



Compal Electronics, Inc. Investor Conf. call- Acquisition of CCI



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September 30, 2013

Safe Harbor Notice

This presentation contains forward-looking statements and is subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally. Compal do not undertake any duty to update any forward-looking statement.



A Winning Combination



Founded: 1984

NT\$600bn+ Revenue

Worldwide 40,000+ Employees

Global leading NB manufacturer
and evolving to PC+ products



Founded: 1999

NT\$45bn+ Revenue

Worldwide 6,000+ Employees

Strong Smartphone design and
manufacturing expertise



Structure

Through two steps to achieve the consolidation:

- ▶ **Cash** tender to acquire **maximum 52.22%** of CCI outstanding shares.
- ▶ CCI **merger by absorption** into CEI.

Valuation

- ▶ Cash tender offer price: **NT\$50.8** / per share.
- ▶ Consideration amount will be **up to NT\$16.13bn.**
- ▶ Around **25% premium**, compared to CCI's 1m averaged stock prices.

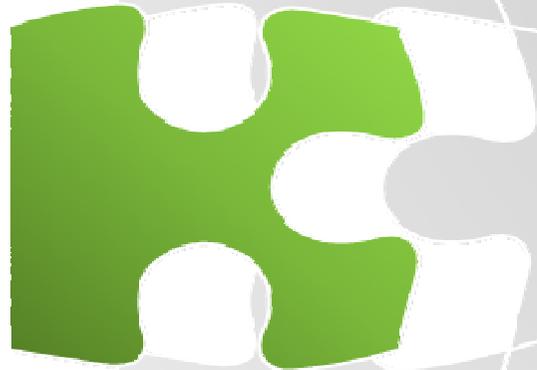
Funding

- ▶ Funding by **internal cash** and operating cash flow.
- ▶ No share dilution and no impact on ability to payout dividends.

Schedule

- ▶ Tender offer period: **Oct 1st, 2013 - Nov 19th, 2013**
- ▶ The deal is expected to be closed no later than **April of 2014**, subject to the approvals of the relevant legal and regulatory authorities.

Expected Synergies



Expanded R&D Capabilities

Diversified Product Offering

Enhanced Value for Customers

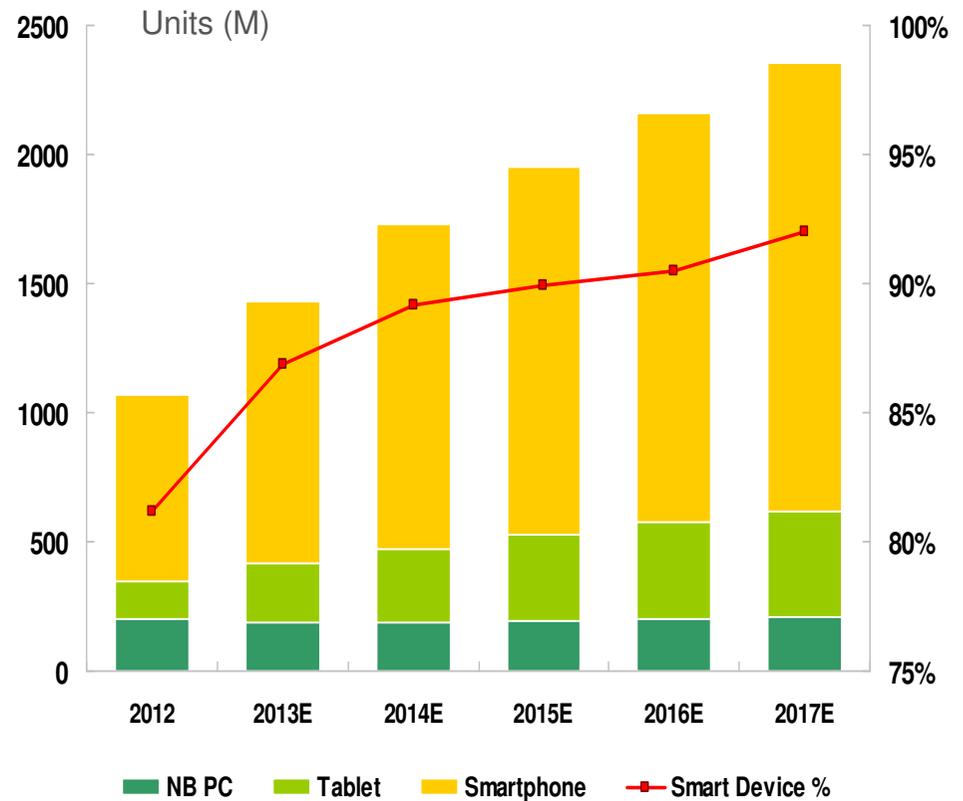
Increased Economies of Scale

Increase Profitability and ROE

Aligned With Growth Markets

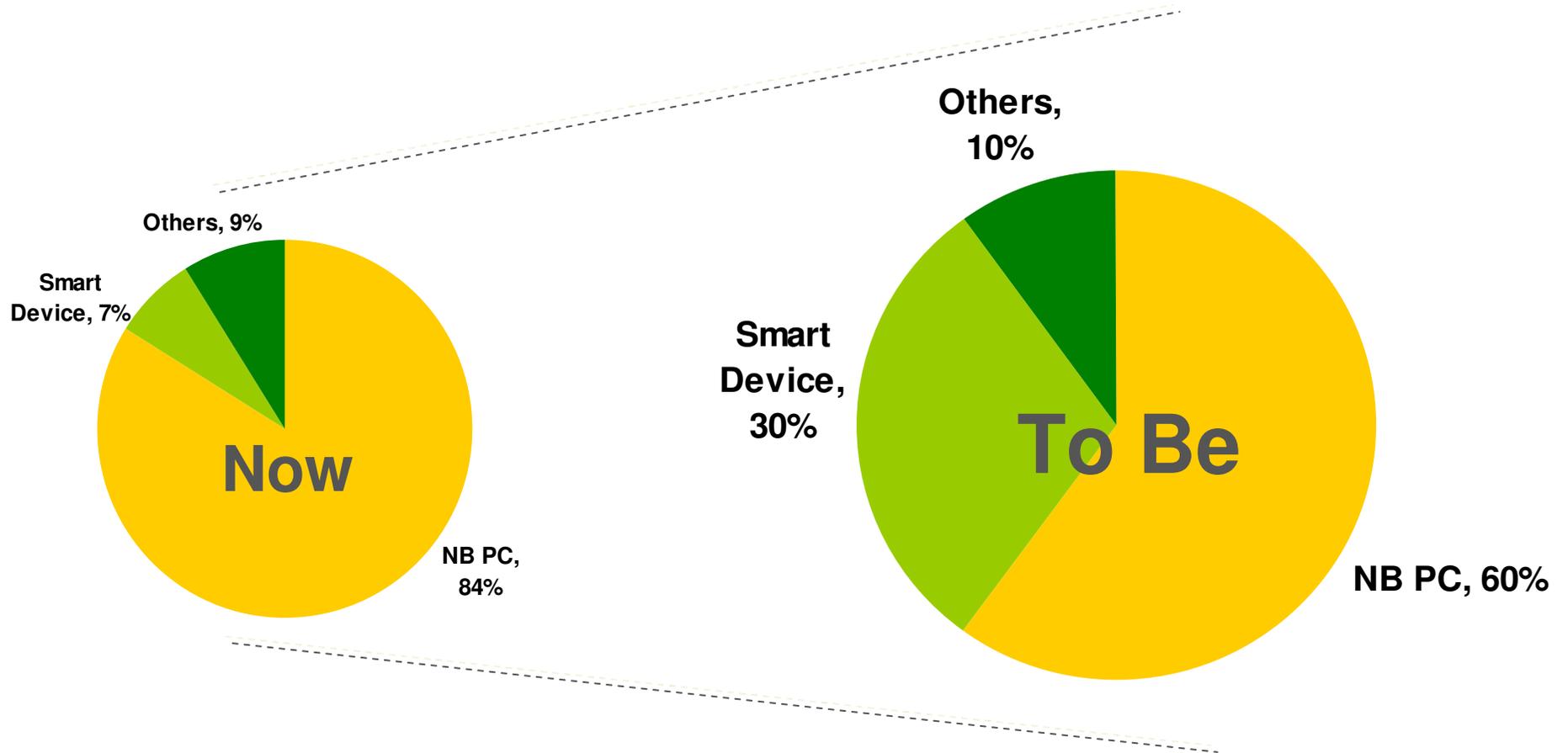
- ▶ **3-in-1 Growth Strategy**
(NB, Tablet, Smartphone)
- ▶ **17% CAGR through 2017E**
- ▶ **Market Share Expansion**

Global 3-in-1 Device Market



Source: IDC Worldwide PC, Tablet, Smartphone Forecasts, 2013.09

Accelerating Diversification



* Others: Include AIO, Display, Networking, Server...etc.

Long-Term Value Creation

- Synergies in R&D, technology innovations, enhanced wireless and carrier expertise, global operations, supply chain relationships and executive management.
- Leverage CCI's long-term expertise in wireless communication, to provide a full range of services / products to customers.
- Align for the future by creating a truly differentiated ODM which will offer our customers unique value in a one stop solution for smartphone, tablet, notebook, all-in-one PC and display products.
- Positions Compal to deliver increased value to our shareholders by aligning our core business with the growing mobile markets.



Q&A

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