

For Immediate Release

Aurora Reports Second-Quarter 2011 Earnings

Record profit driven by operational improvements

TAIPEI, Taiwan, August 24, 2011 – Aurora Corp. (Ticker: 2373 TT / 2373 TW) today announced second-quarter 2011 results ended June 30, 2011.

In the Spotlight

- **EPS of NT\$1.03, a five-year quarterly high**
- **Best-ever second-quarter revenue of NT\$3.15 billion**
- **Operating income of NT\$201 million, an 88% increase**
- **Record quarterly net profit of NT\$323 million, a 125% increase**

“We ended the second quarter with strong top-line growth in our office automation (OA) and furniture businesses underpinned by favorable demand trends across Taiwan and China. In addition, operational improvements resulting from regional segmentation of China markets in May helped to increase bottom-line results significantly”, said Aurora. “We are extremely pleased with our performance, and we will continue our regional management focus and structure going forward.”

Revenue

Second-quarter net revenue increased 4% to NT\$3.15 billion, with strong OA and furniture sales offsetting weaker-than-expected performance in mobile technology and office equipment. These two segments were impacted by phone subsidy cuts by Taiwanese mobile operators and slowing demand in North America, Aurora’s largest export destination for shredders, calculators and other office products.

During the first six months of 2011, net revenue was NT\$6.28 billion, an 8% increase from the year-ago period. Revenue mix by segment was as follows: OA 38%, furniture 25%, mobile technology 25%, and office equipment 12%. China accounted for 47% of net revenue with 652 million RMB, a 15% increase from the year-ago period.

Gross Profit

Gross profit increased 8% to NT\$1.25 billion from the year-ago quarter thanks to a higher mix to China furniture business and continuing earnings improvement in China OA business. Gross margin was 39.6% compared to 38.1% a year earlier.

For the first six months of the year, gross profit rose 11% to NT\$2.45 billion, translating into a gross margin of 39%.

Operating Income

Operating income surged 88% to NT\$201 million in the quarter, reflecting a lower year-ago base and effects of disciplined expense management. Operating margin was 6.4%, up 2.9 percentage points compared to the year-ago quarter.

For the first six months of the year, Aurora posted operating income of NT\$423 million and operating margin of 6.7%, representing increases of 47% and 1.7 percentage points, respectively, from the year-ago period.

Net Profit

Aurora posted record net profit of NT\$323 million, or NT\$1.03 per share, representing increase of 125% of 124%, separately, from the year-ago quarter. The results were due primarily to solid earnings improvement in China OA and furniture businesses, and aided by reseller rebates awarded for Japanese OA equipment sold by Aurora. Overall, China contributed 20 million RMB to the Company's net profit.

For the first six months of 2011, Aurora reported net profit of NT\$534 million, or NT\$1.71 per share, representing increases of 69% and 66%, respectively, when compared with the same period of the prior year.

Other

In Taiwan, OA equipment sales volumes continued to rise with color products taking an increasingly larger share. In China, where OA new equipment sales more than double those in Taiwan, total machines-in-the-field (MIF) broke above 45,000 units in mid-year. The MIF base should continue to increase at the pace of more than 1,000 units a month, driving recurring revenue from services, maintenance and supplies up to 40% of China OA revenue by end of 2011, the Company expects.

Outlook

“Looking into the third-quarter 2011, we expect our OA and furniture businesses will exhibit sustained momentum as expansion speeds up in central and western regions of China. In addition to existing networks of company-operated and dealer stores, we will establish our second ‘service point’ in Hefei City, Anhui Province to help drive machine installs, reduce capital deployment and shorten the time in penetrating less-developed markets. We will also deliver to market a new lineup of laser printers, projectors and our proprietary fax management software NetFax,” stated Aurora. “By keeping working on these fundamentals, we are well-positioned for the coming quarter.”

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About Aurora

Founded in 1965, Aurora Corp. reaches and serves customers with a broad portfolio of printers, multi-function devices, print services, office equipment and furniture that cater to businesses of all sizes in any industry.

Forward-Looking Statements

Except for statements in respect of historical matters, the statements in this press release are “forward-looking statements.” Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual performance, financial condition or results of operations of Aurora Corp. to be materially different from any future results implied by the forward-looking statements. Investors are cautioned that actual events and results could differ materially from these statements as a result of a variety of factors, including conditions in the overall market and economy, acceptance and demand for products, and technological and development risks.

The financial forecasts and forward-looking statements in this document reflect the current belief of Aurora Corp. as of the date of this document and Aurora Corp. undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date.

Supplement : Second-Quarter 2011 Profit & Loss

(in NT million)	Six Months			2 nd quarter		
	2010	2011	YoY	2010	2011	YoY
Net Sales	5,790	6,278	8%	3,032	3,145	4%
Gross Profit	2,213	2,447	11%	1,154	1,245	8%
Operating Expense	1,926	2,024	5%	1,047	1,044	0%
Operating Income	287	423	47%	107	201	88%
Non-op. Income	158	238	51%	101	182	79%
Income Before Tax	445	660	48%	209	383	83%
Consolidated Net	332	560	69%	147	338	129%
Attributable to:						
Minority shareholders	17	27	58%	4	15	294%
Shareholders of Aurora	315	534	69%	144	323	125%
Earnings Per Share	1.03	1.71	66%	0.46	1.03	124%
Gross margin	38.2%	39.0%	0.8pp	38.1%	39.6%	1.5pp
Operating margin	5.0%	6.7%	1.7pp	3.5%	6.4%	2.9pp
Net margin	5.4%	8.5%	3.1pp	4.7%	10.3%	5.6pp

*All figures included in the press release were prepared and published in accordance with ROC GAAP.