

For Immediate Release

## **Aurora Reports First-quarter 2012 Earnings**

### **Best First Quarter in History with Record Revenue and Profit**

TAIPEI, Taiwan, May 9, 2012 – Aurora Corp. (Ticker: 2373 TT / 2373 TW) today announced first-quarter 2012 results ended January 31, 2012.

#### **In the Spotlight**

- **Earnings per share of NT\$0.78, marking a first-quarter record**
- **Best-ever first-quarter consolidated revenue of NT\$3.33 billion up 6% yoy**
- **Record-breaking first-quarter net profit of NT\$239 million up 13% yoy**
- **China profit of NT\$87 million up 40% yoy to contribute 36% of total profit**

“Despite traditional weak seasonality, we delivered the best first-quarter revenue and profit in our history. The fact that China now represents nearly half of our total revenue and will continue to be the profit engine reflects the successful execution of our office automation (OA) and office furniture strategies. We are confident that Aurora is well-positioned as one of the major beneficiaries of China’s domestic demand story,” stated the company.

#### **Revenue**

In the first quarter, consolidated revenue of NT\$3.33 billion increased 6% from the year-ago period. By geographic region, Taiwan revenue was up 7% to NT\$1.78 billion, while China revenue was up 6% to NT\$1.55 billion (RMB\$330 million in original currency). The representation of revenue by business segment is as follows : Taiwan OA 21%, Taiwan office furniture 4%, mobile technology 28%, China OA 14%, China office furniture 23% and China office equipment 10%. Of all business segments, China office furniture, which made up the largest share of China revenue, drove the greatest growth of 17%.

#### **Gross Profit**

The 5% growth in first-quarter gross profit to NT\$1.26 billion was largely driven by the higher-margin China office furniture business.

#### **Operating Income**

May 9, 2012      Aurora Corp.

First-quarter operating income was down 14% to NT\$191 million, reflecting increased wages and provisions for retirement funds.

### **Net Profit**

Net profit of NT\$239 million was the best first-quarter record in history, representing a 13% increase from the year-ago quarter. Earnings per share was NT\$0.78, representing a 15% increase from the year-ago quarter.

### **Other Highlight**

Aurora has been making strong headways into growing the equipment install base. The machine-in-field (MIF) base steadily built up to 89,000 units in Taiwan and 51,000 units in China as of January 31, 2012. During the first quarter, the company saw China copier sales increase 13%, and Taiwan's color copier sales jumped nearly 20% driven by the transition to color in the office.

### **Recent Events & Developments**

- Aurora will continue to drive large machine sales and develop public sector and large enterprise opportunities. The company expects to see momentum building for new product offerings – projectors, laser printers and fax management software.
- In April, the company announced that it has formed a 50:50 joint venture with Korea's leading office furniture brand Fursys (016800:KS) to tap into the emerging office chair market in China. Aurora and Fursys expect to combine complementary technologies, share distribution expertise and integrate manufacturing resources to drive sales in China's 18-billion-RMB domestic demand for office chairs.
- Aurora System Corp., a listed subsidiary of Aurora (2433: TWSE), recently announced that it will invest 120 million RMB into the launch of photocopier leasing in China. Scheduled to operate in the third quarter 2012, the new leasing service shall help accelerate the penetration of the Aurora brand in mainland.
- As part of the company's efforts to invest in future growth, its campus in Shanghai is undergoing a re-alignment of manufacturing and distribution

resources through the establishment of six centers for design, engineering, quality control, product exhibition, logistics and educational training. Of them, the new 32,000-square-meter logistics center, after it starts operation in June 2012, will see warehousing capacity expand by 90% and number of loading docks increase to 18. The logistics center will also integrate distribution network configurations and capacities for OA and office furniture businesses into a one-stop-shop solution to address and support Aurora's 280-million-RMB monthly operations in China. Continuing improvements in logistics systems and processes shall enable Aurora to reap greater efficiency and productivity gains.

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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 : First-quarter 2012 Profit & Loss

(in NT million)	Full year			1 <sup>st</sup> quarter		
	2011	2012	YoY	2011	2012	YoY
Net Sales	3,133	3,331	6%	3,133	3,331	6%
Gross Profit	1,201	1,258	5%	1,201	1,258	5%
Operating Expense	980	1,067	9%	980	1,067	9%
Operating Income	221	191	-14%	221	191	-14%
Non-op. Income	56	121	114%	56	121	114%
Income Before Tax	278	312	12%	278	312	12%
Consolidated Net	222	257	16%	222	257	16%
Attributable to:						
Minority shareholders	12	18	54%	12	18	54%
Shareholders of Aurora	210	239	13%	210	239	13%
Earnings Per Share	0.68	0.78	15%	0.68	0.78	15%
Gross margin	38.3%	37.8%	-0.6%	38.3%	37.8%	-0.6%
Operating margin	7.1%	5.7%	-1.3%	7.1%	5.7%	-1.3%
Net margin	6.7%	7.2%	0.5%	6.7%	7.2%	0.5%

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