

NEWS RELEASE

Contact: Dan Luebben, CFO
800-776-6939 Ext. 1504
<mailto:del@auto-graphics.com>

Auto-Graphics, Inc. Announces Second Quarter Earnings

Pomona, CA: Auto-Graphics, Inc. (Pink Sheets: AUGR) reported that operating income was \$53,000 for the quarter ended June 30, 2005 compared to \$46,000 for the same period in 2004. This performance represents fourteen consecutive quarters in which the Company has delivered positive operating income.

The Company's net sales were \$1,340,000 for the quarter ended June 30, 2005, down slightly from \$1,367,000 for the same period in 2004. Net income was \$51,000 for the quarter ended June 30, 2005 up from \$32,000 for the same period in 2004. Basic and diluted earnings per share were \$0.01 in both 2005 and 2004, respectively.

The Company's year-to-date net sales were \$2,547,000 for the six months ended June 30, 2005 down slightly from \$2,568,000 for the same period in 2004. Net income was \$90,000 for the six months ended June 30, 2005 up from \$72,000 for the same period in 2004. Basic and diluted earnings per share were \$0.02 in 2005 and \$0.01 in 2004, respectively.

With the migration of VERSO™ to the AGent™ platform, coupled with the addition of the Digital Collections™ module and the LibraryCard™ module to the AGent suite of services, the Company offers one of the most complete integrated library systems in the library marketplace. The AGent product suite now offers improved solutions to address the automation requirements for the public, academic, school and consortial market segments.

Recently, the Company announced that the University of Alabama in Huntsville selected the AGent Portal™ federated search system to improve student and faculty access to the university's 125 databases. The Company also recently signed COMPanion Corporation and Polaris Library Systems as distributors for certain products and services, expanding the company's sales channels.

Auto-Graphics provides applications software and Web hosting services to clients who create, manage, publish and access information using the Internet.

Visit <http://www.auto-graphics.com/> for additional information.

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