



CEP CORPORATE
EQUITY
PARTNERS

Corporate Equity Partners-Group
Half-year financial report 2011

Addresses

Corporate Equity Partners AG

Company office:
Obmoos 4
CH-6301 Zug
Switzerland

Subsidiaries

The Fantastic TM GmbH
Obmoos 4
CH-6301 Zug
Switzerland

Corporate Equity Direct GmbH
Obmoos 4
CH-6301 Zug
Switzerland

Legal Notes

Advice on statements relating to the future

This Half-year Financial Report reflects the position of the Corporate Equity Partners Group on June 30, 2011.

Where this was possible, current developments have also been reported upon. However, the Half-year Financial Report also contains forward-looking statements which refer to future events or future financial developments. Such future-related statements are characterized by terms such as “will”, “expects”, “could”, “estimates”, “plans”, “intends”, “is of the opinion”, “predicts” or similar terms. Statements relating to the future include uncertainties, known and unknown risks and/or other factors, that could lead, individually or in their interaction, to a situation in which the actual financial situation and/or the actual results, services or similar of Corporate Equity Partner AG differ from what is directly or implicitly expected in the statements relating to the future. The possible deviations may even be substantial in scope.

Factors that have an influence on the actual development of the company are e. g. the development of the market, the general economic development in the countries and industries in which the company is active, the gaining/loss of qualified employees, fluctuations in the currency exchange rates, alterations in legislation and/or the regulatory environment, including taxation law but also including terrorist attacks, force majeure, acts of war, plague, inner unrest etc.*

The company warns investors explicitly against relying to a high degree upon statements relating to the future. These only reflect the opinion of management at the point in time that this half-year Financial Report was drawn up. Corporate Equity Partners AG accepts no obligation to realize or adhere to these future-related statements.

* This list is intended to give examples and is by no means complete.

Group Summary (according to IFRS)

EARNINGS SITUATION	01.01. – 30.06.2011	01.01. – 30.06.2010
	EUR	EUR
Sales revenues	0	0
Gross Profit	0	0
Operating Result (EBIT)	-212,919	-289,130
Net profit or loss for the period	-212,279	-288,542
Overall result	-190,175	-145,724

CASH FLOW	EUR	EUR
	Cash-Flow from Current Business Activity:	-221,131
Cash flow from investment activities	-1,162	-3,732
Cash flow from financing activities	0	0
Profits / Losses due to exchange rate fluctuations	22,948	141,379
Increase /Decrease in Cash or Cash Equivalents	-199,345	-185,984
Current Assets at the End of the half-year	951,151	1,249,191

ASSET/CAPITAL STRUCTURE	30.06.2011	31.12.2010
	EUR	EUR
Non-current Assets (Fixed Assets)	10,590	10,384
Short-term assets (current assets)	978,654	1,161,927
Current Liabilities	97,122	90,014
Long-term Liabilities	0	0
Equity capital	892,122	1,082,297
Equity Ratio	90.2%	92.3%
Total Assets	989,244	1,172,311

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Report of the Board of Directors

Dear Shareholders,
Dear Friends of the Company,

The first half of 2011 was again characterized by the search for acquisition candidates or partner companies for which initiating a stock exchange listing represented a meaningful option in terms of the corporate strategy.

The Board of Directors has identified several possible industries and subject areas that are regarded as having growth potential and a promising future. In the process, primarily the growth areas of green technology, information technology, sports brands and restructuring situations were systematically investigated and specific participation possibilities were examined.

One transaction that was examined and negotiated in recent months failed due to differing notions of value, because business for the company in question had improved significantly since the beginning of the year and the owners had now lost interest in a prompt sale at a price that we deemed favorable. The Board of Directors declined another transaction because the relevant evaluation parameters had deteriorated significantly and the Directors felt that it would no longer be a productive acquisition.

The Board of Directors has established a comprehensive project pipeline which they are currently working through. The Board of Directors considers that the significant correction to the share and financial markets made after the reporting date is improving the acquisition situation in the 2nd half of 2011 because more companies are looking for equity capital; at the same time, there is less credit-financed competition in the market and evaluations are tending to fall. On the other hand, the sales and results of the target companies are subject to increased economic uncertainty, making careful investigation necessary.

The Board of Directors thanks all business partners, friends, and shareholders of the company for the trust placed in them. We will continue to work hard in the future to justify the trust placed in us and make the shares of Corporate Equity Partners AG a successful investment.

Notes on the Consolidated Interim Financial Statements as of June 30, 2011

The asset side of the **balance sheet** is characterized mainly by a decline in liquid assets of EUR 199,345 or -17.3% to EUR 951,151 compared to December 31, 2010 as a result of Group operating costs (as of December 31, 2010: EUR 1,150,496).

Claims against third parties increased by EUR 11,973 or 131.8% from EUR 9,087 (December 31, 2010) to EUR 21,060. Accrued income increased by EUR 4,099 or 174.9% from EUR 2,344

(December 31, 2010) to EUR 6,443. Current assets, which made up 98.9% of the total assets of the Corporate Equity Partners Group on June 30, 2011, declined in the reporting period from EUR 1,161,927 to EUR 978,654 (EUR -183,273 or -15.8%.)

Long term assets rose from EUR 10,384 to EUR 10,590 (increase of EUR 206 or 2.0%.) The balance sheet total decreased by EUR 183,067 or 15.6% from EUR 1,172,311 to EUR 989,244.

On the liabilities side of the balance sheet, trade accounts payable increased by EUR 49,320 or 841.6% to EUR 55,180 (as of December 31, 2010: EUR 5,860). Other liabilities decreased by EUR 7,739 or 45.0% from EUR 17,192 as of December 31, 2010 to EUR 9,453. Accrued liabilities declined from EUR 65,449 as of December 31, 2010 by EUR 32,984 or 50.4% to EUR 32,465.

Corporate Equity Partners Group showed no long term liabilities on neither December 31, 2010 nor June 30, 2011.

The equity capital of the Corporate Equity Partners-Group declined by EUR 190,175 or 17.6% from EUR 1,082,297 to EUR 892,122. This was caused by a loss for the half-year of EUR 212,279. Currency differences amounting to EUR 22,104 reduced the decline in equity capital slightly. The equity ratio was 90.2% compared with 92.3% on December 31, 2010.

The **statement of recognized income and expense** does not show any revenues in the interim financial statement for the first half of 2011. Personnel costs dropped compared with the same period last year by EUR 6,849 or 5.8% to EUR 111,490 (previous year's period: EUR 118,339).

There were marked changes in administrative expenses and general costs, which dropped by EUR 72,319 or 42.1% from EUR 171,635 (previous year's period) to EUR 99,316. This decrease was mainly due to much lower costs for external consultants, rents and other incidental expenses.

In the reporting period, other operating revenue and other operating costs were both EUR 0. Other operating revenue of EUR 968 was achieved in the same period last year.

The loss from operations before interest, taxes, amortization and depreciation came to EUR -210,806 (previous year's comparison period EUR -289,006), primarily as a result of considerably lower expenses for administration and general costs as well as reduced personnel costs: an improvement of EUR 78,200 or 27.1% over the 2010 comparison period.

Write-offs rose from EUR 1,327 to EUR 2,113. Profits of EUR 1,203 from the sale of a subsidiary accrued in the previous year's comparison period. There were no comparable profits in the reporting period. The operating result (EBIT) thus improved by EUR 76,211 or 26.4% from EUR -289,130 (previous year) to EUR -212,919. The financial result increased to EUR 588 compared with EUR -640 in the same period in 2010.

The loss for the half-year 2011 amounted to EUR 212,279 compared with EUR 288,542 in the previous year's comparison period. This is equivalent to a reduction in the loss for the period of EUR 76,263 or 26.4%. As the result of positive currency differences amounting to EUR 22,104 (previous year's comparison period: EUR 142,818), the overall result for the first half of 2011 is EUR -190,175. This represents a deterioration of EUR 44,451 or 30.5% over in the same period of the previous year (only EUR -145,724) and is due solely to the significantly higher positive currency differences in the first half-year of 2010.

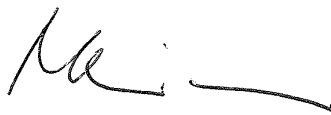
The **Cash Flow Statement** shows a total cash outflow of EUR 199,345 that is primarily attributable to a cash outflow from current business activities amounting to EUR 221,131. Exchange rate differences of EUR 22,948 reduced the cash outflow in euros. Cash flow from investment activity stood at EUR -1.162 and the cash flow from financing activity at EUR 0.

Liquid funds amounted to EUR 951,151 as of June 30, 2011 after standing at EUR 1,150,496 on December 31, 2010.

Zug, August 31, 2011



Oliver Krautscheid
*President of the
Board of Directors*



Roger Meier
*Deputy President of the
Board of Directors*



Markus Gildner
*Member of the
Board of Directors*

Interim Financial Statements of the Corporate Equity Partners Group



CEP CORPORATE
EQUITY
PARTNERS

as of June 30, 2011

This half-year financial report has not been audited, nor has it been
examined by the auditor

Interim Consolidated Balance Sheet

ASSETS

		30 June 2011	31 Dec 2010
	Reference to the Appendix	EUR	EUR
<i>Short-term assets (current assets)</i>			
Cash and Cash Equivalents	6	951,151	1,150,496
Receivables from Third Parties		21,060	9,087
Accruals and Deferrals		6,443	2,344
<i>Total Current Assets</i>		978,654	1,161,927
<i>Non-current Assets (Fixed Assets)</i>			
FIXED ASSETS			
EDP equipment		10,589	10,383
INTANGIBLE ASSETS			
Rights and Licenses		1	1
<i>Total long-term assets</i>		10,590	10,384
TOTAL ASSETS		989,244	1,172,311

LIABILITIES

		30 June 2011	31 Dec 2010
	Reference to the Appendix	EUR	EUR
<i>Current Liabilities</i>			
Liabilities from Deliveries and Services		55,180	5,860
Other Liabilities		9,453	17,192
Tax Liabilities		24	1,513
Accrued Liabilities		32,465	65,449
<i>Total Current Liabilities</i>		97,122	90,014
<i>Total Long-term Liabilities</i>		0	0
<i>Equity capital</i>			
Share Capital	7	1,438,190	1,438,190
Currency differences		767,257	745,153
NET PROFIT/LOSS FOR THE YEAR			
Profit / Loss Brought Forward		-1,101,046	-611,860
- Net loss for the period		-212,279	-489,186
<i>Total Equity Capital</i>		892,122	1,082,297
TOTAL LIABILITIES		989,244	1,172,311

Statement of Recognized Income and Expense

		1 Jan – 30 June 2011	1 Jan – 30 June 2010
	Reference to the Appendix	EUR	EUR
Sales revenues		0	0
Cost of Services Provided		0	0
Gross Profit		0	0
Personnel Costs		-111,490	-118,339
Administration and General Costs	5	-99,316	-171,635
Other Operational Costs		0	0
Other Operating Income		0	968
Total Operating Expenses		-210,806	-289,006
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)		-210,806	-289,006
Depreciation		-2,113	-1,327
Profit from the sale of a subsidiary company	8	0	1,203
Operating Result (EBIT)		-212,919	-289,130
Financial Income		644	841
Financial Expenses		-441	-580
Capital Gains/Losses (net)		437	327
Total financial result		640	588
Pre-Tax Profit/Loss		-212,279	-288,542
Taxes		0	0
Net loss for the period		-212,279	-288,542
Undiluted and diluted result per share		¹⁾ -0.0303	¹⁾ -0.0411
¹⁾ Number of shares: 7.016.400			
NET LOSS FOR THE PERIOD		-212,279	-288,542
Other Results			
- Currency differences		22,104	142,818
OVERALL RESULT		-190,175	-145,724

Consolidated cash flow statement

	Reference to the Appendix	1 Jan – 30 June 2011	1 Jan – 30 June 2010
		EUR	EUR
<i>Cash-Flow from Current Business Activity:</i>			
Pre-tax loss for the period		-212,279	-288,542
<i>Reconciliation of loss in period to cash outflow from current business activities:</i>			
Depreciation		2,113	1,327
Financial Income		-644	-841
Financial Expenses		441	580
Decrease / Increase in Short-term Receivables		-15,281	4,012
Decrease / Increase in Short-term Liabilities		4,316	-40,428
Paid interest and dividends		-441	-580
Received interest and dividends		644	841
<i>Cash Inflow (Outflow) from Current Business Activity</i>		-221,131	-323,631
<i>Cash-Flow from Investment Activity:</i>			
Investments in movable tangible assets		-1,162	-3,732
<i>Cash Inflow (Outflow) from Investment Activity</i>		-1,162	-3,732
<i>Cash-Flow from Financing Activity:</i>			
<i>Cash Inflow (Outflow) from Financing Activity</i>		0	0
Profits / Losses due to exchange rate fluctuations		22,948	141,379
Increase /Decrease in Cash or Cash Equivalents		-199,345	-185,984
Liquid assets at start of period		1,150,496	1,435,175
Liquid funds at end of period		951,151	1,249,191

Changes in shareholders' equity

All figures in EUR

Equity capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of 01.01.2010	1,438,190	533,725	-611,860	1,360,055
Positions from the overall results				
- Currency differences		142,818		142,818
- Net loss for the period			-288,542	-288,542
Overall result		142,818	-288,542	-145,724
Status as of 30.06.2010	1,438,190	676,543	-900,402	1,214,331

Equity capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of 01.01.2011	1,438,190	745,153	-1,101,046	1,082,297
Positions from the overall results				
- Currency differences		22,104		22,104
- Net loss for the period			-212,279	-212,279
Overall result		22,104	-212,279	-190,175
Status as of 30.06.2011	1,438,190	767,257	-1,313,325	892,122

Notes on the Consolidated Interim Financial Statements

1. Business Activity

Corporate Equity Partners AG is a Swiss Public Limited Company headquartered in Zug, Obmoos 4. As the result of reorganization, the company operated during the first six months, but did not generate any revenues from ordinary business activity.

2. Main Valuation and Accounting Methods

Preparation of the Consolidated Financial Statements

These Consolidated Interim Financial Statements, which have not been audited or reviewed by an auditor, were prepared in accordance with the generally recognized principles of International Accounting Standard (IAS) 34 "Interim Financial Reporting". The valuation and balance sheet methods were the same as those used in the 2010 consolidated financial statements. The reporting currency is the Euro since the Company will primarily generate revenue in Euro in its future business activities.

Consolidated group

These Consolidated Interim Financial Statements, which have not been audited or reviewed by an auditor, include the following companies: "Corporate Equity Partners AG" and its subsidiaries "The Fantastic TM GmbH and "Corporate Equity Direct GmbH" (together the "Group").

Corporate Equity Partners AG	Switzerland	Holding
The Fantastic TM GmbH	Switzerland	100%
Corporate Equity Direct GmbH	Switzerland	100%

The following subsidiary is no longer included in these Consolidated Financial Statements because it was sold to a member of the Board of Directors during the first half of 2010.

The Fantastic IP GmbH	Switzerland	100%
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Dissolution of the following subsidiary company in the USA, which was no longer consolidated into the group financial statements during the liquidation phase, was successfully completed in the first half of 2010:

			Liquidation Concluded
The Fantastic Corporation (USA) Inc.	USA	100%	May 2010

Revenue recognition

Revenues are recognized at the time of delivery of goods and acceptance of services by the customer.

Cash and Cash Equivalents

The company treats all capital investments with high fungibility and a due date of up to 3 months from the date of acquisition as liquid assets.

Pension Obligations

Staff pensions are calculated according to the regulations and customs in Switzerland. All employees have insurance coverage for retirement, invalidity, and death under the staff pension scheme "Sammelstiftung VITA" (Zurich). Occupational pension contributions are paid by the company and employees according to relevant legislation and the provisions of the respective schemes.

Due to statutory guarantees, the pension plan of CEP AG is classified under IAS 19 as performance-oriented. The pension obligations will be recalculated actuarially at the end of the year.

Tangible assets

Tangible assets are valued in accordance with IAS 16 at the lower of either the cost of acquisition or cost of production. Maintenance, repair and renovation costs are deducted from net income, whereas significant acquisitions of fixed assets are reflected in the balance sheet. Acquisition costs and accumulated depreciation relating to the retirement of these fixed tangible assets are netted off. Profits and losses resulting from the retirement of fixed tangible asset items are recorded in the statement of recognized income and expense. Tangible assets are depreciated on a linear basis over the period of their anticipated life.

Conversion of Foreign Currencies and Currency Differences

The accounting of the Group companies is carried out in the currency of the economic region in which the particular company is primarily active (functional currency). At present, this is especially the Swiss franc (CHF).

Transactions in foreign currencies are converted into the functional currency at the exchange rates that were applicable on the day of the transaction, or, if need be, at the average rate for the month. Balance sheet items in foreign currency are converted at the period-end exchange rate on the balance sheet date. Profits and losses from foreign currency transactions and from the revaluation at the period-end exchange rate are recorded as affecting net income.

The consolidated accounts are presented in Euro (presentation currency). The annual reports of the Group companies (currently especially CHF annual reports) are converted at the exchange rates valid on the balance sheet date, using the cut-off date method (balance sheet items at the exchange rate on the cut-off day, statement of recognized income and expense at the average exchange rate of the period). The resulting conversion differences are shown in the equity capital and are only recorded as affecting net income in the case of a possible deconsolidation of the Group company.

Income Taxes

Income taxes include all taxes that are applied to the taxable profit of the Company and its subsidiaries. Deferred taxes on as yet unused tax losses carried forward have – in accordance with IAS 12.24 and IAS 12.35 – not been recorded, as such amounts cannot be made use of with sufficient certainty.

Credit risks

Financial instruments that may represent a substantial credit risk to the company mainly relate to liquid assets and trade accounts receivable. The company holds cash deposits at various financial institutions. The company tries to minimize the risk of dependence on a single credit institute.

Market value of financial instruments

The book value of financial instruments such as liquid assets, receivables and liabilities primarily corresponds to the market value on account of the short due dates of these financial instruments.

3. Main Causes of Estimation Uncertainties

The preparation of the Consolidated Interim Financial Statements in accordance with the principles of proper accounting calls for estimates and assumptions by the company's Board of Directors. These estimates and assumptions may have an influence on the figures in the Consolidated Interim Financial Statements and on the related Notes. The actual results may differ from the estimates and assumptions made by the Board of Directors.

The Consolidated Interim Financial Statements of June 30, 2011 do not contain any significant causes of estimation uncertainty or special discretionary questions when using the accounting and valuation methods.

4. Legal Disputes

The Group and its affiliated companies were not involved in any court proceedings nor were they party to legal claims during the reporting period.

5. Business Transactions with Related Parties

According to IAS 24, relationships and business transactions with commercially related companies and natural persons shall be stated since their relationship can have an effect on the asset, financial, and revenue situation of the Group.

Salaries of Board Members and Management

All figures in EUR

	01.01.2011 – 30.06.2011			
	Oliver Krautscheid President of the Board of Directors	Roger Meier Member of the Board of Directors	Markus Gildner Member of the Board of Directors	Total
Salaries	0	0	0	0
Board members' fees	45,906	9,454	28,897	84,257
Consultancy Fees	0	0	0	0
Pension Contributions	1,619	0	1,337	2,956

01.01.2010 – 30.06.2010				
	Oliver Krautscheid President of the Board of Directors	Roger Meier Member of the Board of Directors	Markus Gildner Member of the Board of Directors	Total
Salaries	0	0	0	0
Board members' fees	39,688	4,177	22,934	66,799
Consultancy Fees	0	0	0	0
Pension Contributions	0	0	0	0

Other payments to related persons

	01.01.2011 – 30.06.2011		01.01.2010 – 30.06.2010	
Fees Lutz RA 1)	EUR	23,827	EUR	30,678
Global Agenda GmbH 2)	EUR	0	EUR	11,230
Total	EUR	23,827	EUR	41,908

¹⁾ Mr. Roger Meier, member of the Board of Directors, was a partner in "Lutz Rechtsanwälte", a firm of solicitors, until June 30, 2011.

²⁾ Mr Markus Gildner, member of the Board of Directors, is Managing Director of Global Agenda GmbH.

6. Cash and Cash Equivalents

	30.06.2011		31.12.2010	
Curr. Acc. Deposits	EUR	125,361	EUR	27,626
Deposits ¹⁾	EUR	825,790	EUR	1,122,870
Total Current Assets	EUR	951,151	EUR	1,150,496

¹⁾ The money market fund had a term of less than three months on the reporting date and is therefore viewed, in accordance with IFRS, as a cash equivalent.

7. Share Capital

	31.06.2011	31.12.2010
Number of registered shares	7,016,400	7,016,400
Number of authorized shares ¹⁾	3,400,000	3,399,984
Number of conditional shares ²⁾	1,200,000	1,200,000
Par value per share (CHF)	0.35	0.35
Share capital in EUR ³⁾	1,438,190	1,438,190

¹⁾ At the general meeting on June 28, 2011 the Board of Directors was authorized to increase the share capital at any time before June 28, 2013 to a maximum amount of CHF 1,190,000 by issuing a maximum of 3,400,000 fully paid up, transferable shares with a nominal value of CHF 0.35 per share.

²⁾ The Company's share capital will be converted at the market price on the date of the capital transaction.

8. Sale of subsidiary companies

Divestiture of a subsidiary company that impacted profit or loss took place during the same half-year in the previous year. However, no divestitures of subsidiaries took place during the reporting half-year.

Sale profit from the disposal of "The Fantastic IP GmbH"

	18.02.2010	
Cash and Cash Equivalents	EUR	7,977
Receivables	EUR	9
Accrued Liabilities	EUR	-10
<i>Net assets</i>	<i>EUR</i>	<i>7,976</i>
Sale price	EUR	9,157
<u>./. Net assets</u>	<u>EUR</u>	<u>-7,976</u>
Profit	EUR	1,181

9. Events After The Accounting Cut-off Date

None.

10. Approval by the Board of Directors

The Board of Directors approved the Consolidated Interim Financial Statements for publication on August 31, 2011.

11. Legally Binding Version

These Consolidated Interim Financial Statements appear in German and English. Only the German version is legally binding. The English version is a translation.

Imprint



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Publisher:

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Switzerland