

CEP CORPORATE
EQUITY
PARTNERS

Corporate Equity Partners-Group
Third Quarter 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 Quarterly Financial Report reflects the position of the Corporate Equity Partners Group on September 30, 2011.

Where this was possible, current developments have also been reported upon. However, the Third Quarter Financial Report also contains forward-looking statements that 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, performance 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, general economic development in the countries and industries in which the company is active, competition, the gaining/loss of qualified employees, fluctuations in currency exchange rates, changes in legislation and/or the regulatory environment, including taxation law, but also including terrorist attacks, force majeure, acts of war, plague, internal unrest, developments in international financial markets, etc. *

The Corporate Equity Partners Group explicitly warns investors against relying to a high degree upon statements relating to the future. These statements only reflect the opinion of management at the time of preparation of this Third Quarter Financial Report. The Corporate Equity Partners Group accepts no obligation to realize or adhere to these future-related statements.

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

Group Summary (according to IFRS)

EARNINGS SITUATION	01.01. – 09.30.2011	01.01. – 09.30.2010
	EUR	EUR
Sales revenues	0	0
Gross Profit	0	0
Operating Result (EBIT)	-322,627	-378,784
Net profit or loss for the period	-321,461	-377,171
Overall result	-300,274	-233,795

CASH FLOW	EUR	EUR
	Cash flow from current business activities	-344,208
Cash flow from investment activities	-4,179	-2,651
Cash flow from financing activities	0	0
Profits / Losses due to exchange rate fluctuations	20,037	144,592
Increase/decrease in liquid assets	-328,350	-283,746
Liquid assets at the end of the 3rd quarter	822,146	1,151,429

ASSET/CAPITAL STRUCTURE	09.30.2011	12.31.2010
	EUR	EUR
Non-current Assets (Fixed Assets)	10,527	10,384
Short-term assets (current assets)	844,790	1,161,927
Current Liabilities	73,294	90,014
Long-term Liabilities	0	0
Equity capital	782,023	1,082,297
Equity Ratio	91.4%	92.3%
Total Assets	855,317	1,172,311

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Report of the Board of Directors

Dear Shareholders,
Dear Friends of the Company,

The third quarter of 2011 was again characterized by the search for acquisition candidates or partner companies for which a public listing represents a meaningful option in terms of the corporate strategy or companies that offer a value-oriented investment opportunity for Corporate Equity Partners AG, due to a restructuring situation.

The Board of Directors has identified several possible industries and subject areas that are regarded as having growth potential and a lucrative future. In the process, mainly sports and fashion brands and green technology companies were systematically investigated after midyear. Following a rather difficult environment for company acquisitions in recent months, the Board of Directors currently sees noticeable improvements.

A pipeline, developed by the Board of Directors, with concrete participation opportunities that fit the range of the company's economic possibilities is being examined in depth. Advanced negotiations are currently being conducted with one company, although no definite statement concerning an investment by Corporate Equity Partners AG can be made at this point.

At the end of the third quarter there are signs that, due to the accumulated losses of the Corporate Equity Partners Group, financial reorganization measures, which also include an increase in capital, will be necessary in the near future. This is necessary because of both existing regulations for Swiss companies and for successful pursuit of planned company acquisition.

The Board of Directors thanks all business partners, friends, and shareholders of the company for the trust placed in them. We shall also work hard in future to justify the trust placed in us and create the economic conditions for positive development of Corporate Equity Partners AG's share price.

Notes to the Consolidated Interim Financial Statements as of September 30, 2011

The asset side of the **balance sheet** is characterized mainly by a decline in liquid assets of EUR 328,350 or 28.5% to EUR 822,146 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 9,323 or 102.6% from EUR 9,087 (as of December 31, 2010) to EUR 18,410. Accrued income increased by EUR 1,890 or 80.6% from EUR 2,344 (December 31, 2010) to EUR 4,234.

Current assets, which made up 98.8% of the total assets of the Corporate Equity Partners Group on September 30, 2011, declined in the reporting period from EUR 1,161,927 to EUR 844,790 (EUR -317,137 or -27.3%.)

Long term assets rose from EUR 10,384 to EUR 10,527 (increase of EUR 143 or 1.4%.) The balance sheet total decreased by EUR 316,994 or 27.0% from EUR 1,172,311 to EUR 855,317.

On the liabilities side of the balance sheet, trade accounts payable increased by EUR 18,607 or 317.5% to EUR 24,467 (as of December 31, 2010: EUR 5,860.)

Other liabilities decreased by EUR 11,840 or 68.9% from EUR 17,192 as of December 31, 2010 to EUR 5,352. Accrued liabilities declined from EUR 65,449 as of December 31, 2010 by EUR 21,998 or 33.6% to EUR 43,451. Corporate Equity Partners Group showed no long-term liabilities on either December 31, 2010 or September 30, 2011.

The equity capital of the Corporate Equity Partners Group declined by EUR 300,274 or 27.7% from EUR 1,082,297 to EUR 782,023. This was caused by a loss for the nine-month period of EUR 321,461. An increase in currency differences of EUR 21,187 slightly reduced the decline in equity capital. The equity ratio was 91.4% compared with 92.3% on December 31, 2010.

The **statement of comprehensive income** does not show any revenues in the interim financial statement for the first three quarters of 2011.

The statement of comprehensive income for Corporate Equity Partners Group is presented in EUR while expenses primarily accrue in Swiss francs. As part of the prevailing national debt crisis, the relationship of the EUR to the Swiss franc has changed significantly, at the expense of the EUR. Consequently, Corporate Equity Partners Group shows considerably higher expenses in EUR than actually accrued in Swiss francs. This means that unchanged or even reduced accrued expenses presented in EUR could suggest increases in expenses that are, however, completely or substantially currency-related. Similarly, expense reductions presented in EUR do not reflect the actual extent of savings. This characteristic of Corporate Equity Partner Group means that statements concerning the previous period (Third Quarter Report 2010) have only limited comparability with current statements of value.

Compared with the same period last year, personnel costs increased by EUR 15,508 or 9.9% to EUR 172,013 (previous year's period: EUR 156,505.) In addition to other items, project-related travel expenses for analyses and negotiations with potential takeover targets were posted to personnel expense.

There were significant changes in administrative and general expenses, which were reduced by EUR 78,218 or 35.2% from EUR 222,477 (previous year's period) to EUR 144,259. This decrease was mainly due to much lower costs for consultants, rents and other incidental expenses.

The loss from operations before interest, taxes, amortization and depreciation came to EUR -316,276 (previous year's comparison period EUR -377,989), primarily as a result of considerably

lower expenses for administration and general costs as well as reduced personnel costs: an improvement of EUR 61,717 or 16.3% over the 2010 comparison period.

Write-offs rose from EUR 1,976 to EUR 6,355. Profits of EUR 1,181 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 56,157 or 14.8% from EUR -378.784 (previous year) to EUR -322.627. The financial result declined from EUR 1,613 in the previous year's comparison period to EUR 1,166.

The loss for the first nine months of 2011 amounted to EUR 321,461, following a loss of EUR 377,171 in the previous year's comparison period. This is equivalent to a reduction in the loss for the period of EUR 55,710 or 14.8%. Due to positive currency differences in the amount of EUR 21,187 (previous year's comparison period: positive currency differences in the amount of EUR 143,376), the overall result for the first three quarters of 2011 amounts to EUR -300,274. This represents a deterioration of EUR 66,479 or 28.4% compared to the previous year's comparison period, when it only amounted to EUR -233,795 and is due solely to the significantly higher positive currency differences in the first nine months of the 2010 financial year.

The **Cash Flow Statement** shows a total cash outflow of EUR 328,350 (January 1 to September 30, 2010: cash outflow in the amount of EUR 283,746) that is primarily attributable to a cash outflow from current business activities amounting to EUR 344,208 (previous year's comparison period: cash outflow in the amount of EUR 425,687.) Exchange rate differences of EUR 20,037 (previous year's comparison period: EUR 144,592) reduced the cash outflow in euros.

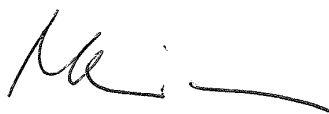
Cash flow from investment activity stood at EUR -4,179 (previous year's period: EUR -2,651). Cash flow from financing activity in the first nine months of the 2010 and 2011 financial years was EUR 0 in each case.

Liquid funds amounted to EUR 822,146 as of September 30, 2011, after standing at EUR 1,150,496 on December 31, 2010.

Zug, November 30, 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 September 30, 2011

These Third Quarter Interim Financial Statements have not been audited,
nor have they been examined by the auditor

Interim Consolidated Balance Sheet

ASSETS

		Sep. 30, 2011	Dec. 31, 2010
	Reference to the Appendix	EUR	EUR
<i>Short-term assets (current assets)</i>			
Cash and Cash Equivalents	6	822,146	1,150,496
Receivables from Third Parties		18,410	9,087
Accruals and Deferrals		4,234	2,344
<i>Total Current Assets</i>		844,790	1,161,927
<i>Non-current Assets (Fixed Assets)</i>			
FIXED ASSETS			
EDP equipment		10,526	10,383
INTANGIBLE ASSETS			
Rights and Licenses		1	1
<i>Total long-term assets</i>		10,527	10,384
TOTAL ASSETS		855,317	1,172,311

LIABILITIES

		Sep. 30, 2011	Dec. 31, 2010
	Reference to the Appendix	EUR	EUR
<i>Current Liabilities</i>			
Liabilities from Deliveries and Services		24,467	5,860
Other Liabilities		5,352	17,192
Tax Liabilities		24	1,513
Accrued Liabilities		43,451	65,449
<i>Total Current Liabilities</i>		73,294	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		766,340	745,153
NET PROFIT/LOSS FOR THE YEAR			
- Profit / Loss Brought Forward		-1,101,046	-611,860
- Net loss for the period		-321,461	-489,186
<i>Total Equity Capital</i>		782,023	1,082,297
TOTAL LIABILITIES			
		855,317	1,172,311

Statement of Comprehensive Income

		Jan. 1 – Sep. 30, 2011	Jan. 1 – Sep. 30, 2010
	Reference to the Appendix	EUR	EUR
Sales revenues			0
Cost of Services Provided		0	0
Gross Profit		0	0
Personnel Costs	5	-172,013	-156,505
Administration and General Costs		-144,259	-222,477
Other Operating Income		0	993
Total Operating Expenses		-316,272	-377,989
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)		-316,272	-377,989
Depreciation		-6,355	-1,976
Profit from the sale of a subsidiary company	8	0	1,181
Operating Result (EBIT)		-322,627	-378,784
Financial Income		926	1,226
Financial Expenses		-587	-764
Capital Gains/Losses (net)		827	1,151
Total financial result		1,166	1,613
Pre-Tax Profit/Loss		-321,461	-377,171
Taxes		0	0
Net loss for the period		-321,461	-377,171
Undiluted and diluted result per share		¹⁾ -0.0458	¹⁾ -0.0538
¹⁾ Number of shares: 7,016,400			
NET LOSS FOR THE PERIOD		-321,461	-377,171
Other Results			
- Currency differences		21,187	143,376
OVERALL RESULT		-300,274	-233,795

Consolidated Cash Flow Statement

		Jan. 1 – Sep. 30, 2011	Jan. 1 – Sep. 30, 2010
	Reference to the Appendix	EUR	EUR
<i>Cash-Flow from Current Business Activity:</i>			
Pre-tax loss for the period		-321,461	-377,171
<i>Reconciliation of loss in period to cash outflow from current business activities:</i>			
Depreciation		6,355	1,976
Financial Income		-926	-1,226
Financial Expenses		587	764
Decrease / Increase in Short-term Receivables		-10,690	9,650
Decrease / Increase in Short-term Liabilities		-18,412	-60,142
Paid interest and dividends		-587	-764
Received interest and dividends		926	1,226
<i>Cash Inflow (Outflow) from Current Business Activity</i>		-344,208	-425,687
<i>Cash-Flow from Investment Activity:</i>			
Investments in movable tangible assets		-4,179	-3,831
Profit from sale of subsidiary company	8	0	1,180
<i>Cash Inflow (Outflow) from Investment Activity</i>		-4,179	-2,651
<i>Cash-Flow from Financing Activity:</i>			
<i>Cash Inflow (Outflow) from Financing Activity</i>		0	0
Profits / Losses due to exchange rate fluctuations		20,037	144,592
Increase /Decrease in Cash or Cash Equivalents		-328,350	-283,746
Liquid assets at start of period		1,150,496	1,435,175
Liquid funds at end of period		822,146	1,151,429

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		143,376		143,376
- Net loss for the period			-377,171	-377,171
Overall result		143,376	-377,171	-233,795
Status as of 09.30.2010	1,438,190	677,101	-989,031	1,126,260

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		21,187		21,187
- Net loss for the period			-321,461	-321,461
Overall result		21,187	-321,461	-300,274
Status as of 09.30.2011	1,438,190	766,340	-1,422,507	782,023

Notes to 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 nine 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 September 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 – 09.30.2011			
	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	68,926	16,078	43,387	128,391
Consultancy Fees	0	0	0	0
Pension Contributions	3,083	0	2,068	5,151

	01.01.2010 – 09.30.2010			
	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	59,713	6,430	34,505	100,648
Consultancy Fees	0	0	0	0
Pension Contributions	0	0.	0.	0.

Other payments to related parties

	01.01.2011 – 09.30.2011		01.01.2010 – 09.30.2010	
Fees Erne Meier Mongiovi ¹⁾	EUR	16,608	EUR	0
Fees Lutz RA ²⁾	EUR	24,559	EUR	43,515
Global Agenda GmbH ³⁾	EUR	0	EUR	11,526
Total	EUR	41,167	EUR	55,041

¹⁾ Mr. Roger Meier, member of the Board of Directors, has been a partner in the law firm of "Erne Meier Mongiovi Rechtsanwälte" since July 1, 2011.

²⁾ Mr. Roger Meier, member of the Board of Directors, was a partner in the law firm of "Lutz Rechtsanwälte" until June 30, 2011.

³⁾ Mr Markus Gildner, member of the Board of Directors, is Managing Director of Global Agenda GmbH.

6. Cash and Cash Equivalents

	09.30.2011		12.31.2010	
Curr. Acc. Deposits	EUR	165,346	EUR	27,626
Deposits ¹⁾	EUR	656,800	EUR	1,122,870
Total Current Assets	EUR	822,146	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

	09.30.2011	12.31.2010
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 ²⁾	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 previous year's comparison period. However, no divestitures of subsidiaries took place during the reporting period in 2011.

Sale profit from disposal of "The Fantastic IP GmbH"

	02.18.2010	
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

Net currency inflow from sale of "The Fantastic IP GmbH"

	09.27.2010	
Sale price	EUR	9,157
<u>./. Subsidiary liquid assets</u>	<u>EUR</u>	<u>-7,977</u>
Net currency inflow	EUR	1,180

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 November 30, 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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PARTNERS

Publisher:

Corporate Equity Partners AG
Obmoos 4
CH-6301 Zug

Switzerland