Dear Shareholders,

The 2014 Annual Shareholders’ Meeting (the “Meeting”) of Compal Electronics, Inc. (the “Company”) will be convened at 9:00 am, Friday, June 20, 2014 at Compal Headquarter, B1 (No. 581, Ruiguang Rd., Neihu District, Taipei, 11492, Taiwan).

I. The agenda for the Meeting is as follows:

1. **Report Items**
   1. Report on Business for the year 2013;
   2. Report of Supervisors’ Examination for the year 2013 Financial Statements; and
   3. Report on the implementation status of the merger between the Company and Compal Communications Ltd.

2. **Ratification Items**
   1. To ratify the Financial Statements Report for the year 2013; and
   2. To ratify the Distribution of Earnings for the year 2013

3. **Discussion and Election Items**
   1. To approve the proposal of cash distribution from capital surplus;
   2. To approve the amendment to the Articles of Incorporation;
   3. To approve the amendment to the Procedures for Acquisition or Disposal of Assets;
   4. To approve the amendment to the Procedures for Financial Derivatives Transactions;
   5. To approve the amendment to the Regulations for Election of Directors and Supervisors;
   6. To approve the Employee Restricted Stock Awards
   7. Election of additional one (1) Director of the 11th term
   8. To approve the release of non-competition restrictions for Directors

4. **Special Motion(s)**

II. The amount of earnings for the year 2013 available for distribution to shareholders as dividend and bonus is NT$ 2,177,667,913. Such amount is proposed to be distributed in the form of cash dividend. Each shareholder will be entitled to receive a cash dividend of NT$0.5 per share.

III. In accordance with Article 241 of the Company Act, the Company proposes a cash distribution of NT$ 2,177,667,913 from capital surplus in excess of par value of common shares issued to the registered shareholders on the record date, and the expected cash distribution will be NT$0.5 per share.
IV. Pursuant to Article 209 of the Company Act, it is proposed to submit to the general meeting for resolution the proposal of releasing the non-competition restrictions on Directors (Mr. Wen-Chung Shen, Mr. Yung-Ching Chang, Mr. Shyh-Yong Shen, Kinpo Electronics, Inc., and the newly-elected Director), without prejudice to the interests of the Company.

V. The shareholder voting right could be exercised through the Internet during the period from May 21, 2014 to June 17, 2014. Please login to the TDCC (Taiwan Depository & Clearing Corporation) website (http://www.stockvote.com.tw) to exercise voting rights in accordance with the online instruction.

VI. Please note and act accordingly.

Sincerely Yours,

Board of Directors
Compal Electronics, Inc.