UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

/X/ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For The Three Months Ended January 29, 2006.

Or

/ / Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from____________ to

Commission File No. 1-9232

VOLT INFORMATION SCIENCES, INC.
(Exact name of registrant as specified in its charter)

New York	13-5658129
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

560 Lexington Avenue, New York, New York	10022
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 704-2400

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark whether Registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer.
Large Filer Accelerated Filer X Non-Accelerated Filer

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No X

The number of shares of the Registrant's common stock, $.10 par value, outstanding as of March 3, 2006 was 15,390,345.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
FORM 10-Q
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PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
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	Three Months Ended	
	January 29, 2006	January 30, 2005
	(In thousands, except per share amounts)	
NET SALES	$549,508	$497,835
COSTS AND EXPENSES:		
Cost of sales	515,467	468,173
Selling and administrative	24,460	20,824
Depreciation and amortization	7,862	7,500
	547,789	496,497
OPERATING INCOME	1,719	1,338
OTHER INCOME (EXPENSE):		
Interest income	1,038	560
Other expense-net	(1,611)	(1,016)
Foreign exchange loss-net	(253)	(162)
Interest expense	(456)	(512)
Income before minority interest and income taxes	437	208
Minority interest	(1,021)	(1,494)

Loss before income taxes	(584)	(1,286)
Income tax benefit	207	478
NET LOSS	($377)	($808)

Per Share Data

Basic and Diluted:		
Net loss per share	($0.02)	($0.05)
Weighted average number of shares	15,343	15,291

</TABLE>

See accompanying notes to condensed consolidated financial statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
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<S>	<C> January 29, 2006	<C> October 30, 2005 (a)
	(Dollars in thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$46,591	$61,988
Restricted cash	22,532	26,131
Short-term investments	4,265	4,213
Trade accounts receivable less allowances of $7,809 (2006) and $7,527 (2005)	361,065	399,677
Inventories	36,127	33,758
Recoverable income taxes	1,641	-
Deferred income taxes	10,653	10,246
Prepaid expenses and other assets	24,610	19,788
TOTAL CURRENT ASSETS	507,484	555,801
Investment in securities	164	141
Property, plant and equipment-net	83,387	83,272
Deposits and other assets	1,717	1,961
Goodwill	52,085	32,623
Intangible assets-net	33,777	14,914
TOTAL ASSETS	$678,614	$688,712
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Notes payable to banks	$6,621	$6,622
Note payable - other	36,750	-
Current portion of long-term debt	2,442	2,404
Accounts payable	155,812	172,788
Accrued wages and commissions	53,127	55,081
Accrued taxes other than income taxes	23,481	17,586
Accrued insurance and other accruals	34,992	35,173
Deferred income and other liabilities	42,018	30,628
Income tax payable	-	1,686
TOTAL CURRENT LIABILITIES	355,243	321,968
Accrued insurance	1,467	1,630

Long-term debt	13,183	13,297
Deferred income taxes	12,858	13,358
Minority interest	-	43,444
STOCKHOLDERS' EQUITY		
Preferred stock, par value $1.00; Authorized--500,000 shares; issued--none		
Common stock, par value $.10; Authorized--30,000,000 shares; issued andoutstanding-- 15,378,545 shares (2006) and 15,339,255 shares (2005)	1,538	1,534
Paid-in capital	44,514	43,694
Retained earnings	249,377	249,754
Accumulated other comprehensive income	434	33
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TOTAL STOCKHOLDERS' EQUITY	295,863	295,015
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$678,614	$688,712
	===========	===========

</TABLE>

(a) The balance sheet at October 30, 2005 has been derived from the audited financial statements at that date.

See accompanying notes to condensed consolidated financial statements.

VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>
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<S>	<C>	<C>
	Three Months Ended	
	January 29, 2006	January 30, 2005
	(Dollars in thousands)	
CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES		
Net loss	($377)	($808)
Adjustments to reconcile net loss to cash provided by operating activities:		
Depreciation and amortization	7,862	7,500
Accounts receivable provisions	1,117	1,516
Minority interest	1,021	1,494
Loss on dispositions of fixed assets	36	27
(Gain) loss on foreign currency translation	(4)	42
Deferred income tax benefit	(542)	(573)
Changes in operating assets and liabilities:		
Accounts receivable	41,727	28,536
Reduction in securitization of accounts receivable	-	(10,000)
Inventories	(1,074)	(60)
Prepaid expenses and other current assets	(4,192)	1,554
Other assets	242	(46)
Accounts payable	(17,000)	(13,180)
Accrued expenses	95	(4,716)
Deferred income and other liabilities	8,347	(245)
Income taxes payable	(4,222)	(6,834)
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NET CASH PROVIDED BY OPERATING ACTIVITIES	33,036	4,207
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VOLT INFORMATION SCIENCES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)--Continued

<TABLE>
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<S>	<C>	<C>
	Three Months Ended	
	January 29, 2006	January 30, 2005
	(Dollars in thousands)	
CASH PROVIDED BY (APPLIED TO) INVESTING ACTIVITIES		
Sales of investments	$450	$600
Purchases of investments	(320)	(176)
Decrease in restricted cash	3,599	11,178
Acquisitions	(46,753)	-
Proceeds from disposals of property, plant and equipment	341	919
Purchases of property, plant and equipment	(6,470)	(6,798)
NET (CASH APPLIED TO) PROVIDED BY INVESTING ACTIVITIES	(49,153)	5,723
CASH (APPLIED TO) PROVIDED BY FINANCING ACTIVITIES		
Payment of long-term debt	(105)	(95)
Exercise of stock options	824	824
Increase (decrease) in notes payable to banks	26	(767)
NET CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES	745	(38)
Effect of exchange rate changes on cash	(25)	(581)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(15,397)	9,311
Cash and cash equivalents, beginning of period	61,988	44,309
CASH AND CASH EQUIVALENTS, END OF PERIOD	$46,591	$53,620
SUPPLEMENTAL INFORMATION		
Cash paid during the period:		
Interest expense	$456	$528
Income taxes	$4,489	$6,791
The Company purchased certain assets and assumed certain specified liabilities. In conjunction with the acquisition, liabilities were assumed as follows:		
Fair value of assets acquired	$32,867	
Cash paid	24,813	
Liabilities assumed	$8,054	

</TABLE>

See accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE A--Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions for Form 10-Q and Article 10 of Regulation S-X and, therefore, do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's consolidated financial position at January 29, 2006 and consolidated results of operations and consolidated cash flows for the three months ended January 29, 2006 and January 30, 2005.

Prior to October 31, 2005, the Company elected to follow Accounting Principles Board ("APB") Opinion 25, "Accounting for Stock Issued to Employees," to account for its Non-Qualified Stock Option Plan under which no compensation cost is recognized because the option exercise price is equal to at least the market price of the underlying stock on the date of grant. Effective October 31, 2005, the Company adopted the fair-value recognition provisions of statement of Financial Accounting Standards ("SFAS") No. 123R and the Securities and Exchange Commission Staff Accounting Bulletin No. 107 using the modified-prospective transition method; therefore, prior periods have not been restated. Compensation cost recognized in the three-month period ended January 29, 2006 includes compensation cost for all share-based payments granted prior to, but not yet vested as of October 31, 2005, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123.

The Company has reclassified restricted cash as a separate line on the condensed consolidated balance sheet at October 30, 2005 and the statement of cash flows for the three months ended January 30, 2005. The condensed consolidated statement of cash flows now present the change in restricted cash as a change in investing activities, as compared to its previous inclusion in the net change in cash and cash equivalents (See Note I).

These statements should be read in conjunction with the financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended October 30, 2005. The accounting policies used in preparing these financial statements are the same as those described in that Report. The Company's fiscal year ends on the Sunday nearest October 31.

NOTE B--Securitization Program

The Company has an accounts receivable securitization program ("Securitization Program"), which was amended in the first quarter of fiscal year 2006 and effective January 31, 2006 to increase the level from $150.0 million to $200.0 million and extend the maturity date to April 2008. Under the Securitization Program, receivables related to the United States operations of the staffing solutions business of the Company and its subsidiaries are sold from time-to-time by the Company to Volt Funding Corp., a wholly-owned special purpose subsidiary of the Company ("Volt Funding"). Volt Funding, in turn, sells to Three Rivers Funding Corporation ("TRFCO"), an asset backed commercial paper conduit sponsored by Mellon Bank, N.A. and unaffiliated with the Company, an undivided percentage ownership interest in the pool of receivables Volt Funding acquires from the Company (subject to a maximum purchase by TRFCO in the aggregate of $200.0 million). The Company retains the servicing responsibility for the accounts receivable. At January 29, 2006, TRFCO had purchased from Volt Funding a participation interest of $100.0 million out of a pool of approximately $257.5 million of receivables.

NOTE B--Securitization Program--Continued

The Securitization Program is not an off-balance sheet arrangement as Volt Funding is a 100% owned consolidated subsidiary of the Company. Accounts receivable are only reduced to reflect the fair value of receivables actually

sold. The Company entered into this arrangement as it provided a low-cost alternative to other financing.

The Securitization Program is designed to enable receivables sold by the Company to Volt Funding to constitute true sales of those receivables. As a result, the receivables are available to satisfy Volt Funding's own obligations to its own creditors before being available, through the Company's residual equity interest in Volt Funding, to satisfy the Company's creditors. TRFCO has no recourse to the Company (beyond its interest in the pool of receivables owned by Volt Funding) for any of the sold receivables.

In the event of termination of the Securitization Program, new purchases of a participation interest in receivables by TRFCO would cease and collections reflecting TRFCO's interest would revert to it. The Company believes TRFCO's aggregate collection amounts should not exceed the pro rata interests sold. There are no contingent liabilities or commitments associated with the Securitization Program.

The Company accounts for the securitization of accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." At the time a participation interest in the receivables is sold, the receivable representing that interest is removed from the condensed consolidated balance sheet (no debt is recorded) and the proceeds from the sale are reflected as cash provided by operating activities. Losses and expenses associated with the transactions, primarily related to discounts incurred by TRFCO on the issuance of its commercial paper, are charged to the consolidated statement of operations.

The Company incurred charges, in connection with the sale of receivables under the Securitization Program, of $1.3 million and $0.5 million in the first quarters of fiscal 2006 and fiscal 2005 respectively, which are included in Other Expense on the condensed consolidated statement of operations. The equivalent cost of funds in the Securitization Program was 5.2% and 3.8% per annum in the first quarters of fiscal 2006 and fiscal 2005, respectively. The Company's carrying retained interest in the receivables approximated fair value due to the relatively short-term nature of the receivable collection period. In addition, the Company performed a sensitivity analysis, changing various key assumptions, which also indicated the retained interest in receivables approximated fair value.

At January 29, 2006 and October 30, 2005, the Company's carrying retained interest in a revolving pool of receivables was approximately $156.6 million and $182.5 million, respectively, net of a service fee liability, out of a total pool of approximately $257.5 million and $283.3 million, respectively. The outstanding balance of the undivided interest sold to TRFCO was $100.0 million at January 29, 2006 and October 30, 2005. Accordingly, the trade accounts receivable included on the January 29, 2006 and October 30, 2005 balance sheets have been reduced to reflect the participation interest sold of $100.0 million.

The Securitization Program is subject to termination at TRFCO's option, under certain circumstances, including the default rate, as defined, on receivables exceeding a specified threshold, the rate of collections on receivables failing to meet a specified threshold or the Company failing to maintain a long-term debt rating of "B" or better, or the equivalent thereof, from a nationally recognized rating organization. At January 29, 2006, the Company was in compliance with all requirements of the Securitization Program.

NOTE C--Inventories

Inventories of accumulated unbilled costs and materials by segment are as follows:

	January 29, 2006	October 30, 2005
	(Dollars in thousands)	

Telephone Directory	$10,616	$10,508
Telecommunications Services	17,815	17,734
Computer Systems	7,696	5,516
Total	$36,127	$33,758

The cumulative amounts billed under service contracts at January 29, 2006 and October 30, 2005 of $1.6 million and $9.6 million, respectively, are credited against the related costs in inventory.

NOTE D--Short-Term Borrowings

In the first quarter of fiscal 2006, the Company's $40.0 million secured, syndicated revolving credit agreement ("Credit Agreement") was amended to (i) permit the consummation of the acquisition by the Company of Varetis Solutions GmbH ("Varetis Solutions") and the twenty-four percent interest in Volt Delta Resources LLC ("Volt Delta") owned by Nortel Networks Inc. ("Nortel Networks"), (ii) modify certain of the financial covenants contained in the Credit Agreement and (iii) increase the amount of financing permitted under the securitization program. The Credit Agreement expires in April 2008.

The Credit Agreement established a secured credit facility ("Credit Facility") in favor of the Company and designated subsidiaries, of which up to $15.0 million may be used for letters of credit. Borrowings by subsidiaries are limited to $25.0 million in the aggregate. The administrative agent for the Credit Facility is JPMorgan Chase Bank, N.A. The other banks participating in the Credit Facility are Mellon Bank, N.A., Wells Fargo Bank, N.A., Lloyds TSB Bank PLC and Bank of America, N.A.

Borrowings under the Credit Facility are to bear interest at various rate options selected by the Company at the time of each borrowing. Certain rate options, together with a facility fee, are based on a leverage ratio, as defined. Additionally, interest and the facility fees can be increased or decreased upon a change in the rating of the facility, as provided by a nationally recognized rating agency. As amended, in lieu of the previous borrowing base formulation, the Credit Agreement now requires the maintenance of specified accounts receivable collateral in excess of any outstanding borrowings. Based upon the Company's leverage ratio and debt rating at January 29, 2006, if a three-month U.S. Dollar LIBO rate was the interest rate option selected by the Company, borrowings would have borne interest at the rate of 5.5% per annum. At January 29, 2006, the facility fee was 0.3% per annum.

NOTE D--Short-Term Borrowings--Continued

The Credit Agreement provides for the maintenance of various financial ratios and covenants, including, among other things, a requirement that the Company maintain a consolidated tangible net worth, as defined; a limitation on cash dividends, capital stock purchases and redemptions by the Company in any one fiscal year to 50% of consolidated net income, as defined, for the prior fiscal year; and a requirement that the Company maintain a ratio of EBIT, as defined, to interest expense, as defined, of 1.25 to 1.0 for the twelve months ended as of the last day of each fiscal quarter. The Credit Agreement also imposes limitations on, among other things, the incurrence of additional indebtedness, the incurrence of additional liens, sales of assets, the level of annual capital expenditures, and the amount of investments, including business acquisitions and investments in joint ventures, and loans that may be made by the Company and its subsidiaries. At January 29, 2006, the Company was in compliance with all covenants in the Credit Agreement.

The Company is liable on all loans made to it and all letters of credit issued at its request, and is jointly and severally liable as to loans made to subsidiary borrowers. However, unless also a guarantor of loans, a subsidiary borrower is not liable with respect to loans made to the Company or letters of

credit issued at the request of the Company, or with regard to loans made to any other subsidiary borrower. Five subsidiaries of the Company are guarantors of all loans made to the Company or to subsidiary borrowers under the Credit Facility. At January 29, 2006, four of those guarantors have pledged approximately $52.5 million of accounts receivable, other than those in the Securitization Program, as collateral for the guarantee obligations. Under certain circumstances, other subsidiaries of the Company also may be required to become guarantors under the Credit Facility.

At January 29, 2006, the Company had total outstanding foreign currency bank borrowings of $6.6 million, $2.4 million of which were under the Credit Agreement. These bank borrowings provide a hedge against devaluation in foreign currency denominated assets.

Note payable - other represents the amount due to Nortel Networks on February 15, 2006 (see Note J).

NOTE E--Long-Term Debt and Financing Arrangements

Long-term debt consists of the following:

	January 29, 2006	October 30, 2005
	(Dollars in thousands)	
8.2% term loan (a)	$13,625	$13,730
Payable to Nortel Networks(b)	2,000	1,971
	15,625	15,701
Less amounts due within one year	2,442	2,404
Total long-term debt	$13,183	$13,297

(a) In September 2001, a subsidiary of the Company entered into a $15.1 million loan agreement with General Electric Capital Business Asset Funding Corporation. Principal payments have reduced the loan to $13.6 million at January 29, 2006. The 20-year loan, which bears interest at 8.2% per annum and requires principal and interest payments of $0.4 million per quarter, is secured by a deed of trust on certain land and buildings that had a carrying amount at January 29, 2006 of $10.1 million. The obligation is guaranteed by the Company.

(b) Represents the present value of a $2.0 million payment due to Nortel Networks in February 2006, discounted at 6% per annum.

NOTE F--Stockholders' Equity

Changes in the major components of stockholders' equity for the three months ended January 29, 2006 are as follows:

	Common Stock	Paid-In Capital	Retained Earnings
	(In thousands)		
Balance at October 30, 2005	$1,534	$43,694	$249,754
Stock options exercised - 39,290 shares	4	820	
Net loss for the three months			(377)
Balance at January 29, 2006	$1,538	$44,514	$249,377

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)--Continued

NOTE F--Stockholders' Equity--Continued

Another component of stockholders' equity, the accumulated other comprehensive loss, consists of cumulative unrealized foreign currency translation gain, net of taxes, of $0.4 million at January 29, 2006 compared to a loss of $28,000 at October 30, 2005, and an unrealized gain, net of taxes, of $75,000 and $61,000 in marketable securities at January 29, 2006 and October 30, 2005, respectively. Changes in these items, net of income taxes, are included in the calculation of comprehensive loss as follows:

	Three Months Ended	
	January 29, 2006	January 30, 2005
	(In thousands)	
Net loss	($377)	($808)
Foreign currency translation adjustments-net	387	(114)
Unrealized gain on marketable securities-net	14	19
Comprehensive income (loss)	$24	($903)

NOTE G--Per Share Data

In calculating basic earnings per share, the dilutive effect of stock options is excluded. Diluted earnings per share are computed on the basis of the weighted average number of shares of common stock outstanding and the assumed exercise of dilutive outstanding stock options based on the treasury stock method.

	Three Months Ended	
	January 29, 2006	January 30, 2005
Denominator for basic and diluted earnings per share - Weighted average number of shares	15,343,038	15,291,166

Options to purchase 399,178 and 490,373 shares of the Company's common stock were outstanding at January 29, 2006 and January 30, 2005, respectively, but were not included in the computation of diluted earnings per share because the effect of inclusion would have been antidilutive.

NOTE H--Segment Disclosures

Financial data concerning the Company's sales and segment operating profit (loss) by reportable operating segment for the three months ended January 29, 2006 and January 30, 2005, included on page 28 of this Report, is an integral part of these condensed consolidated financial statements. During the three months ended January 29, 2006, consolidated assets decreased by $13.9 million primarily due to a decrease in receivables of the Staffing Services segment offset by an increase in goodwill and intangible assets in the Computer Systems segment due to acquisitions (see Note J).

NOTE I--Derivative Financial Instruments, Hedging and Restricted Cash

The Company enters into derivative financial instruments only for hedging

purposes. All derivative financial instruments, such as interest rate swap contracts, foreign currency options and exchange contracts, are recognized in the consolidated financial statements at fair value regardless of the purpose or intent for holding the instrument. Changes in the fair value of derivative financial instruments are either recognized periodically in income or in stockholders' equity as a component of comprehensive income, depending on whether the derivative financial instrument qualifies for hedge accounting, and if so, whether it qualifies as a fair value hedge or cash flow hedge. Generally, changes in fair values of derivatives accounted for as fair value hedges are recorded in income along with the portions of the changes in the fair values of the hedged items that relate to the hedged risks. Changes in fair values of derivatives accounted for as cash flow hedges, to the extent they are effective as hedges, are recorded in other comprehensive income, net of deferred taxes. Changes in fair values of derivatives not qualifying as hedges are reported in the results of operations.

Included in restricted cash at January 29, 2006 and October 30, 2005 were approximately $22.5 million and $26.1 million, respectively, restricted to cover obligations that were reflected in accounts payable at such dates. These amounts primarily relate to contracts with customers in which the Company manages the customers' alternative staffing requirements, including the payment of associate vendors.

NOTE J--Acquisition of Businesses

On December 29, 2005, Volt Delta purchased from Nortel Networks its 24% minority interest in Volt Delta. Under the terms of the agreement, Volt Delta was required to pay Nortel Networks approximately $56.4 million for its minority interest in Volt Delta, and a cash distribution of approximately $5.4 million. Under the terms of the agreement, Volt Delta paid $25.0 million on December 29, 2005 and paid the remaining $36.8 million on February 15, 2006. The transaction resulted in an increase of approximately $8.2 million in goodwill and $9.3 million in intangible assets.

On December 30, 2005, Volt Delta acquired varetis AG's Varetis Solutions subsidiary for $24.8 million. The acquisition of Varetis Solutions allows the two companies to combine resources to focus on the evolving global market for directory information systems and services. Varetis Solutions adds technology in the area of wireless and wireline database management, directory assistance/enquiry automation, and wireless handset information delivery to Volt Delta's significant technology portfolio. The Company has engaged an independent valuation firm to assist in the determination of the allocation of the purchase price. The allocation is expected to be completed before the end of fiscal 2006. The preliminary assessment was completed in the first quarter of fiscal 2006, subject to finalization of certain adjustments.

NOTE J--Acquisition of Businesses--Continued

The assets and liabilities of Varetis Solutions are accounted for under the purchase method of accounting at the date of acquisition at their fair values. The results of operations have been included in the Consolidated Statements of Operations since the acquisition date.

Preliminary Purchase Price Allocation
Fair Value of Assets Acquired and Liabilities Assumed and Established

	(In thousands)
Cash	$3,310
Accounts receivable	4,263
Inventories	1,295
Prepaid and other assets	564
Property, plant and equipment	1,318
Goodwill	12,117
Intangible assets	10,000
Accrued wages and commissions	(1,314)

Other accrued expenses	(2,588)
Other liabilities	(2,886)
Income taxes	(1,266)
Purchase price	$24,813

The following unaudited pro forma information reflects the purchase from Nortel Networks of its 24% minority interest in Volt Delta and combines the consolidated results of operations of the Company with those of the Varetis Solutions business as if the transactions had occurred in November 2004. This pro forma financial information is presented for comparative purposes only and is not necessarily indicative of the operating results that actually would have occurred had this acquisition been consummated at the start of fiscal 2005. In addition, these results are not intended to be a projection of future results and do not reflect any synergies that might be achieved from the combined operations.

	Pro Forma Results Three Months Ended	
	January 29, 2006	January 30, 2005
	(In thousands, except per share data)	
Net sales	$553,447	$503,702
Operating income	$2,475	$3,292
Net income	$667	$1,220
Earnings per share Basic and Diluted	$0.04	$0.08

NOTE K--Goodwill and Intangible Assets

Goodwill and intangibles with indefinite lives are no longer amortized, but are subject to annual testing using fair value methodology. An impairment charge is recognized for the amount, if any, by which the carrying value of an indefinite-life intangible asset exceeds its fair value. The test for goodwill, which is performed in the Company's second fiscal quarter, primarily uses comparable multiples of sales and EBITDA and other valuation methods to assist the Company in the determination of the fair value of the goodwill and the reporting units measured.

The following table represents the balance of intangible assets subject to amortization:

	January 29, 2006	October 30, 2005
	(Dollars in thousands)	
Intangible assets	$35,610	$16,310
Accumulated amortization	1,833	1,396
Net carrying value	$33,777	$14,914

The amortization of intangible assets was $0.4 million and $0.3 million in the first quarters of fiscal 2006 and fiscal 2005, respectively.

NOTE L--Primary Insurance Casualty Program

The Company is insured with a highly rated insurance company under a program that provides primary workers' compensation, employer's liability, general liability and automobile liability insurance under a loss sensitive program. In certain mandated states, the Company purchases workers' compensation insurance through participation in state funds and the experience-rated premiums in these state plans relieve the Company of additional liability. In the loss sensitive program, initial premium accruals are established based upon the underlying exposure, such as the amount and type of labor utilized, number of vehicles, etc. The Company establishes accruals utilizing actuarial methods to estimate the undiscounted future cash payments that will be made to satisfy the claims, including an allowance for incurred-but-not-reported claims. This process also includes establishing loss development factors, based on the historical claims experience of the Company and the industry, and applying those factors to current claims information to derive an estimate of the Company's ultimate premium liability. In preparing the estimates, the Company also considers the nature and severity of the claims, analyses provided by third party actuaries, as well as current legal, economic and regulatory factors. The insurance policies have various premium rating plans that establish the ultimate premium to be paid. Adjustments to premium are made based upon the level of claims incurred at a future date up to three years after the end of the respective policy period. At January 29, 2006, the Company's net prepaid for the outstanding plan years was $5.6 million compared to $1.6 million at October 30, 2005.

NOTE M--Stock Options

The Non-Qualified Option Plan adopted by the Company in fiscal 1995 terminated on May 16, 2005 except for options previously granted under the plan. Unexercised options expire ten years after grant. Outstanding options at January 29, 2006 were granted at 100% of the market price on the date of grant and become fully vested within one to five years after the grant date.

As a result of adopting SFAS No. 123R, the Company's income before taxes for the three month period ended January 29, 2006 is $23,000 lower than if the Company had continued to account for stock-based compensation under APB No. 25. Compensation expense is recognized in the selling and administrative expenses in the Company's statement of operations on a straight-line basis over the vesting periods. Basic and dilutive net loss per share for the three-month period ended January 29, 2006 would not have been different if the Company had not adopted SFAS No. 123R, compared to the reported basic and dilutive income per share of $0.02. As of January 29, 2006, there was $0.1 million of total unrecognized compensation cost related to non-vested share-based compensation arrangements to be recognized over a weighted average period of 1.7 years.

The intrinsic values of options exercised during the periods ended January 29, 2006 and January 30, 2005 were not significant. The total cash received from the exercise of stock options was $0.8 million in each of the three-month periods ended January 29, 2006 and January 30, 2005, and is classified as financing cash flows in the statement of cash flows. Prior to the adoption of SFAS 123R, the Company presented all tax benefit deductions resulting from the exercise of stock options as operating cash flows. SFAS 123R requires that cash flows from tax benefits attributable to tax deductions in excess of the compensation cost recognized for those options (excess tax benefits) be classified as financing cash flows. The Company did not have significant tax benefits from the expense of stock options for the three-month period ended January 29, 2006.

There were no options granted during either quarter ended January 29, 2006 or January 30, 2005.

The table below presents the pro forma effect on net loss and loss per share if the Company had applied the fair value recognition provision to options granted under the Company's stock option plan for the three-month period ended January 30, 2005. For purposes of this pro forma disclosure, the value of the options

granted is estimated using the Black-Scholes option-pricing model and amortized to expense over the options vesting periods. If the Company had adopted the fair value based method for the quarter ended January 30, 2005, additional net compensation expense of $52,000 would have been recognized in the statement of operations.

	Three Months Ended January 30, 2005
	(In thousands, except per share amounts)
Net loss as reported	($808)
Pro forma compensation expense, net of taxes	(31)
Pro forma net loss	($839)
Pro forma net loss per share-basic and diluted	($0.05)

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This report and other reports and statements issued by the Company and its officers from time to time contain certain "forward-looking statements." Words such as "may," "should," "likely," "could," "seek," "believe," "expect," "anticipate," "estimate," "project," "intend," "strategy," "design to," and similar expressions are intended to identify forward-looking statements about the Company's future plans, objectives, performance, intentions and expectations. These forward-looking statements are subject to a number of known and unknown risks and uncertainties including, but are not limited to, those set forth below under "Factors That May Affect Future Results." Such risks and uncertainties could cause the Company's actual results, performance and achievements to differ materially from those described in or implied by the forward-looking statements. Accordingly, readers should not place undue reliance on any forward-looking statements made by or on behalf of the Company. The Company does not assume any obligation to update any forward-looking statements after the date they are made.

FACTORS THAT MAY AFFECT FUTURE RESULTS

THE COMPANY'S BUSINESS IS DEPENDENT UPON GENERAL ECONOMIC, COMPETITIVE AND OTHER BUSINESS CONDITIONS INCLUDING THE EFFECTS OF THE UNITED STATES AND EUROPEAN ECONOMIES AND OTHER GENERAL CONDITIONS, SUCH AS CUSTOMERS OFF-SHORING ACTIVITIES TO OTHER COUNTRIES.

The demand for the Company's services in all segments is dependent upon general economic conditions. Accordingly, the Company's business tends to suffer during economic downturns. In addition, in the past few years major United States companies, many of which are customers of the Company, have increasingly outsourced business to foreign countries with lower labor rates, less costly employee benefit requirements and fewer regulations than the United States. There could be an adverse effect on the Company if customers and potential customers move manufacturing and servicing operations off-shore, reducing their need for temporary workers within the United States. It is also important for the Company to diversify its pool of available temporary personnel to offer greater support to the service sector of the economy and other businesses that have more difficulty in moving off-shore. In addition, the Company's other segments may be adversely affected if they are required to compete from the Company's United States based operations against competitors based in such other countries. Although the Company has begun to expand its operations to certain additional countries, in a limited manner and to serve existing customers in such countries, and has established subsidiaries in some foreign countries, there can be no assurance that this effort will be successful or that the

Company can successfully compete with competitors based overseas or who have established foreign operations.

The Company's business is dependent upon the continued financial strength of its customers. Customers that experience economic downturns or other negative factors are less likely to use the Company's services.

In the staffing services segment, a weakened economy results in decreased demand for temporary and permanent personnel. When economic activity slows down, many of the Company's customers reduce their use of temporary employees before they reduce the number of their regular employees. There is less need for contingent workers by all potential customers, who are less inclined to add to their costs. Since employees are reluctant to risk changing employers, there are fewer openings and reduced activity in permanent placements as well. In addition, while in many fields there are ample applicants for available positions, variations in the rate of unemployment and higher wages sought by temporary workers in certain technical fields particularly

characterized by labor shortages, could affect the Company's ability to meet its customers' demands in these fields and the Company's profit margins. The segment has also experienced margin erosion caused by increased competition, electronic auctions and customers leveraging their buying power by consolidating the number of vendors with whom they deal. Increased workers' compensation costs and unemployment insurance, other payroll taxes and business taxes, some of which the Company is unable to pass on to customers, also place pressures on margins.

Customer use of the Company's telecommunications services is similarly affected by a weakened economy in that some of the Company's customers reduce their use of outside services in order to provide work to their in-house departments. Actions by major long-distance telephone companies regarding local residential service and consolidation in the telecommunications industry could also negatively impact both sales and margins of the segment.

Additionally, the degree and timing of customer acceptance of systems and of obtaining new contracts and the rate of renewals of existing contracts, as well as customers' degree of utilization of the Company's services, could adversely affect the Company's businesses.

MANY OF THE COMPANY'S CONTRACTS EITHER PROVIDE NO MINIMUM PURCHASE REQUIREMENTS OR ARE CANCELABLE DURING THE TERM.

In all segments, many of the Company's contracts, even those master service contracts whose duration spans a number of years, provide no assurance of any minimum amount of work that will actually be available under any contract. Most staffing services contracts are not sole source, so the segment must compete for each placement at the customer. Similarly many telecommunications master contracts require competition in order to obtain each individual work project. In addition, many of the Company's long-term contracts contain cancellation provisions under which the customer can cancel the contract, even if the Company is not in default under the contract. Therefore, these contracts do not give the assurances that long-term contracts typically provide.

THE COMPANY'S STAFFING SERVICES BUSINESS AND ITS OTHER SEGMENTS SUBJECT IT TO EMPLOYMENT-RELATED AND OTHER CLAIMS.

The Company's staffing services business employs individuals on a temporary basis and places them in a customer's workplace. The Company's ability to control the customer workplace is limited, and the Company

risks incurring liability to its employees for injury or other harm that they suffer at the customer's workplace. Although the Company has not historically suffered materially for such harm suffered by its employees, there can be no assurance that future claims will not materially adversely affect the Company.

Additionally, the Company risks liability to its customers for the actions of the Company's temporary employees that may result in harm to the Company's customers. Such actions may be the result of negligence or misconduct on the part of the Company's employees. These same factors apply to all of the Company's business units, although the risk is reduced where the Company itself controls the workplace. Nevertheless, the risk is present in all segments.

The Company may incur fines or other losses and negative publicity with respect to any litigation in which it becomes involved. Although the Company maintains insurance for many such actions, there can be no assurance that its insurance will cover future actions or that the Company will continue to be able to obtain such insurance on acceptable terms, if at all.

NEW AND INCREASED GOVERNMENT REGULATION COULD HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY'S BUSINESS, ESPECIALLY ITS CONTINGENT STAFFING BUSINESS.

Certain of the Company's businesses are subject to licensing and regulation in many states and certain foreign jurisdictions. Although the Company has not had any difficulty complying with these requirements in the past, there can be no assurance that the Company will continue to be able to do so, or that the cost of compliance will not become material. Additionally, the jurisdictions in which we do or intend to do business may:

- create new or additional regulations that prohibit or restrict the types of services that we currently provide;
- impose new or additional employee benefit requirements, thereby increasing costs that may not be able to be passed on to customers or which would cause customers to reduce their use of the Company's services, especially in its staffing services segment, which would adversely impact the Company's ability to conduct its business;
- require the Company to obtain additional licenses to provide its services; or
- increase taxes (especially payroll and other employment related taxes) or enact new or different taxes payable by the providers of services such as those offered by the Company, thereby increasing costs, some of which may not be able to be passed on to customers or which would cause customers to reduce their use of the Company's services, especially in its staffing services segment, which would adversely impact the Company's ability to conduct its business.

In addition, certain private and governmental entities have focused on the contingent staffing industry in particular and, in addition to their potential to impose additional requirements and costs, they and their supporters could cause changes in customers' attitudes toward the use of outsourcing and temporary personnel in general. This could have an adverse effect on the Company's contingent staffing business.

THE COMPANY IS DEPENDENT UPON ITS ABILITY TO ATTRACT AND RETAIN CERTAIN TECHNOLOGICALLY QUALIFIED PERSONNEL.

The Company's future success is dependent upon its ability to attract and retain certain classifications of technologically qualified personnel for its own use, particularly in the areas of research and development, implementation and upgrading of internal systems, as well as in its staffing services segment. The availability of such personnel is dependent upon a number of economic and demographic conditions. The Company may in the future find it difficult or more costly to hire such personnel in the face of competition from other companies.

THE INDUSTRIES IN WHICH THE COMPANY DOES BUSINESS ARE VERY COMPETITIVE.

The Company operates in very competitive markets with, in most cases, limited barriers to entry. In many markets, small competitors can offer similar services at lower prices because of lower overheads. Some of the Company's principal competitors are larger and have substantially greater financial resources than the Company. Accordingly, these competitors may be better able than the Company to attract and retain qualified personnel and may be able to offer their customers more favorable pricing terms than the Company.

The Company, in all segments, has experienced intense price competition and pressure on margins and lower renewal markups for customers' contracts than previously obtained. While the Company has and will continue to take action to meet competition in its highly competitive markets with minimal impact on margins, there can be no assurance that the Company will be able to do so.

The Company, in certain businesses in all segments, must obtain or produce products and systems, principally in the IT environment, to satisfy customer requirements and to remain competitive. While the Company has been able to do so in the past, there can be no assurance that in the future the Company will be able to foresee changes and to identify, develop and commercialize innovative and competitive products and systems in a timely and cost effective manner and to achieve customer acceptance of its products and systems in markets characterized by rapidly changing technology and frequent new product introductions. In addition, the Company's products and systems are subject to risks inherent in new product introductions, such as start-up delays, cost overruns and uncertainty of customer acceptance, the Company's dependence on third parties for some product components and in certain technical fields particularly characterized by labor shortages, the Company's ability to hire and retain such specialized employees, all of which could affect the Company's ability to meet its customers' demands in these fields and the Company's profit margins.

In addition to these general statements, the following information applies to the specific segments identified below.

The Company's Staffing Services segment is in a very competitive industry with few significant barriers to entry. There are many temporary service firms in the United States and Europe, many with only one or a few offices that service only a small market. On the other hand, some of this segment's principal competitors are larger and have substantially greater financial resources than Volt and service the multinational accounts whose business the Company solicits. Accordingly, these competitors may be better able than Volt to attract and retain qualified personnel and may be able to offer their customers more favorable pricing terms than the Company. Furthermore, all of the staffing industry is subject to the fact that contingent workers are provided to customers and most customers are more protective of their full time workforce than contingent workers.

The results of the Company's Computer Systems segment are highly dependent on

the volume of calls to this segment's customers which are processed by the segment under existing contracts, the segment's ability to continue to secure comprehensive listings from others at acceptable pricing, its ability to obtain additional customers for these services and on its continued ability to sell products and services to new and existing customers. The volume of transactions with this segment's customers is subject to reduction as consumers utilize listings offered on the Internet. This segment's position in its market depends largely upon its reputation, quality of service and ability to develop, maintain and implement information systems on a cost competitive basis. Although Volt continues its investment in research and development, there is no assurance that this segment's present or future products will be competitive, that the segment will continue to develop new products or that present products or new products can be successfully marketed.

The Company's Telecommunications Services segment faces substantial competition with respect to all of its telecommunications services from other suppliers and from in-house capabilities of present and potential customers. Since many of our customers provide the same type of services as the segment, the segment faces competition from its own customers and potential customers as well as from third parties. The telecommunications service segment performs much of its services outdoors, and its business can be adversely affected by the degree and effects of inclement weather. Some of this segment's significant competitors are larger and have substantially greater financial resources than the Company. There are relatively few significant barriers to entry into certain of the markets in which the segment operates, and many competitors are small, local companies that generally have lower overhead. In August 2005, the Company restructured the Telecommunications Services segment which is expected to result in a reduction of future overhead within the segment, including reduction of the headcount, consolidating two divisions and closing and consolidating two divisions and closing and consolidating several of its leased locations. The Company's ability to compete in this segment depends upon its reputation, technical capabilities, pricing, quality of service and ability to meet customer requirements in a timely manner. The Company believes that its competitive position in this segment is augmented by its ability to draw upon the expertise and resources of other Volt segments.

THE COMPANY MUST SUCCESSFULLY INTEGRATE THE PURCHASED VARETIS SOLUTIONS INTO THE COMPANY'S COMPUTER SYSTEMS SEGMENT.

On December 30, 2005, Volt Delta Resources, LLC ("Volt Delta"), a now wholly-owned subsidiary of the Company, acquired varetis AG's Varetis Solutions subsidiary, which is engaged in the business of providing directory assistance solutions to customers. Together with its subsidiaries, Volt Delta is reported as the Company's Computer Systems Segment. In addition to the factors described elsewhere herein, the Company's results in this segment are dependent upon the Company's ability to successfully integrate the acquisition into Volt Delta's business with minimal interference with the segment's business.

THE COMPANY MUST STAY IN COMPLIANCE WITH ITS SECURITIZATION PROGRAM AND OTHER LOAN AGREEMENTS.

The Company is required to maintain a sufficient credit rating to enable it to continue its Securitization Program and maintain its existing credit rating in order to avoid any increase in fees under other credit agreements. In addition, the Company must also comply with the financial and other covenants applicable under the various agreements and other borrowing instruments.

While the Company was in compliance with all such requirements at the end of the first fiscal quarter of 2006 and believes it will remain in compliance throughout the next twelve months, there can be no assurance that will be the case or that waivers may not be required.

THE COMPANY MUST STAY IN COMPLIANCE WITH THE SARBANES-OXLEY ACT.

The Company believes it is in compliance with the Sarbanes-Oxley Act of 2002 ("Act"), except for the single material weakness described in Item 9A of the Company's Annual Report on Form 10-K for fiscal year 2005. The cost of compliance adversely affected the Company's operating results for the first quarter of fiscal 2006 and the costs of continued compliance with the Act will adversely affect the Company's operating results in the future. While the Company expects to be in compliance with the Act, there can be no assurance that it will be able to do so.

THE COMPANY'S PRINCIPAL SHAREHOLDERS OWN A SIGNIFICANT PERCENTAGE OF THE COMPANY AND WILL BE ABLE TO EXERCISE SIGNIFICANT INFLUENCE OVER THE COMPANY AND THEIR INTERESTS MAY DIFFER FROM THOSE OF OTHER SHAREHOLDERS.

As of February 15, 2006, the Company's principal shareholders and members of their family controlled in excess of 45% of the Company's outstanding common stock. Accordingly, these shareholders are able to control the composition of the Company's board of directors and many other matters requiring shareholder approval and will continue to have significant influence over the Company's affairs. This concentration of ownership also could have the effect of delaying or preventing a change in control of the Company or otherwise discouraging a potential acquirer from attempting to obtain control of the Company.

THE COMPANY'S STOCK PRICE COULD BE EXTREMELY VOLATILE AND, AS A RESULT, INVESTORS MAY NOT BE ABLE TO RESELL THEIR SHARES AT OR ABOVE THE PRICE THEY PAID FOR THEM.

Among the factors that could affect the Company's stock price are:

- limited float and a low average daily trading volume, notwithstanding that the Company's stock is traded on the New York Stock Exchange;
- industry trends and the business success of the Company's customers;
- loss of a key customer;
- fluctuations in the Company's results of operations;
- the Company's failure to meet the expectations of the investment community and changes in investment community recommendations or estimates of the Company's future results of operations;
- strategic moves by the Company's competitors, such as product announcements or acquisitions;
- regulatory developments, including compliance with The Sarbanes-Oxley Act of 2002;
- litigation;
- general market conditions; and
- other domestic and international macroeconomic factors unrelated to the Company's performance.

Factors That May Affect Future Results --Continued

The stock market has and may in the future experience extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of the Company's common stock.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted. If a securities class action suit is filed against the Company, it would incur substantial legal fees and management's attention and resources would be diverted from operating its business in order to respond to the litigation.

Critical Accounting Policies

Management's discussion and analysis of its financial position and results of operations are based upon the Company's consolidated financial statements, which

have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires management to make estimates, judgments, assumptions and valuations that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. Future reported results of operations could be impacted if the Company's estimates, judgments, assumptions or valuations made in earlier periods prove to be wrong. Management believes the critical accounting policies and areas that require the most significant estimates, judgments, assumptions or valuations used in the preparation of the Company's financial statements are as follows:

Revenue Recognition - The Company derives its revenues from several sources. The revenue recognition methods, which are consistent with those prescribed in Staff Accounting Bulletin 104 ("SAB 104"), "Revenue Recognition in Financial Statements," are described below in more detail for the significant types of revenue within each of its segments.

Staffing Services:

Staffing: Sales are derived from the Company's Staffing Solutions Group supplying its own temporary personnel to its customers, for which the Company assumes the risk of acceptability of its employees to its customers, and has credit risk for collecting its billings after it has paid its employees. The Company reflects revenues for these services on a gross basis in the period the services are rendered. In the first quarter of fiscal 2006, this revenue comprised approximately 76% of net consolidated sales.

Critical Accounting Policies -- Continued
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Managed Services: Sales are generated by the Company's E-Procurement Solutions subsidiary, ProcureStaff, and for certain contracts, sales are generated by the Company's Staffing Solutions Group's managed services operations. The Company receives an administrative fee for arranging for, billing for and collecting the billings related to other staffing companies ("associate vendors") who have supplied personnel to the Company's customers. The administrative fee is either charged to the customer or subtracted from the Company payment to the associate vendor. The customer is typically responsible for assessing the work of the associate vendor, and has responsibility for the acceptability of its personnel, and in most instances the customer and associate vendor have agreed that the Company does not pay the associate vendor until the customer pays the Company. Based upon the revenue recognition principles prescribed in Emerging Issues Task Force ("EITF") 99-19, "Reporting Revenue Gross as a Principal versus Net as an Agent," revenue for these services, where the customer and the associate vendor have agreed that the Company is not at risk for payment, is recognized net of associated costs in the period the services are rendered. In the first quarter of fiscal 2006, this revenue comprised approximately 2% of net consolidated sales.

Outsourced Projects: Sales are derived from the Company's Information Technology Solutions operation providing outsource services for a customer in the form of project work, for which the Company is responsible for deliverables. The Company's employees perform the services and the Company has credit risk for collecting its billings. Revenue for these services is recognized on a gross basis either in the period the services are rendered when on a time and material basis, or in the period when the project is complete and the customer has approved the work when the Company is responsible for project completion. In the first quarter of fiscal 2006, this revenue comprised approximately 5% of net consolidated sales.

Telephone Directory:

Directory Publishing: Sales are derived from the Company's sales of telephone directory advertising for books it publishes as an independent publisher in the United States and Uruguay. The Company's employees perform the services and the Company has credit risk for collecting its billings. Revenue for these services is recognized on a gross basis in the period the books are printed and delivered. In the first quarter of fiscal 2006, this

revenue comprised approximately 2% of net consolidated sales.

Ad Production and Other: Sales are generated when the Company performs design, production and printing services, and database management for other publishers' telephone directories. The Company's employees perform the services and the Company has credit risk for collecting its billings. Revenue for these services is recognized on a gross basis in the period the Company has completed its production work and upon customer acceptance. In the first quarter of fiscal 2006, this revenue comprised approximately 1% of net consolidated sales.

Telecommunications Services:

Construction: Sales are derived from the Company supplying aerial and underground construction services. The Company's employees perform the services, and the Company takes title to all inventory, and has credit risk for collecting its billings. The Company relies upon the principles in AICPA Statement of Position 81-1 ("SOP 81-1"), "Accounting for Performance of Construction-Type Contracts," using the completed-contract method, to recognize revenue on a gross basis upon customer acceptance of the project. In the first quarter of fiscal 2006, this revenue comprised approximately 5% of net consolidated sales.

Critical Accounting Policies -- Continued
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Non-Construction: Sales are derived from the Company performing design, engineering and business systems integrations work. The Company's employees perform the services and the Company has credit risk for collecting its billings. Revenue for these services is recognized on a gross basis in the period in which services are performed, and if applicable, any completed units are delivered and accepted by the customer. In the first quarter of fiscal 2006, this revenue comprised approximately 2% of net consolidated sales.

Computer Systems:

Database Access: Sales are derived from the Company granting access to its proprietary telephone listing databases to telephone companies, inter-exchange carriers and non-telco enterprise customers. The Company uses its own databases and has credit risk for collecting its billings. The Company recognizes revenue on a gross basis in the period in which the customers access the Company's databases. In the first quarter of fiscal 2006, this revenue comprised approximately 5% of net consolidated sales.

IT Maintenance: Sales are derived from the Company providing hardware maintenance services to the general business community, including customers who have our systems, on a time and material basis or a contract basis. The Company uses its own employees and inventory in the performance of the services, and has credit risk for collecting its billings. Revenue for these services is recognized on a gross basis in the period in which the services are performed, contingent upon customer acceptance when on a time and material basis, or over the life of the contract, as applicable. In the first quarter of fiscal 2006, this revenue comprised approximately 2% of net consolidated sales.

Telephone Systems: Sales are derived from the Company providing telephone operator services-related systems and enhancements to existing systems, equipment and software to customers. The Company uses its own employees and has credit risk for collecting its billings. The Company relies upon the principles in AICPA Statement of Position 97-2 ("SOP 97-2"), "Software Revenue Recognition" and EITF 00-21, "Revenue Arrangements with Multiple Deliverables" to recognize revenue on a gross basis upon customer acceptance of each part of the system based upon its fair value. In the first quarter of fiscal 2006, this revenue comprised less than 1% of net consolidated sales.

The Company records provisions for estimated losses on contracts when losses become evident. Accumulated unbilled costs on contracts are carried in inventory

at the lower of actual cost or estimated realizable value.

Allowance for Uncollectable Accounts - The establishment of an allowance requires the use of judgment and assumptions regarding potential losses on receivable balances. Allowances for accounts receivable are maintained based upon historical payment patterns, aging of accounts receivable and actual write-off history. The Company believes that its allowances are adequate; however, changes in the financial condition of customers could have an effect on the allowance balance required and a related charge or credit to earnings.

Goodwill - Under Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," goodwill is no longer amortized, but is subject to annual impairment testing using fair value methodologies. The impairment test for goodwill is a two-step process. Step one consists of a comparison of a reporting unit with its carrying amount, including the goodwill allocated to the reporting unit. Measurement of the fair value of a reporting unit is based on one or more fair value measures including present value techniques of estimated future cash flows and estimated amounts at which the unit as a whole could be bought or sold in a current transaction between willing parties. If the carrying amount of the reporting unit exceeds the fair value,

step two requires the fair value of the reporting unit to be allocated to the underlying assets and liabilities of that reporting unit, resulting in an implied fair value of goodwill. If the carrying amount of the reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss equal to the excess is recorded in net earnings (loss). The Company performs its impairment testing using comparable multiples of sales and EBITDA and other valuation methods to assist the Company in the determination of the fair value of the reporting units measured.

Long-Lived Assets - Property, plant and equipment are recorded at cost, and depreciation and amortization are provided on the straight-line and accelerated methods at rates calculated to depreciate the cost of the assets over their estimated useful lives. Intangible assets, other than goodwill, and property, plant and equipment are reviewed for impairment in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." Under SFAS No. 144, these assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; the accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and a current expectation that the asset will more likely than not be sold or disposed of significantly before the end of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset or asset group. An impairment loss is recognized when the carrying amount is not recoverable and exceeds the fair value of the asset or asset group. The impairment loss is measured as the amount by which the carrying amount exceeds fair value.

Capitalized Software - The Company's software technology personnel are involved in the development and acquisition of internal-use software to be used in its Enterprise Resource Planning system and software used in its operating segments, some of which are customer accessible. The Company accounts for the capitalization of software in accordance with AICPA Statement of Position No. 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use." Subsequent to the preliminary project planning and approval stage, all appropriate costs are capitalized until the point at which the software is ready for its intended use. Subsequent to the software being used in operations, the capitalized costs are transferred from costs-in-process to completed property, plant and equipment, and are accounted for as such. All

post-implementation costs, such as maintenance, training and minor upgrades that do not result in additional functionality, are expensed as incurred.

Securitization Program - The Company accounts for the securitization of accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." At the time a participation interest in the receivables is sold, that interest is removed from the consolidated balance sheet. The outstanding balance of the undivided interest sold to Three Rivers Funding Corporation ("TRFCO"), an asset backed commercial paper conduit sponsored by Mellon Bank, N.A, was $100.0 million at January 29, 2006 and October 30, 2005. Accordingly, the trade receivables included on the January 29, 2006 and October 30, 2005 balance sheets have been reduced to reflect the participation interest sold. TRFCO has no recourse to the Company (beyond its interest in the pool of receivables owned by Volt Funding Corp., a wholly-owned special purpose subsidiary of the Company) for any of the sold receivables.

Critical Accounting Policies -- Continued
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Primary Casualty Insurance Program - The Company is insured with a highly rated insurance company under a program that provides primary workers' compensation, employer's liability, general liability and automobile liability insurance under a loss sensitive program. In certain mandated states, the Company purchases workers' compensation insurance through participation in state funds and the experience-rated premiums in these state plans relieve the Company of any additional liability. In the loss sensitive program, initial premium accruals are established based upon the underlying exposure, such as the amount and type of labor utilized, number of vehicles, etc. The Company establishes accruals utilizing actuarial methods to estimate the future cash payments that will be made to satisfy the claims, including an allowance for incurred-but-not-reported claims. This process also includes establishing loss development factors, based on the historical claims experience of the Company and the industry, and applying those factors to current claims information to derive an estimate of the Company's ultimate premium liability. In preparing the estimates, the Company considers the nature and severity of the claims, analyses provided by third party actuaries, as well as current legal, economic and regulatory factors. The insurance policies have various premium rating plans that establish the ultimate premium to be paid. Adjustments to premiums are made based upon the level of claims incurred at a future date up to three years after the end of the respective policy period. For each policy year, management evaluates the accrual, and the underlying assumptions, regularly throughout the year and makes adjustments as needed. The ultimate premium cost may be greater or less than the established accrual. While management believes that the recorded amounts are adequate, there can be no assurances that changes to management's estimates will not occur due to limitations inherent in the estimation process. In the event it is determined that a smaller or larger accrual is appropriate, the Company would record a credit or a charge to cost of services in the period in which such determination is made.

Medical Insurance Program - Beginning in April 2004, the Company became self-insured for the majority of its medical benefit programs. The Company remains insured for a portion of its medical program (primarily HMOs) as well as the entire dental program. The Company provides the self-insured medical benefits through an arrangement with a third party administrator. However, the liability for the self-insured benefits is limited by the purchase of stop loss insurance. The contributed and withheld funds and related liabilities for the self-insured program together with unpaid premiums for the insured programs, other than the current provision, are held in a 501(c)9 employee welfare benefit trust and do not appear on the balance sheet of the Company. In order to establish the self-insurance reserves, the Company utilized actuarial estimates of expected losses based on statistical analyses of historical data. The provision for future payments is initially adjusted by the enrollment levels in the various plans. Periodically, the resulting liabilities are monitored and will be adjusted as warranted by changing circumstances. Should the amount of claims occurring exceed what was estimated or medical costs increase beyond what

was expected, liabilities might not be sufficient, and additional expense may be recorded.

THREE MONTHS ENDED JANUARY 29, 2006 COMPARED TO THE THREE MONTHS ENDED JANUARY 30, 2005

The information, which appears below, relates to current and prior periods, the results of operations for which periods are not indicative of the results which may be expected for any subsequent periods.

	Three Months Ended	
	January 29, 2006	January 30, 2005
	(Dollars in thousands)	
Net Sales:		
Staffing Services		
Traditional Staffing	$445,627	$414,094
Managed Services	251,076	297,432
Total Gross Sales	696,703	711,526
Less: Non-recourse Managed Services	(239,061)	(291,193)
Net Staffing Services Sales	457,642	420,333
Telephone Directory	15,785	15,704
Telecommunications Services	40,114	25,204
Computer Systems	41,274	41,194
Elimination of intersegment sales	(5,307)	(4,600)
Total Net Sales	$549,508	$497,835
Segment Operating Profit (Loss):		
Staffing Services	$4,829	$2,453
Telephone Directory	2,261	2,107
Telecommunications Services	768	(2,429)
Computer Systems	5,749	7,514
Total Segment Operating Profit	13,607	9,645
General corporate expenses	(11,888)	(8,307)
Total Operating Profit	1,719	1,338
Interest income and other (expense)-net	(573)	(456)
Foreign exchange loss-net	(253)	(162)
Interest expense	(456)	(512)
Income Before Minority Interest and Income Taxes	$437	$208

THREE MONTHS ENDED JANUARY 29, 2006 COMPARED TO THE THREE MONTHS ENDED JANUARY 30, 2005--Continued

EXECUTIVE OVERVIEW
- ------------------

Volt Information Sciences, Inc. ("Volt") is a leading national provider of staffing services and telecommunications and information solutions with a material portion of its revenue coming from Fortune 100 customers. The Company operates in four segments and the management discussion and analysis addresses each. A brief description of these segments and the predominant source of their sales follow:

Staffing Services: This segment is divided into three major functional areas and operates through a network of over 300 branch offices.

- o Staffing Solutions fulfills IT and other technical, commercial and industrial placement requirements of its customers, on both a temporary and permanent basis together with managed staffing.

- o E-Procurement Solutions provides global vendor neutral procurement and management solutions for supplemental staffing using web-based tools through the Company's ProcureStaff subsidiary.

- o Information Technology Solutions provides a wide range of information technology consulting and project management services through the Company's VMC Consulting subsidiary.

Telephone Directory: This segment publishes independent telephone directories, provides telephone directory production services, database management and printing.

Telecommunications Services: This segment provides a full spectrum of telecommunications construction, installation, and engineering services in the outside plant and central offices of telecommunications and cable companies as well as for large commercial and governmental entities.

Computer Systems: This segment provides directory and operator systems and services primarily for the telecommunications industry, and provides IT maintenance services.

Several historical seasonal factors usually affect the sales and profits of the Company. The Staffing Services segment's sales are always lowest in the Company's first fiscal quarter due to the Thanksgiving, Christmas and New Year holidays, as well as certain customer facilities closing for one to two weeks. During the third and fourth quarters of the fiscal year, this segment benefits from a reduction of payroll taxes when the annual tax contributions for higher salaried employees have been met, and customers increase the use of the Company's administrative and industrial labor during the summer vacation period. In addition, the Telephone Directory segment's DataNational division publishes more directories during the second half of the fiscal year.

Numerous non-seasonal factors impacted sales and profits in the current fiscal quarter. The sales and profits of the Staffing Services segment, in addition to the factors noted above, were positively impacted by a continued increase in contingent staffing. Operating profits for the quarter were higher than in the comparable quarter of fiscal 2005 due to the sales increase and a reduction in overhead costs as a percentage of sales, partially offset by continued pressure on the operating margins in the VMC Consulting division.

The sales and operating results of the Telecommunications segment increased in the first quarter of fiscal 2006 compared to the comparable quarter in fiscal 2005 due to the sales growth and improvement in gross margins in the Construction and Engineering division. As explained in the Company's year-end financial statements, this

segment restructured its operations in the prior quarter, and now operates in two divisions, Construction and Engineering and Network Enterprise Solutions. The restructuring reduced overhead headcount, consolidated two divisions and closed several leased locations.

The Computer Systems segment's operating profits decreased in the first quarter of fiscal 2006 from the comparable quarter of fiscal 2005 primarily from increases in overhead costs.

During the current quarter, Volt Delta, the principal business unit of the Computer Systems segment, purchased from Nortel Networks its 24% minority interest in Volt Delta for $62.0 million. Nortel Networks had originally purchased its 24% interest in August of 2004, and under the terms of the original purchase agreement, each party had an option to cause Nortel Networks to sell and Volt Delta to buy the minority interest for an amount ranging from $25 million to $70 million. During the quarter, Volt Delta also purchased Varetis Solutions GmbH from varetis AG for $24.8 million. The acquisition allows Volt Delta to combine resources to focus on the evolving global market for directory information systems and services. Varetis Solutions adds technology in the area of wireless and wireline database management, directory assistance/inquiry automation, and wireless handset information delivery to Volt Delta's significant technology portfolio.

The Company has focused, and will continue to focus, on aggressively increasing its market share while attempting to maintain margins in order to increase profits. All segments have emphasized cost containment measures, along with improved credit and collections procedures designed to improve the Company's cash flow.

The Company continues its effort to streamline its processes to manage the business and protect its assets through the continued deployment of its Six Sigma initiatives, upgrading its financial reporting systems, its compliance with the Sarbanes-Oxley Act, and the standardization and upgrading of IT redundancy and business continuity for corporate systems and communications networks. In the first quarter of fiscal 2006, outside costs of compliance with this Act, including software licenses, equipment, temporary staff, consultants and professional fees amounted to $3.1 million as compared to $0.2 million in the comparable quarter in fiscal 2005.

RESULTS OF OPERATIONS - SUMMARY
- ------------------------------

In the first quarter of fiscal 2006, consolidated net sales increased by $51.7 million, or 10%, to $549.5 million, from the comparable period in fiscal 2005. The significant increases were in the Staffing Services segment, $37.3 million, and in the Telecommunications Services segment, $14.9 million.

The net loss for the first three-months of fiscal 2006 was $0.4 million compared to a net loss of $0.8 million in the comparable 2005 first quarter. The Company reported a pre-tax profit before minority interest for the first quarter of fiscal 2006 of $0.4 million, compared to $0.2 million in the prior year's first quarter.

RESULTS OF OPERATIONS - SUMMARY--Continued
- --

The Company's operating segments reported an operating profit of $13.6 million in the fiscal 2006 quarter, an increase of $4.0 million, or 41%, from the comparable 2005 quarter. The significant variances from the comparable 2005

quarter were increases in the Telecommunications Services segment of $3.2 million and the Staffing Services segment of $2.4 million, partially offset by a decrease in the Computer Systems segment of $1.8 million.

General corporate expenses increased by $3.6 million, or 43%, due to costs incurred related to compliance with the Sarbanes-Oxley Act, and to meet the disaster recovery requirements of redundancy and business continuity for corporate systems and communication networks, as well as salary and professional fee increases.

RESULTS OF OPERATIONS - BY SEGMENT

STAFFING SERVICES

<TABLE>
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Staffing Services (Dollars in Millions)	Three Months Ended January 29, 2006 Dollars	% of Net Sales	Three Months Ended January 30, 2005 Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Staffing Sales (Gross)	$445.6		$414.1		$31.5	7.6%
Managed Service Sales (Gross)	$251.1		$297.4		($46.3)	(15.6%)
Sales (Net) *	$457.6		$420.3		$37.3	8.9%
Gross Profit	$66.2	14.5%	$61.7	14.7%	$4.5	7.4%
Overhead	$61.4	13.4%	$59.2	14.1%	($2.2)	(3.7%)
Operating Profit	$4.8	1.1%	$2.5	0.6%	$2.3	96.0%

</TABLE>

*Sales (Net) only includes the gross margin on managed service sales.

The net sales increase of the Staffing Services segment in the fiscal 2006 first quarter from the comparable fiscal 2005 quarter was due to increased staffing business in both the Technical Placement and the Administrative and Industrial divisions.

STAFFING SERVICES --Continued

The increase in operating profit in the segment was derived from the Administrative and Industrial division, partially offset by a decrease in the Technical Placement division.

<TABLE>
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Three Months Ended

Technical Placement Division (Dollars in Millions)	January 29, 2006 Dollars	% of Net Sales	January 30, 2005 Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Sales (Gross)	$522.5		$543.2		($20.7)	(3.8%)
Sales (Net)	$289.3		$257.9		$31.4	12.2%
Gross Profit	$43.6	15.1%	$41.5	16.1%	$2.1	5.1%
Overhead	$38.3	13.2%	$36.1	14.0%	($2.2)	(6.2%)
Operating Profit	$5.3	1.8%	$5.4	2.1%	($0.1)	(2.4%)

</TABLE>

The Technical Placement division's increase in net sales in the first quarter of fiscal 2006 from the comparable fiscal 2005 quarter was due to a $27.7 million, or 12%, sales increase in traditional alternative staffing, and a $5.0 million, or 88%, increase in net managed service associate vendor sales, partially offset by a $1.3 million, or 5%, decrease in higher margin VMC Consulting project management and consulting sales. The sales increase resulted from both new accounts and increased business from existing accounts. The decrease in the operating profit was the result of the decreased gross margin percentage, partially offset by the increase in sales and a decrease in overhead as a percentage of sales.

<TABLE>
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Administrative & Industrial Division (Dollars in Millions)	Three Months Ended January 29, 2006 Dollars	% of Net Sales	January 30, 2005 Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Sales (Gross)	$174.2		$168.3		$5.9	3.7%
Sales (Net)	$168.3		$162.4		$5.9	3.5%
Gross Profit	$22.6	13.4%	$20.2	12.4%	$2.4	12.2%
Overhead	$23.1	13.7%	$23.1	14.2%	-	(0.3%)
Operating Loss	($0.5)	(0.3%)	($2.9)	(1.8%)	$2.4	84.1%

</TABLE>

The Administrative and Industrial division's increase in net sales in the first quarter of fiscal 2006 resulted from both new accounts and increased business from existing accounts. The decreased operating loss was a result of the sales increase, increased gross margins, and the decrease in overhead as a percentage of sales. The increase in gross margin was due to lower workers' compensation costs resulting from improvements in claims experience, as well as payroll taxes and benefit costs.

THREE MONTHS ENDED JANUARY 29, 2006 COMPARED

STAFFING SERVICES --Continued

Although the markets for the segment's services include a broad range of industries throughout the Americas, Asia and Europe, general economic difficulties in specific geographic areas or industrial sectors have in the past and could in the future affect the profitability of the segment.

TELEPHONE DIRECTORY

Telephone Directory (Dollars in Millions)	January 29, 2006 Dollars	January 29, 2006 % of Net Sales	January 30, 2005 Dollars	January 30, 2005 % of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Sales (Net)	$15.8		$15.7		$0.1	0.5%
Gross Profit	$7.8	49.3%	$8.3	53.0%	($0.5)	(6.5%)
Overhead	$5.5	35.0%	$6.2	39.6%	$0.7	11.2%
Operating Profit	$2.3	14.3%	$2.1	13.4%	$0.2	7.3%

The major components of the Telephone Directory segment's slight sales increase for the first quarter of fiscal 2006 compared to the comparable 2005 quarter were increases of $2.1 million, or 186%, in printing sales in Uruguay, $0.7 million, or 21%, in the telephone production operation, partially offset by a $1.8 million reduction in publishing sales and $0.9 million reduction in other sales. The decrease in publishing sales was comprised of a $1.2 million decrease in the sales of the DataNational community telephone directory operation, and a $0.6 million decrease in the Uruguayan directory publishing operation due to the timing of the delivery of its directories. The decrease in other sales was predominantly due to the sale of the ViewTech division in the third quarter of fiscal 2005, resulting in a sales reduction of $0.8 million in the current quarter. The segment's increased operating profit was predominantly the result of the decrease in overhead and slight increase in sales, partially offset by the lower margins recognized on the Uruguayan telephone directories published in the period.

Other than the DataNational division, which accounted for 51% of the segment's fiscal 2006 first quarter sales, the segment's business is obtained through submission of competitive proposals for production and other contracts. These short and long-term contracts are re-bid after expiration. Many of this segment's long-term contracts contain cancellation provisions under which the customer can cancel the contract, even if the segment is not in default under the contract and generally do not provide for a minimum amount of work to be awarded to the segment. While the Company has historically secured new contracts and believes it can secure renewals and/or extensions of most of these contracts, some of which are material to this segment, and obtain new business, there can be no assurance that contracts will be renewed or extended, or that additional or replacement contracts will be awarded to the Company on satisfactory terms. In addition, this segment's sales and profitability are highly dependent on advertising revenue for DataNational's directories, which could be affected by general economic conditions.

RESULTS OF OPERATIONS--Continued

THREE MONTHS ENDED JANUARY 29, 2006 COMPARED
TO THE THREE MONTHS ENDED JANUARY 30, 2005--Continued

TELECOMMUNICATIONS SERVICES

<TABLE>
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	Three Months Ended					
	January 29, 2006		January 30, 2005			
Telecommunications (Dollars in Millions)	Dollars	% of Net Sales	Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Sales (Net)	$40.1		$25.2		$14.9	59.2%
Gross Profit	$9.8	24.5%	$4.5	17.7%	$5.3	120.0%
Overhead	$9.0	22.5%	$6.9	27.3%	($2.1)	(30.9%)
Operating Profit (Loss)	$0.8	2.0%	($2.4)	(9.6%)	$3.2	131.6%

</TABLE>

The Telecommunications Services segment's sales increase in the first quarter of fiscal 2006 over the comparable 2005 quarter was due to increases of $14.7 million, or 115%, in the Construction and Engineering division and a $0.2 million increase in the Network Enterprise Solutions division. The sales increase was primarily due to the customer acceptance and the recognition in the current quarter of a large construction job accounted for on a completed-contract basis. The improvement in operating profit was due to the sales increase, the increase in gross margins, and the decrease in overhead as a percentage of sales. Despite an emphasis on cost controls, the results of the segment continue to be affected by the decline in capital spending by telephone companies caused by the depressed conditions within the segment's telecommunications industry customer base. This factor has also increased competition for available work, pressuring pricing and gross margins throughout the segment. Actions by major long-distance telephone companies regarding local residential service have negatively impacted margins of the segment.

A substantial portion of the business in this segment is obtained through the submission of competitive proposals for contracts, which typically expire within one to three years and are re-bid. Many of this segment's long-term contracts contain cancellation provisions under which the customer can cancel the contract, even if the segment is not in default under the contract, and generally do not provide for a minimum amount of work to be awarded to the segment. While the Company believes it can secure renewals and/or extensions of most of these contracts, some of which are material to this segment, and obtain new business, there can be no assurances that contracts will be renewed or extended or that additional or replacement contracts will be awarded to the Company on satisfactory terms.

THREE MONTHS ENDED JANUARY 29, 2006 COMPARED
TO THE THREE MONTHS ENDED JANUARY 30, 2005--Continued

COMPUTER SYSTEMS

<TABLE>
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Computer Systems (Dollars in Millions)	Three Months Ended January 29, 2006 Dollars	% of Net Sales	January 30, 2005 Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Sales (Net)	$41.3		$41.2		$0.1	0.2%
Gross Profit	$21.9	53.1%	$21.9	53.1%	-	1.0%
Overhead	$16.2	39.1%	$14.4	34.9%	($1.8)	(12.4%)
Operating Profit	$5.7	14.0%	$7.5	18.2%	($1.8)	(23.5%)

</TABLE>

The Computer Systems segment's slight sales increase in the first quarter of fiscal 2006 over the comparable 2005 quarter was due to growth in the Maintech division's IT maintenance services of $2.5 million, or 25%, along with $0.7 million of new business as a result of its acquisition of Varetis Solutions GmbH ("Varetis Solutions") (described in more detail below), partially offset by a decrease in the segment's operator services business, including ASP directory assistance, which reflected a $1.2 million, or 5%, sales decrease, a sales decrease of $1.1 million, or 35%, in product revenue recognized, and a sales decrease of $0.8 million in DataServ's data services which are provided to non-telco enterprise customers. The decrease in operating profit from the comparable 2005 fiscal quarter was the result of the increase in overhead due to the addition of Varetis Solutions, and increased overhead within Maintech to support its expansion.

During the current quarter, Volt Delta, the principal business unit of the Computer Systems segment, purchased from Nortel Networks its 24% minority interest in Volt Delta for $62.0 million, including a cash distribution of approximately $5.4 million. Nortel Networks had originally purchased its 24% interest in August of 2004, and under the terms of the original purchase agreement, each party had an option to cause Nortel Networks to sell and Volt Delta to buy the minority interest for an amount ranging from $25 million to $70 million. During the quarter, Volt Delta also purchased Varetis Solutions from varetis AG for $24.8 million. The acquisition allows Volt Delta to focus on the evolving global market for directory information systems and services. Varetis Solutions adds technology in the area of wireless and wireline database management, directory assistance/inquiry automation, and wireless handset information delivery to Volt Delta's significant technology portfolio.

This segment's results are highly dependent on the volume of calls to the segment's customers that are processed by the segment under existing contracts with telephone companies, the segment's ability to continue to secure comprehensive telephone listings from others, its ability to obtain additional customers for these services and its continued ability to sell products and services to new and existing customers.

RESULTS OF OPERATIONS -- OTHER

<TABLE>
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Three Months Ended

January 29, 2006 January 30, 2005

Other (Dollars in Millions)	Dollars	% of Net Sales	Dollars	% of Net Sales	Favorable (Unfavorable) $ Change	Favorable (Unfavorable) % Change
Selling & Administrative	$24.5	4.5%	$20.8	4.2%	($3.7)	(17.5%)
Depreciation& Amortization	$7.9	1.4%	$7.5	1.5%	($0.4)	(4.8%)
Interest Income	$1.0	0.1%	$0.6	0.1%	$0.4	85.4%
Other Expense	($1.6)	(0.2%)	($1.0)	(0.2%)	($0.6)	(58.6%)
Foreign Exchange Loss	($0.3)	-	($0.2)	-	($0.1)	(55.6%)
Interest Expense	($0.5)	(0.1%)	($0.5)	(0.1%)	-	(10.9%)

</TABLE>

Other items, discussed on a consolidated basis, affecting the results of operations for the fiscal years were:

The increase in selling and administrative expenses in the first quarter of fiscal 2006 from the comparable 2005 quarter was a result of a $2.9 million increase in the expenses related to compliance with the Sarbanes-Oxley Act. In addition, the Company incurred increased salaries, professional fees and costs to meet the disaster recovery requirements of redundancy and business continuity for corporate systems and communications networks.

The increase in depreciation and amortization for the first quarter of fiscal 2006 from the comparable 2005 quarter was attributable to increases in fixed assets, primarily in the Staffing Services and Computer Systems segments.

Interest income increased due to higher interest rates together with additional funds available for investment.

The increase in other expense for the first quarter of fiscal 2006 from the comparable 2005 quarter was attributable to an increase in the amount of accounts receivables sold under to the Company's Securitization Program, and an increased average cost of funds rate.

The Company's effective tax benefit rate on its financial reporting pre-tax loss was 35.4% in the first fiscal quarter of 2006 compared to an effective tax benefit rate of 37.2% in the comparable fiscal 2005 quarter. The effective benefit rate was lower in 2006 due to higher foreign losses for which no tax benefit was provided.

Liquidity and Capital Resources
- ------------------------------

Cash and cash equivalents decreased by $15.4 million to $46.6 million in the three months ended January 29, 2006.

Operating activities provided $33.0 million of cash in the first three-months of fiscal 2006 compared to $4.2 million in the first three months of fiscal 2005.

Operating activities in the first three months of fiscal 2006, exclusive of changes in operating assets and liabilities, produced $9.1 million of cash, as the Company's net loss of $0.4 million included non-cash charges primarily for depreciation and amortization of $7.9 million, accounts receivable provisions of $1.1 million, minority interest of $1.0 million and a deferred tax benefit of $0.5 million. In the first three months of fiscal 2005, operating activities,

exclusive of changes in operating assets and liabilities, produced $9.2 million of cash, as the Company's net loss of $0.8 million included non-cash charges primarily for depreciation and amortization of $7.5 million, accounts receivable provisions of $1.5 million, minority interest of $1.5 million and a deferred tax benefit of $0.6 million.

Changes in operating assets and liabilities produced $23.9 million of cash, net, in the first three months of fiscal 2006 principally due to a decrease in the level of accounts receivable of $41.7 million, partially offset by a decrease in accounts payable of $17.0 million. In the first three months of fiscal 2005, changes in operating assets and liabilities used $5.0 million of cash, net, principally due to a decrease in the level of accounts payable of $13.2 million, a reduction in securitization of receivables of $10.0 million, a decrease in income taxes payable of $6.8 million and a decrease in accrued expenses of $4.7 million partially offset by a decrease in the level of accounts receivable of $28.5 million.

The principal factor in the $49.2 million of cash applied to investing activities for the first three months of fiscal 2006 was expenditures of $46.8 million for acquisitions and $6.5 million for the property, plant and equipment partially offset by a decrease in restricted cash of $3.6 million. The principal factor in the $5.7 million of cash provided by investing activities for the first three months of fiscal 2005 was a decrease in restricted cash of $11.2 million partially offset by expenditures of $6.8 million for property, plant and equipment.

The principal factors in the $0.7 million of cash provided by financing activities in the first three months of fiscal 2006 were cash provided from exercises of stock options totaling $0.8 million. The principal factors in the $38,000 of cash applied to financing activities in the first three months of fiscal 2005 were cash provided from exercises of stock options totaling $0.8 million partially offset by a decrease in notes payable to banks of $0.8 million.

Commitments
- -----------

There has been no material change through January 29, 2006 in the Company's contractual cash obligations and other commercial commitments from that reported in the Company's Annual Report on Form 10-K for the fiscal year ended October 30, 2005.

Off-Balance Sheet Financing
- ---------------------------

The Company has no off-balance sheet financing arrangements, as that term has meaning in Item 303(a) (4) of Regulation S-K.

Securitization Program
- ----------------------

The Company has an accounts receivable securitization program ("Securitization Program"), which was amended in the first quarter of fiscal year 2006 and effective January 31, 2006 to increase the level from $150.0 million to $200.0 million and extend the maturity date to April 2008. Under the Securitization Program, receivables related to the United States operations of the staffing solutions business of the Company and its subsidiaries are sold from time-to-time by the Company to Volt Funding Corp., a wholly-owned special purpose subsidiary of the Company ("Volt Funding"). Volt Funding, in turn, sells to Three Rivers Funding Corporation ("TRFCO"), an asset backed commercial paper conduit sponsored by Mellon Bank, N.A. and unaffiliated with the Company, an undivided percentage ownership interest in the pool of receivables Volt Funding acquires from the Company (subject to a maximum purchase by TRFCO in the aggregate of $200.0 million). The Company retains the servicing responsibility for the accounts receivable. At January 29, 2006, TRFCO had purchased from Volt

Funding a participation interest of $100.0 million out of a pool of approximately $257.5 million of receivables.

The Securitization Program is not an off-balance sheet arrangement as Volt Funding is a 100% owned consolidated subsidiary of the Company, with accounts receivable only reduced to reflect the fair value of receivables actually sold. The Company entered into this arrangement as it provided a low-cost alternative to other forms of financing.

The Securitization Program is designed to enable receivables sold by the Company to Volt Funding to constitute true sales of those receivables. As a result, the receivables are available to satisfy Volt Funding's own obligations to its own creditors before being available, through the Company's residual equity interest in Volt Funding, to satisfy the Company's creditors. TRFCO has no recourse to the Company (beyond its interest in the pool of receivables owned by Volt Funding) for any of the sold receivables.

In the event of termination of the Securitization Program, new purchases of a participation interest in receivables by TRFCO would cease and collections reflecting TRFCO's interest would revert to it. The Company believes TRFCO's aggregate collection amounts should not exceed the pro rata interests sold. There are no contingent liabilities or commitments associated with the Securitization Program.

The Company accounts for the securitization of accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." At the time a participation interest in the receivables is sold, the receivable representing that interest is removed from the consolidated balance sheet (no debt is recorded) and the proceeds from the sale are reflected as cash provided by operating activities. Losses and expenses associated with the transactions, primarily related to discounts incurred by TRFCO on the issuance of its commercial paper, are charged to the consolidated statement of operations.

Securitization Program--Continued
- ---------------------------------

The Securitization Program is subject to termination at TRFCO's option, under certain circumstances, including, the default rate, as defined, on receivables exceeding a specified threshold, the rate of collections on receivables failing to meet a specified threshold or the Company failing to maintain a long-term debt rating of "B" or better or the equivalent thereof from a nationally recognized rating organization. At January 29, 2006, the Company was in compliance with all requirements of its Securitization Program.

In February 2006, the Company increased the amount of participation interest sold to $140.0 million from $100.0 million to pay the note payable to Nortel Networks.

Credit Lines
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In the first quarter of fiscal 2006, the Company's $40.0 million secured, syndicated revolving credit agreement ("Credit Agreement") was amended to (i) permit the consummation of the acquisition by the Company of Varetis Solutions and the twenty-four percent interest in Volt Delta owned by Nortel Networks (ii) modify certain of the financial covenants contained in the Credit Agreement and (iii) increase the amount of financing permitted under the securitization program. The Credit Agreement expires in April 2008.

The Credit Agreement established a secured credit facility ("Credit Facility") in favor of the Company and designated subsidiaries, of which up to $15.0 million may be used for letters of credit. Borrowings by subsidiaries are limited to $25.0 million in the aggregate. The administrative agent for the Credit Facility is JPMorgan Chase Bank, N.A. The other banks participating in the Credit Facility are Mellon Bank, N.A., Wells Fargo Bank, N.A., Lloyds TSB Bank PLC and Bank of America, N.A.

Borrowings under the Credit Facility are to bear interest at various rate options selected by the Company at the time of each borrowing. Certain rate options, together with a facility fee, are based on a leverage ratio, as defined. Additionally, interest and the facility fees can be increased or decreased upon a change in the rating of the facility, as provided by a nationally recognized rating agency. As amended, in lieu of the previous borrowing base formulation, the Credit Agreement now requires the maintenance of specified accounts receivable collateral in excess of any outstanding borrowings. Based upon the Company's leverage ratio and debt rating at January 29, 2006, if a three-month U.S. Dollar LIBO rate was the interest rate option selected by the Company, borrowings would have borne interest at the rate of 5.5% per annum. At January 29, 2006, the facility fee was 0.3% per annum

The Credit Agreement provides for the maintenance of various financial ratios and covenants, including, among other things, a requirement that the Company maintain a consolidated tangible net worth, as defined, a limitation on cash dividends, capital stock repurchases and redemptions by the Company in any one fiscal year to 50% of consolidated net income, as defined, for the prior fiscal year; and a requirement that the Company maintain a ratio of EBIT, as defined, to interest expense, as defined, of 1.25 to 1.0 for the twelve months ending as of the last day of each fiscal quarter. The Credit Agreement also imposes limitations on, among other things, the

Credit Lines--Continued
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incurrence of additional indebtedness, the incurrence of additional liens, sales of assets, the level of annual capital expenditures, and the amount of investments, including business acquisitions and investments in joint ventures, and loans that may be made by the Company and its subsidiaries. At January 29, 2006, the Company was in compliance with all covenants in the Credit Agreement.

The Company is liable on all loans made to it and all letters of credit issued at its request, and is jointly and severally liable as to loans made to subsidiary borrowers. However, unless also a guarantor of loans, a subsidiary borrower is not liable with respect to loans made to the Company or letters of credit issued at the request of the Company, or with regard to loans made to any other subsidiary borrower. Five subsidiaries of the Company are guarantors of all loans made to the Company or to subsidiary borrowers under the Credit Facility. At January 29, 2006, four of those guarantors have pledged approximately $52.5 million of accounts receivable, other than those in the Securitization Program, as collateral for the guarantee obligations. Under certain circumstances, other subsidiaries of the Company also may be required to become guarantors under the Credit Facility.

At January 29, 2006, the Company had credit lines with domestic and foreign banks which provided for borrowings and letters of credit up to an aggregate of $51.4 million, including $40.0 million under the Credit Agreement and the Company had total outstanding foreign currency bank borrowings of $6.6 million, $2.4 million of which were under the Credit Agreement. These bank borrowings provide a hedge against devaluation in foreign currency denominated assets.

In December 2005, the Company paid approximately $50.0 million, principally from cash on hand, for the Nortel Networks and Varetis Solutions acquisitions. The remaining $36.8 million was paid February 15, 2006.

In February 2006, the Company borrowed an additional four million Euros ($4.8 million) to offset its Euro exposure.

Summary
- -------

The Company believes that its current financial position, working capital, future cash flows from operations, credit lines and accounts receivable Securitization Program will be sufficient to fund its presently contemplated operations and satisfy its obligations through, at least, the next twelve

months.

New Accounting Pronouncements to be Effective in Fiscal 2006

In May 2005, the FASB issued SFAS No. 154, "Accounting Changes and Error Corrections, - a replacement of APB Opinion No. 20 and FASB Statement No. 3". This Statement establishes, unless impracticable, retrospective application as the required method for reporting a change in accounting principle in the absence of explicit transition requirements specific to the newly adopted accounting principle. The provisions of this Statement are effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. Early adoption is permitted for accounting changes and corrections of errors made in fiscal years beginning after the date this Statement is issued. The Company does not believe that the adoption of this Statement in fiscal 2006 will have a material impact on the Company's consolidated financial position or results of operations.

In February 2006, the FASB has issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments - an amendment of FASB Statements No. 133 and 140". This Statement, among other things, allows a preparer to elect fair value measurement of instruments in cases in which a derivative would otherwise have to be bifurcated. The provisions of this Statement are effective for all financial instruments acquired or issued in fiscal years beginning after September 15, 2006. Early adoption is permitted for instruments that an entity holds at the date of adoption on an instrument-by-instrument basis. The Company does not believe that the adoption of this Statement in fiscal 2007 will have a material impact on the Company's consolidated financial position or results of operations.

The American Jobs Creation Act of 2004 (the "Act") provided for a special one-time tax deduction of 85% of certain foreign earnings that are repatriated. The Company does not believe the Act will have a material impact on the Company's consolidated financial position or results of operations.

Related Party Transactions

During the first quarter of fiscal 2006, the Company paid or accrued $0.2 million to the law firm of which Lloyd Frank, a director, is of counsel, primarily for services rendered.

The Company rents approximately 2,600 square feet of office space to a corporation owned by Steven A. Shaw, an officer and director, in the Company's El Segundo, California facility, which the Company does not require for its own use, on a month-to-month basis at a rental of $1,750 per month. Based on the nature of the premises and a recent market survey conducted for the Company, the Company believes the rent is the fair market rental for such space.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the potential economic loss that may result from adverse changes in the fair value of financial instruments. The Company`s earnings, cash flows and financial position are exposed to market risks relating to fluctuations in interest rates and foreign currency exchange rates. The Company has cash and cash equivalents on which interest income is earned at variable rates. The Company also has credit lines with various domestic and foreign banks, which provide for borrowings and letters of credit, as well as a $200 million accounts receivable securitization program to provide the Company with additional liquidity to meet its short-term financing needs.

The interest rates on these borrowings and financing are variable and, therefore, interest and other expense and interest income are affected by the general level of U.S. and foreign interest rates. Based upon the current levels

of cash invested, notes payable to banks and utilization of the securitization program, on a short-term basis, as noted below in the tables, a hypothetical 100-basis-point (1%) increase or decrease in interest rates would increase or decrease its annual net interest expense and securitization costs by $0.4 million, respectively.

The Company has a term loan, as noted in the table below, which consists of borrowings at fixed interest rates, and the Company's interest expense related to these borrowings is not affected by changes in interest rates in the near term. The fair value of the fixed rate term loan was approximately $14.3 million at January 29, 2006. This fair value was calculated by applying the appropriate fiscal year-end interest rate supplied by the lender to the Company's present stream of loan payments.

The Company holds short-term investments in mutual funds for the Company's deferred compensation plan. At January 29, 2006, the total market value of these investments was $4.3 million, all of which are being held for the benefit of participants in a non-qualified deferred compensation plan with no risk to the Company.

The Company has a number of overseas subsidiaries and is, therefore, subject to exposure from the risk of currency fluctuations as the value of foreign currencies fluctuates against the dollar, which may impact reported earnings. As of January 29, 2006, the total of the Company's net investment in foreign operations was $8.1 million. The Company attempts to reduce these risks by utilizing foreign currency option and exchange contracts, as well as borrowing in foreign currencies, to hedge the adverse impact on foreign currency net assets when the dollar strengthens against the related foreign currency. As of January 29, 2006, the Company had a balance of net foreign assets exposed of $8.1 million, which was reduced to $4.8 million on February 9, 2006 when the Company increased its Euro borrowing under the Credit Agreement. The amount of risk and the use of foreign exchange instruments described above are not material to the Company's financial position or results of operations and the Company does not use these instruments for trading or other speculative purposes. Based upon the current levels of net foreign assets, a hypothetical weakening of the U.S. dollar against these currencies at January 29, 2006 by 10% would result in a pretax gain of $0.8 million related to these positions. Similarly, a hypothetical strengthening of the U.S. dollar against these currencies at January 29, 2006 by 10% would result in a pretax loss of $0.8 million related to these positions.

The tables below provide information about the Company's financial instruments that are sensitive to either interest rates or exchange rates at January 29, 2006. For cash and debt obligations, the table presents principal cash flows and related weighted average interest rates by expected maturity dates. For foreign exchange agreements, the table presents the currencies, notional amounts and weighted average exchange rates by contractual maturity dates. The information is presented in U.S. dollar equivalents, which is the Company's reporting currency.

Interest Rate Market Risk	Payments Due By Period as of January 29, 2006				
	Total	Less than 1 year	1-3 Years	3-5 Years	After 5 Years
	(Dollars in thousands of US$)				
Cash, Restricted Cash and Cash Equivalents					
Money Market and Cash Accounts	$69,123	$69,123			
Weighted Average Interest Rate	3.9%	3.9%			
Total Cash, Restricted Cash and Cash Equivalents	$69,123	$69,123			

Securitization Program
- ---------------------

Accounts Receivable Securitization	$100,000	$100,000
Finance Rate	5.0%	5.0%
	-----	-----
Securitization Program	$100,000	$100,000
	========	========

Debt
- ----

Term Loan	$13,625	$442	$1,567	$1,279	$10,337
Interest Rate	8.2%	8.2%	8.2%	8.2%	8.2%
Payable to Nortel Networks	$2,000	$2,000			
Weighted Average Interest Rate	6.0%	6.0%			
Notes Payable to Banks	$6,621	$6,621			
Weighted Average Interest Rate	4.1%	4.1%			
Note Payable - other	$36,750	$36,750			
Weighted Average Interest Rate	-	-	-	-	-
	-------	-------	------	------	-------
Total Debt	$58,996	$45,813	$1,567	$1,279	$10,337
	=======	=======	======	======	=======

ITEM 4 - CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

The Company's management is responsible for maintaining adequate internal controls over financial reporting and for its assessment of the effectiveness of internal controls over financial reporting.

The Company carried out an evaluation of the effectiveness of the design and operation of its "disclosure controls and procedures," as defined in, and pursuant to, Rule 13a-15 of the Securities Exchange Act of 1934, as of January 29, 2006 under the supervision and with the participation of the Company's management, including the Company's Chairman of the Board, President and Co-Principal Executive Officer, its Executive Vice President and Co-Principal Executive Officer and its Senior Vice President and Principal Financial Officer. Based on that evaluation and the events described below, management concluded that, as of the date of their evaluation the Company's disclosure controls and procedures were effective as of January 29, 2006 to ensure that material information relating to the Company and its subsidiaries is made known to them on a timely basis.

As of October 30, 2005, the Company's management concluded that the Company did not maintain effective internal controls over financial reporting at a single subsidiary because of the effect of a material weakness in the Company's system of internal controls, based on criteria established in Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The subsidiary did not appropriately calculate and reconcile its fixed assets and related depreciation detail records to the amounts recorded in its financial statements and did not properly reconcile the deferred tax liability recorded in its financial statements relating to depreciation timing differences to the supporting documentation. These findings resulted in material adjustments to the preliminary consolidated financial statements.

Remediation Efforts Related to the Material Weakness in Internal Controls

The Company's management reviewed and evaluated the design of the control procedure relating to depreciation of assets and reconciliation of the deferred tax liability, and is taking the following actions to remediate the reported material weakness in internal controls over financial reporting by:

o The creation of additional positions within the affected subsidiary, including an accounting and finance compliance officer to review and

coordinate with the subsidiary controller, the implementation and maintenance of its internal controls over financial reporting.

- Requiring certain changes to the fixed asset sub-ledgers be reviewed and approved in writing by the subsidiary controller.
- Adhering to the Company's financial statement closing process monitoring controls and documentation procedures related to the Company's fixed asset and income tax provision policies.

After the completion of the evaluation, the Company began its remediation program to correct the material weakness in its processes reported above. The Company's management has discussed this material weakness and initial corrective actions and future plans with the Audit Committee and the Company's Board of Directors who concurred with management's plans.

Changes in Internal Control over Financial Reporting

Except as set forth above, there were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1A - RISK FACTORS

There were no material changes from risk factors as previously disclosed in the Company's Annual Report of Form 10-K for the year ended October 30, 2005. (See also Part 1, Item 2 of the Report for risk factors.

ITEM 6 - EXHIBITS

(a) Exhibits:

Exhibit	Description
15.01	Letter from Ernst & Young LLP regarding Report of Independent Registered Public Accounting Firm
15.02	Letter from Ernst & Young LLP regarding Acknowledgement of Independent Registered Public Accounting Firm
31.01	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.02	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.01	Certification of Principal Executive Officer pursuant to Section 906 of Sarbanes-Oxley Act of 2002
32.02	Certification of Principal Financial Officer pursuant to Section 906 of Sarbanes-Oxley Act of 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VOLT INFORMATION SCIENCES, INC.
(Registrant)

BY: /s/ Jack Egan

Date: March 10, 2006
Jack Egan
Vice President - Corporate Accounting
(Principal Accounting Officer)

EXHIBIT INDEX

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EXHIBIT 15.01

ERNST & YOUNG LLP
5 Times Square
New York, New York 10036
Phone 212 773-3000

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Volt Information Sciences, Inc.

We have reviewed the condensed consolidated balance sheet of Volt Information Sciences, Inc. and subsidiaries as of January 29, 2006, and the related condensed consolidated statements of operations and cash flows for the three month periods ended January 29, 2006 and January 30, 2005. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

As discussed in Note M to the consolidated financial statements, on October 31, 2005 the Company adopted Statement of Financial Accounting Standards No. 123(R) "Share-Based Payment".

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Volt Information Sciences, Inc. as of October 30, 2005, and the related consolidated statements of operations, stockholders' equity, and cash flows for the year then ended, not presented herein; and in our report dated January 16, 2006, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of January 29, 2006, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

March 7, 2006

EXHIBIT 15.02

ACKNOWLEDGEMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Volt Information Sciences, Inc.

We are aware of the incorporation by reference in Registration Statement No. 333-13369 on Form S-8 dated October 3, 1996, Registration Statement No. 333-45903 on Form S-8 dated February 9, 1998 and Registration Statement No. 333-106245 on Form S-8 dated June 18, 2003 of Volt Information Sciences, Inc. of our report dated March 7, 2006 relating to the unaudited condensed consolidated interim financial statements of Volt Information Sciences, Inc. that are included in its Form 10-Q for the quarter ended January 29, 2006.

March 7, 2006

EXHIBIT 31.01

CERTIFICATION BY PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven A. Shaw, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Volt Information Sciences, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
   d) disclosed in this quarterly report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 10, 2006

/s/ Steven A. Shaw

Steven A. Shaw

Executive Vice President and
Principal Executive Officer

EXHIBIT 31.02

CERTIFICATION BY PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James J. Groberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Volt Information Sciences, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
   d) disclosed in this quarterly report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 10, 2006

/s/ James J. Groberg

James J. Groberg
Senior Vice President and
Principal Financial Officer

EXHIBIT 32.01

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Volt Information Sciences, Inc. (the "Company") on Form 10-Q for the quarter ended January 29, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Steven A. Shaw, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2006

/s/ Steven A. Shaw

Steven A. Shaw
Principal Executive Officer

A signed original of this written statement required by Section 906 has been provided to Volt Information Services, Inc. and will be retained by Volt Information Sciences, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.02

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Volt Information Sciences, Inc. (the "Company") on Form 10-Q for the quarter ended January 29, 2006, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James J. Groberg, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 10, 2006

/s/ James J. Groberg

James J. Groberg
Principal Financial Officer

A signed original of this written statement required by Section 906 has been provided to Volt Information Services, Inc. and will be retained by Volt Information Sciences, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.