet site, many public and private companies have authorizations similar to those of INXI. Other competitors are rapidly deploying assets to compete in the space. Competition occurs on the basis of price, technical competence, the quality of support services, perceptions of the customer regarding financial and operational ability to manage a project and to provide high quality service, and the quality of a competitor's relationship with hardware manufacturers. Some companies may have or may develop greater resources and may be better able to respond to industry changes. Competitors may develop better relationships with Cisco. These factors may adversely impact INXI's financial results and equity value.

Quarterly Fluctuations/Seasonality
Investors should note that the Company's revenues and operating results for any particular quarter may not be indicative of its performance in future quarters, and may be subject to periodic variations and seasonality. A single order from one customer may represent a substantial portion of sales in any one period and significant orders by any customer during one period may not be followed by further orders in subsequent periods.

Growth Management
As the Company becomes increasingly successful, it must meet the challenges associated with growth. If the Company is not successful in meeting these challenges, its business or financial results will be adversely impacted.

Sarbanes-Oxley Act of 2002
Over the past few years, Wall Street has increased its focus on corporate governance and placed increased emphasis on the accountability of Management and Directors to shareholders. These events have brought about the passage of the Sarbanes-Oxley Act of 2002. The Company expects that future selling, general and administrative expenses will increase due to further compliance with the provisions of the Sarbanes-Oxley Act of 2002.

Ownership of Stock
Two investors, Jim Long (the Company’s Founder, Chairman, and CEO) and Mark Hilz (President and COO) own substantial stakes in INXI. Small investors should be aware that investors with significant stakes can control the outcome of certain shareholder votes. These outcomes may not be in the best interests of all shareholders. If a sizable stake is liquidated in the open market, there could be substantial selling pressure on the shares.

Liquidity
Shares of INXI have risks common to those of the microcap segment of the market. Often these risks cause microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume and can lead to large spreads and high volatility in the stock price. Therefore, risk averse investors should be cautious with shares of INXI. The Company has approximately 5.0 million shares in the float. On average, approximately 42,000 shares are traded daily.

Miscellaneous Risks
The Company's financial results and equity values are subject to other risks and uncertainties known and unknown, including but not limited to competition, operations, financial markets, regulatory risk, and/or other events. These risks may cause actual results to differ from expected results.

Valuation & Conclusion

We are maintaining our Speculative Buy rating on the shares of INX (NASDAQ: INXI) and increasing our 12-month price target to $15.00 from $14.00. Our price target is based on a relative P/E analysis.

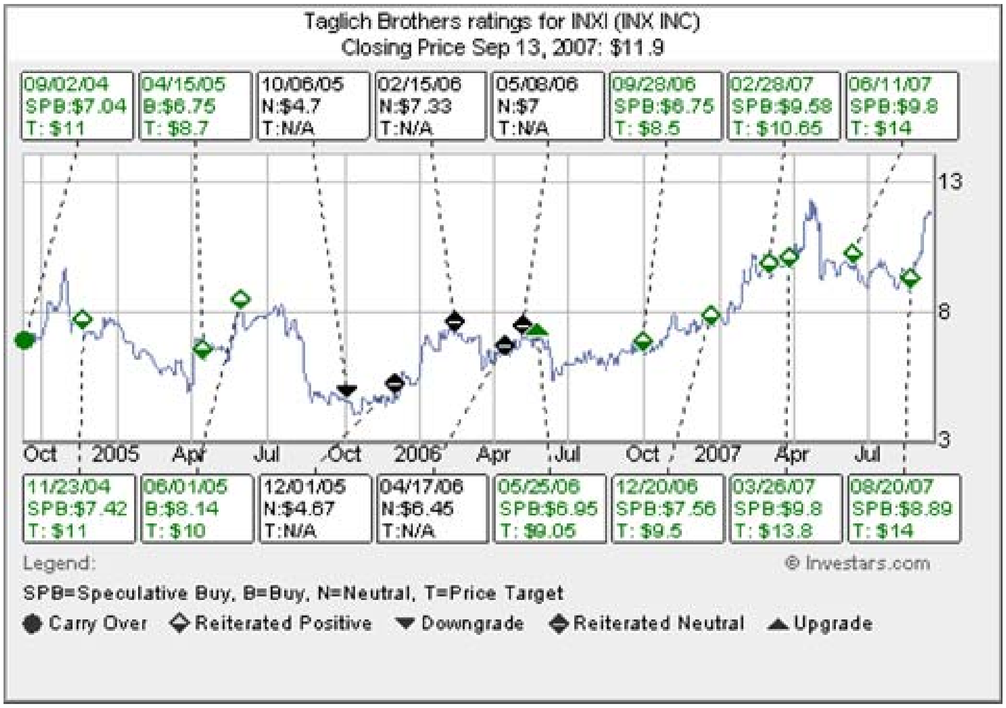
Our price target is based on the average of the following discounted by 25% to incorporate microcap and other risks:

- Average the following to arrive at a P/E multiple of 25X, which we applied to our estimated 2007 EPS (from continuing operations) of $0.41 per share and 2008 EPS of $0.79 per share:
  - The low (18X) and high (49X) P/E for the Technology sector for the past 5 years; and
  - The trailing P/E (28X) for the Technology sector for the past 12 months.

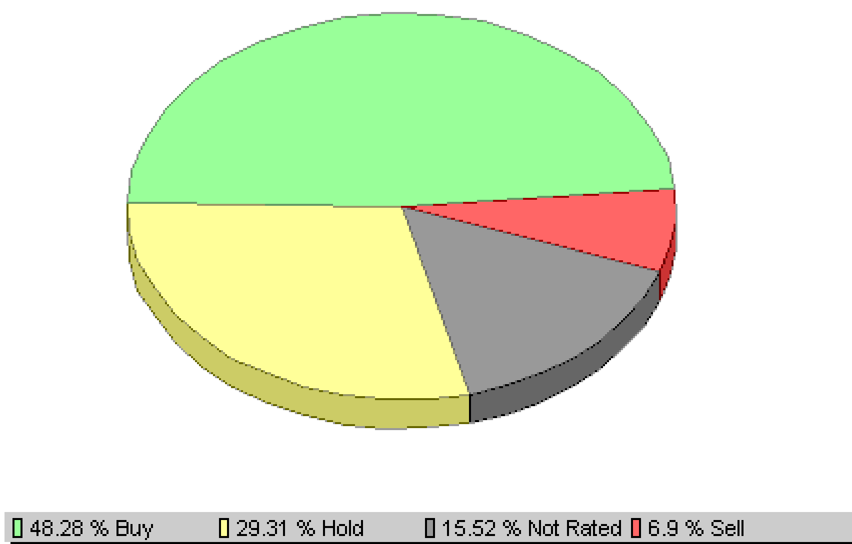
Investors should recognize that an investment in INXI is an opportunity to participate in a rapidly developing microcap technology oriented company; therefore, the shares are only suitable for high-risk tolerant investors. Investors should be cognizant of the many risks involved in such an investment including:

- Rapidly evolving markets and technology;
- Competitive concerns;
- Sales and implementation cycles;

- Dependency on Cisco Systems;
- Growth management;
- Acquisition integration; and
- Microcap risk.



Taglich Brothers' Current Rating Distribution



Investment Banking Services for Companies Covered in the Past 12 Months

Rating	#	%
Buy	0	0
Hold	1	5.56%
Sell	0	0
Not Rated	0	0

Meaning of Ratings

Buy

We believe the Company is undervalued relative to its market and peers. We believe its risk reward ratio strongly advocates purchase of the stock relative to other stocks in the marketplace. Remember, with all equities there is always downside risk.

Speculative Buy

We believe that the long run prospects of the Company are positive. We believe its risk reward ratio advocates purchase of the stock. We feel the investment risk is higher than our typical "buy" recommendation. In the short run, the stock may be subject to high volatility and continue to trade at a discount to its market.

Neutral

We will remain neutral pending certain developments.

Underperform

We believe that the Company may be fairly valued based on its current status. Upside potential is limited relative to investment risk.

Sell

We believe that the Company is significantly overvalued based on its current status. The future of the Company's operations may be questionable and there is an extreme level of investment risk relative to reward.

Some notable Risks within the Microcap Market

Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.

Public Companies mentioned in this report:
3Com (NASDAQ: COMS)
Alcatel-Lucent (NYSE: ALU)
Avaya (NYSE: AV)
AT&T (NYSE: T)
Cisco Systems (NASDAQ: CSCO)
Nortel (NYSE: NT)
Siemens (NYSE: SI)

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I, Luis Martins, the research analyst of this report, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.

INX Inc.
Annual Income Statement Model
For Year Ended December 31#
(in thousands)

	F2004A	F2005A	F2006A	F2007E	F2008E
Total Revenues	$ 71,487	$ 107,319	$ 156,013	$ 215,000	$ 291,335
Costs of Goods Sold	58,546	88,743	125,516	173,672	231,893
Gross Profit	12,941	18,576	30,497	41,328	59,442
Gross Margins	*18.10%*	17.31%	19.55%	19.22%	20.40%
		18.81			
S,G&A	11,268	22,759	28,710	37,992	51,082
Operating Income	1,673	(4,183)	1,787	3,336	8,360
Operating Margin	*2.34%*	*-3.90%*	*1.15%*	*1.55%*	*2.87%*
Interest Expense(Income)-net	96	236	232	83	300
Pre-Tax Income	1,577	(4,419)	1,555	3,253	8,060
Pre-Tax Margins	*2.21%*	*-4.12%*	*1.00%*	*1.51%*	*2.77%*
Taxes (Benefit)	350	475	44	14	1,586
Tax Rate	*22.19%*	*-10.75%*	*2.83%*	*0.43%*	*19.68%*
Net Income-continuing ops	$ 1,227	$ (4,894)	$ 1,511	$ 3,239	$ 6,474
EPS-fully diluted- cont ops	$ 0.25	$ (0.86)	$ 0.21	$ 0.41	$ 0.79
Avg Shares Out-fully diluted	5,004	5,706	7,294	7,915	8,200
Income (loss) from discontinued	*420*	*(2,967)*	*(316)*	*59*	-
Minority Interest	*(117)*	*(23)*	-	-	-
Net Income	$ 1,530	$ (7,884)	$ 1,195	$ 3,298	$ 6,474
EPS-fully diluted	$ 0.31	$ (1.38)	$ 0.16	$ 0.42	$ 0.79
Avg Shares Out-fully diluted	5,004	5,706	7,294	7,915	8,200
Percent of Revenue					
Costs of Goods Sold	81.90%	82.69%	80.45%	80.78%	79.60%
SG&A	15.76%	21.21%	18.40%	17.67%	17.53%
Net Margin	2.14%	-7.35%	0.77%	1.53%	2.22%
YEAR / YEAR GROWTH					
Total Revenues	63.98%	50.12%	45.37%	37.81%	35.50%

* FY 2005 includes a $5.7 million non-cash expense included in SG&A.
# Restated

INX Inc.
Quarterly Income Statement Model
For Year Ended December 31, 2006
(in thousands)

	Q1(3/06)A	Q2(6/06)A	Q3(9/06)A	Q4(12/06)A	**F2006A**
Total Revenues	**$ 26,276**	**$ 38,678**	**$ 45,244**	**$ 45,815**	**$ 156,013**
Costs of Goods Sold	**20,869**	**31,046**	**37,095**	**36,506**	**125,516**
Gross Profit	5,407	7,632	8,149	9,309	**30,497**
Gross Margins	20.58%	19.73%	18.01%	20.32%	19.55%
S,G&A	5,845	7,001	7,432	8,432	**28,710**
Operating Income	(438)	631	717	877	**1,787**
Operating Margin	***-1.67%***	***1.63%***	***1.58%***	***1.91%***	***1.15%***
	274	*275*	*305*	*324*	***1,178***
EBITDA	*(164)*	*906*	*1,022*	*1,201*	*2,965*
Interest Expense(Income)-net	85	18	112	17	**232**
Pre-Tax Income	(523)	613	605	860	**1,555**
Pre-Tax Margins	***-1.99%***	***1.58%***	***1.34%***	***1.88%***	***1.00%***
Taxes (Benefit)	1	-	43	-	**44**
Tax Rate	*-0.19%*	*0.00%*	*7.11%*	*0.00%*	***2.83%***
Net Income-continuing ops	**$ (524)**	**$ 613**	**$ 562**	**$ 860**	**$ 1,511**
EPS-fully diluted- cont ops	**$ (0.09)**	**$ 0.08**	**$ 0.09**	**$ 0.11**	**$ 0.21**
Avg Shares Out-fully diluted	**6,048**	**7,324**	**7,284**	**7,294**	**7,294**
Income (loss) from discontinued	*(4)*	*143*	*(291)*	*(164)*	***(316)***
Net Income	**$ (528)**	**$ 756**	**$ 271**	**$ 696**	**$ 1,195**
EPS-fully diluted	**$ (0.09)**	**$ 0.10**	**$ 0.04**	**$ 0.09**	**$ 0.16**
Avg Shares Out-fully diluted	**6,048**	**7,324**	**7,284**	**7,294**	**7,294**
Percent of Revenue					
Costs of Goods Sold	79.42%	80.27%	81.99%	79.68%	80.45%
SG&A	22.24%	18.10%	16.43%	18.40%	18.40%
Net Margin	-2.01%	1.95%	0.60%	1.52%	0.77%
YEAR / YEAR GROWTH					
Total Revenues	-5.37%	12.61%	15.55%	86.93%	45.39%
Operating Income	154.65%	-229.57%	-3685.00%	-662.18%	-142.72%

INX Inc.
Quarterly Income Statement Model
For Year Ended December 31, 2007
(in thousands)

	Q1(3/07)A	Q2(6/07)A	Q3(9/07)E	Q4(12/07)E	**F2007E**
Total Revenues	$ 45,643	$ 53,727	$ 53,000	$ 62,630	**$ 215,000**
Costs of Goods Sold	**37,136**	**43,682**	**42,570**	**50,284**	**173,672**
Gross Profit	8,507	10,045	10,430	12,346	**41,328**
Gross Margins	18.64%	18.70%	19.68%	19.71%	19.22%
S,G&A	8,172	9,042	9,465	11,313	37,992
Operating Income	335	1,003	965	1,033	**3,336**
Operating Margin	***0.73%***	***1.87%***	***1.82%***	***1.65%***	***1.55%***
Interest Expense(Income)-net	24	(41)	25	75	**83**
Pre-Tax Income	311	1,044	940	958	**3,253**
Pre-Tax Margins	***0.68%***	***1.94%***	***1.77%***	***1.53%***	***1.51%***
Taxes (Benefit)	7	7	-	-	**14**
Tax Rate	*2.25%*	*0.67%*	*0.00%*	*0.00%*	***0.43%***
Net Income-continuing ops	**$ 304**	**$ 1,037**	**$ 940**	**$ 958**	**$ 3,239**
EPS-fully diluted- cont ops	**$ 0.04**	**$ 0.13**	**$ 0.12**	**$ 0.12**	**$ 0.41**
Avg Shares Out-fully diluted	**7,730**	**7,817**	**8,057**	**8,057**	**7,915**
Income (loss) from discontinued	*62*	*(3)*	-	-	***59***
Net Income	**$ 366**	**$ 1,034**	**$ 940**	**$ 958**	**$ 3,298**
EPS-fully diluted	**$ 0.05**	**$ 0.13**	**$ 0.12**	**$ 0.12**	**$ 0.42**
Avg Shares Out-fully diluted	**7,730**	**7,817**	**8,057**	**8,057**	**7,915**
Percent of Revenue					
Costs of Goods Sold	81.36%	81.30%	80.32%	80.29%	80.78%
SG&A	17.90%	16.83%	17.86%	18.06%	17.67%
Net Margin	0.80%	1.92%	1.77%	1.53%	1.53%
YEAR / YEAR GROWTH					
Total Revenues	73.71%	38.91%	17.14%	36.70%	37.81%
Operating Income	-176.48%	58.95%	34.59%	17.84%	-861.76%
Pre-Tax Income	-159.46%	70.31%	55.37%	11.45%	-731.75%
Net Income	-169.32%	36.77%	246.86%	37.71%	160.45%

INX Inc.
Consolidated Balance Sheet
For Periods Ended
(in thousands)

	Q1(3/08)E	Q2(6/08)E	Q3(9/08)E	Q4(12/08)E	**F2008E**
Total Revenues	$ 67,000	$ 72,500	$ 75,000	$ 76,835	**$ 291,335**
Costs of Goods Sold	**53,608**	**57,799**	**59,583**	**60,903**	**231,893**
Gross Profit	13,392	14,701	15,417	15,932	**59,442**
Gross Margins	19.99%	20.28%	20.56%	20.74%	20.40%
S,G&A	11,826	12,724	13,125	13,408	51,082
Operating Income	1,567	1,977	2,292	2,524	**8,360**
Operating Margin	***2.34%***	***2.73%***	***3.06%***	***3.29%***	***2.87%***
Interest Expense(Income)-net	**75**	**75**	**75**	**75**	**300**
Pre-Tax Income	1,492	1,902	2,217	2,449	**8,060**
Pre-Tax Margins	***2.23%***	***2.62%***	***2.96%***	***3.19%***	***2.77%***
Taxes (Benefit)	-	-	729	857	**1,586**
Tax Rate	*0.00%*	*0.00%*	*32.87%*	*35.00%*	***19.68%***
Net Income	**$ 1,492**	**$ 1,902**	**$ 1,488**	**$ 1,592**	**$ 6,474**
EPS-fully diluted	**$ 0.18**	**$ 0.23**	**$ 0.18**	**$ 0.19**	**$ 0.79**
Avg Shares Out-fully diluted	**8,200**	**8,200**	**8,200**	**8,200**	**8,200**
Percent of Revenue					
Costs of Goods Sold	80.01%	79.72%	79.44%	79.26%	79.60%
SG&A	17.65%	17.55%	17.50%	17.45%	17.53%
Net Margin	2.23%	2.62%	1.98%	2.07%	2.22%
YEAR / YEAR GROWTH					
Total Revenues	46.79%	34.94%	41.51%	22.68%	35.50%

INX Inc.
Consolidated Balance Sheet
For Periods Ended
(in thousands)

	F2006A	1Q07A	2Q07A	PRO-FORMA 2Q07A
Assets				
Current Assets				
Cash & Equivalents	$ 1,795	$ 1,915	$ 7,826	$ 10,057
Net Receivables	42,424	39,248	39,656	44,961
Inventory	1,157	1,989	2,237	2,601
Prepaid Expense & Other	2,067	1,818	1,958	2,296
Discounted ops Assets	19	-	-	-
Total Current Assets	47,462	44,970	51,677	59,915
Plant, Property, & Equipment-net	3,854	4,108	4,084	4,448
Intangibles	11,174	11,416	12,293	19,797
Other	-	258	-	-
Discounted ops Assets	30	-	-	-
Total Assets	$ 62,520	$ 60,752	$ 68,054	$ 84,160
Liabilities & Shareholders' Equity				
Current Liabilities				
Current portion of LTD	$ 4,609	$ 1,013	$ 37	$ 6,037
Accounts Payable	28,798	30,193	36,320	42,129
Accrued Expenses & Other	6,298	4,694	4,627	5,707
Discounted ops Liabilities	125	1,284	1,233	1,850
Total Current Liabilities	39,830	37,184	42,217	55,723
LTD	-	-	-	-
Other LT	306	145	306	543
Total Shareholders' Equity	22,384	23,423	25,531	27,894
Total Liabilities & Equity	$ 62,520	$ 60,752	$ 68,054	$ 84,160
SHARES OUT	6,603	6,756	6,953	