

Compal Electronics, Inc.
Statement of Internal Control System

Date: March 30, 2012

Based on the findings of a self-assessment, Compal Electronics, Inc. (Compal) states the following with regard to its internal control system during the period from January 1, 2011 to December 31, 2011:

1. Compal is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. Compal has established such a system aimed at providing reasonable assurance regarding the achievement of objectives in the following categories: (1) effectiveness and efficiency of operations (including profitability, performance, and safeguarding of assets), (2) reliability of financial reporting, and (3) compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Moreover, the effectiveness of an internal control system may be subject to changes of environment or circumstances. Nevertheless, the internal control system of Compal contains self-monitoring mechanisms, and Compal takes corrective actions whenever a deficiency is identified.
3. Compal evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control System by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five components of internal control based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring. Each component further contains several items. Please refer to the Regulations for details.
4. Compal has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the evaluation mentioned in the preceding paragraph, Compal believes that, during the year 2011, its internal control system (including its supervision and management of subsidiaries) , as well as its internal controls to monitor the achievement of its objectives concerning operational effectiveness and efficiency, reliability of financial reporting, and compliance with applicable laws and regulations, were effective in design and operation, and reasonably assured the achievement of the above-stated objectives.
6. This Statement will be an integral part of Compal's Annual Report for the year 2011 and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This Statement has been passed by the Board of Directors in their meeting held on March 30, 2012, with zero of the twelve attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

Compal Electronics, Inc.

Chairman : (signature)

President : (signature)