CEP CORPORATE EQUITY PARTNERS AG

Corporate Equity Partners-Group
Annual Report 2011

Addresses

Corporate Equity Partners AG with offices: Obmoos 4, CH-6301 Zug (Switzerland)

Subsidiary Companies as of Dec. 31, 2011

- The Fantastic TM GmbH, Obmoos 4, CH-6301 Zug
- Corporate Equity Direct GmbH, Obmoos 4, CH-6301 Zug

Legal Notes

Advice on statements relating to the future

This annual report reflects the position of the Corporate Equity Partners Group per December 31, 2011. Where this was possible, current developments have also been reported upon. The 2011 annual report also contains some statements relating to the future, that relate 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. 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 Partners 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 for example the development of the market, the general economic situation in the countries and industries in which the company is active, the hiring or losing of qualified employees, fluctuations in currency exchange rates, alterations in legislation and/or the regulatory environment, including taxation law, and also terrorist attacks, force majeure, acts of war, plague, civil unrest, etc.*

The Corporate Equity Partners Group explicitly warns investors against placing undue reliance on statements relating to the future. These only reflect the opinion of the management at the point in time that this 2011 annual report was drawn up. The Corporate Equity Partners Group accepts no obligation to implement or adhere to these future-related statements.

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

CEP CORPORATE EQUITY PARTNERS AG

Group Summary (according to IFRS)

	01. Jan – Dec 31, 2011	01. Jan – Dec 31, 2010
	EUR	EUR
Sales revenues	0	0
Gross Profit	0	0
Operating Result (EBIT)	-474,474	-491,219
Annual Result	-475,258	-489,186

	EUR	EUR
Cash-Flow from Operating Activities	-450,567	-503,255
Cash-Flow from Investment Activity	-17,073	-7,078
Cash-Flow from Financing Activity	0	0
Profits / Losses due to exchange rate fluctuations	23,212	225,654
Changes in Liquid Assets	-444,428	-284,679
Liquid Assets at the End of the Year	706,068	1,150,496

	as of Dec 31, 2011	as of Dec 31, 2010
	EUR	EUR
Fixed Assets	19,560	10,384
Current Assets	722,347	1,161,927
Current Liabilities	113,894	90,014
Long-term Liabilities	0	0
Equity capital	628,013	1,082,297
Equity Ratio	84.6%	92.3%
Total Assets	741,907	1,172,311

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Report of the Board of Directors

Dear Shareholders,
Dear Friends of the Company,

In the previous year, 2011, the Board of Directors has continued its systematic search for companies that have a business in which Corporate Equity Partners AG can acquire a majority shareholding. During this process, an extensive pipeline of qualified participation opportunities was created, different companies and business models were carefully analyzed, and concrete investment agreements were negotiated. The focus lay on companies that are in the process of restructuring, and offer a value-oriented investment opportunity for our company.

The economic conditions were affected by the financial and Euro debt crisis of historical proportions, which has been going on for some years. This led to especially high risks associated with the verification of corporate planning that formed the basis for an evaluation and the determination of the purchase price. Apart from that, the market for acquisition finance dried up, which restricted our company's room to maneuver. As a consequence, the whole market for mergers and acquisitions shrank considerably compared to the volumes experienced in the boom times of 2007.

With all this in the background, the Board of Directors formed the opinion that an acquisition at any price puts more shareholder values at risk than waiting for a risk-adequate investment opportunity. However, this approach extends the time period in which the group will achieve no sales revenues.

At the end of the third quarter it became evident that, due to the losses incurred by the Corporate Equity Partners Group, remedial financial measures including a capital increase would be necessary in 2012. This is required both because of existing guidelines for Swiss companies and also to enable the implementation of a value-oriented participation opportunity in 2012.

The Board of Directors views the majority interest acquired in a French company in the fashion accessories sector, after the reporting period, as a milestone in the operational restructuring of the Corporate Equity Partners Group.

At their meeting on April 27, 2012 the Board of Directors discussed the financial statements as of December 31, 2011 for both Corporate Equity Partners AG and the Corporate Equity Partners Group in detail. The financial statements of Corporate Equity Partners AG and the Corporate Equity Partners Group were audited by Deloitte AG, Zurich, Switzerland and passed without any restrictions or qualifications.

After carrying out its own audit, the Board of Directors concurs with the findings of the auditor and has adopted the financial statements of Corporate Equity Partners AG and of the Corporate Equity Partners Group as of December 31, 2011 during the said meeting on April 27, 2011.

The Board of Directors thanks all business partners, friends, and shareholders of the company, for the trust they have placed in them, and for their on-going support.

Zug, April 2012

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*

Company structure

Corporate Equity Partners AG

As of December 31, 2011, Corporate Equity Partners AG is a parent company with two 100% subsidiaries.

Corporate Equity Partners AG, CH-Zug
Parent company

The Fantastic TM GmbH, CH-Zug
Independent inactive Swiss subsidiary company

Corporate Equity Direct, CH-Zug
Independent inactive Swiss subsidiary company

Board of Directors in 2011

Oliver Krautscheid

President of the Board of Directors

Membership of company and supervisory committees:

Value Investor Partners GbR, Frankfurt	Partner
EPG AG, Griesheim	President of the Board
Heliocentris Energy Solutions, Berlin	Member of the Board (from Jan. 13, 2011)
DESIGN Bau AG, Kiel	President of the Board (from Sep. 19, 2011)
Fortunatus GmbH, CH-Zug	General Manager

Roger Meier

Deputy President of the Board of Directors

Membership of company and supervisory committees:

Fortunatus GmbH, CH-Zug	General Manager
The Fantastic TM GmbH, CH-Zug	General Manager
Corporate Equity Direct GmbH, CH-Zug	General Manager
Adastra AG, CH-Freienbach,	Member of the Board of Directors
ETWeb Software AG, CH-Solothurn	Member of the Board of Directors
ExecuTRACK Software AG, CH-Solothurn	Member of the Board of Directors
Projektreal AG, Oberengstringen	President of the Board of Directors
Global Agenda GmbH, CH-Zug	General Manager (from Nov. 9, 2011)

Markus Gildner
Member of the Board of Directors

Membership of company and supervisory committees:

Shanghai Really Sports Co. Ltd, Shanghai	President of the Board of Directors
Time6Money AG, CH-Zug	President of the Board of Directors
Global Agenda GmbH, CH-Zug	General Manager (until Nov. 9, 2011)
Solgarden GmbH, Erlangen	General Manager (since Dec. 12, 2011)

Basic information

Corporate Equity Partners AG is a limited company registered in the canton of Zug, in Switzerland, in accordance with Swiss law, whose shares are listed in the regulated market and quoted in the prime standard of the Frankfurt Stock Exchange. The company is therefore subject to the regulations of the Swiss Code of Obligations, the German Securities Trading Act, and the German Stock Exchange Act.

WKN	A0YJPEW
ISIN	CH0108753523
Abbreviation	CED
Trading Places	Frankfurt, Xetra
Market segment	Prime Standard/Regulated Market
Designated Sponsor	Equinet AG, Frankfurt
Outstanding shares	7,016,400 (as of Dec. 31, 2011) 147,344,400 (as of March 21, 2012)

Investor Relations

In addition to contact by telephone or e-mail, the Corporate Equity Partners AG Internet site (http://www.corporate-equity.com) has been made available as a source for obtaining the latest information.

For Shareholders' Enquiries:
Telephone: +41 (44) 350 2280
E-Mail: info@corporate-equity.com

Corporate Calendar

1st. Quarterly Report 2012	May 31, 2012
General Assembly 2012	May 31, 2012
Half-Year Report 2012	31.08.12
3rd. Quarterly Report 3 2012	30.11.12
Annual Report 2012	30.04.13

Shareholder structure

Substantial individual stockholders that were known to the company on the report cut-off date of Dec. 31, 2011 and had exceeded the threshold of 3% on share capital:

Global Derivative Trading GmbH	43.51%
Alliance Growth Fondation LTD.	9.98%
Michael Christopher Mantzke	2.95%

The free flow amounted to 43,56% on the cut-off date Dec. 31, 2011.

Discussion and analysis of the economic situation

Overview

Corporate Equity Partners AG is a limited company registered in Switzerland and listed on the regulated market/prime standard of the Frankfurt Stock Exchange. As of Dec. 31, 2011, the company had two wholly-owned subsidiaries in Switzerland. The operational business of the Group is conducted through the parent company (Corporate Equity Partners AG). Both subsidiaries (Corporate Equity Direct GmbH and The Fantastic TM GmbH, both with offices in Zug, Switzerland) were operationally inactive during the 2011 fiscal year. Group administration is located in Zug, Switzerland.

After departure from all operational activities in the software field during 2003 and successful restructuring in fiscal year 2006, the Group plans to concentrate on services, mainly in the private equity segment, or rather to bring sustainable operational business to the company by investment in kind or acquisition. Earlier business activities in the field of special software had no influence on accounting for the Group in the reporting year.

In fiscal year 2011, the Board of Directors consisted of Oliver Krautscheid (President of the Board of Directors), Roger Meier (Vice President of the Board of Directors) and Markus Gildner. The Corporate Equity Partners Group had no employees as of December 31, 2011.

Consolidated group

The consolidated group of the Corporate Equity Partners Group in fiscal year 2011 consisted of Corporate Equity Partners AG, Corporate Equity Direct GmbH, and the Fantastic TM GmbH.

Accounting Standards

Since January 1, 2004 the consolidated accounts for Corporate Equity Partners AG have been compiled in accordance with International Financial Reporting Standards (IFRS). Corporate Equity Partners AG and its consolidated subsidiary companies are headquartered in Switzerland and adhere to the accounting standards of that country when preparing their annual reports. The reports for the subsidiary companies are adapted to the rules of IFRS when the consolidated accounts are drawn up. The consolidated financial statements were audited by Deloitte AG, Zurich, Switzerland, in accordance with their engagement, and passed without any restrictions or reservations.

Fiscal Year

These financial statements cover the reporting period Jan. 2011 to Dec. 31, 2011.

Turnover and Gross Profit

As in the previous year, the company did not generate any turnover in fiscal year 2011. As there were no costs incurred to achieve turnover in either year, the company's gross profit from turnover was again zero.

Operating costs

Compared to the previous year, the personnel costs (for the Board and Management) rose by EUR 29,578 or 13.0% to EUR 256,324 (in the previous year: EUR 226,746), primarily because this item also includes travel costs and greater effort was made to identify candidates for acquisition in other European countries in the year under review.

Administration costs and general costs were reduced by 18.9% or EUR 49,895 and for the year as a whole they totaled EUR 214,012 (in the previous year: EUR 263,907).

In the reporting period, the other operational expenses increased to EUR 3,809 (in the previous year: EUR 1,007).

The total operating costs equaled EUR 466,527 (in the previous year EUR 489,646) and so were EUR 23,119 or 4.7% lower than compared to the previous period, 2010.

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)

The operating loss before interest, taxes, depreciation, and amortization was EUR 466,527, the same amount as the operating costs. This was EUR 23,119 or 4.7% below that of the previous year (EUR 491,646).

Depreciation

The depreciation equaled EUR 7,947 (in the previous year: EUR 2,754).

Operating Result

The operating result for 2011 was EUR – 474,474, which was EUR 16,745 or 3.4% better than in the previous year (same period: EUR – 491,219), even though it is still extremely negative.

Financial Result

The financial result dropped to EUR – 784 from EUR 2,033 in the previous year.

Pre-tax Results and Annual Loss

The annual loss for 2011 reached EUR 475,258 after amounting to EUR 489,186 in the same period in the previous year, which amounts to a reduction in the period loss of EUR 13,928 or 2.8%. Income taxes did not accrue in either 2011 or the 2010 comparison year, so the year's loss is identical to the result before taxes.

Overall result

When currency differences worth EUR 20,974 (in the previous year: EUR 211,428) are taken into account, the overall result for the Corporate Equity Partners Group equaled EUR – 454,284 (in the previous year: EUR 277,758). The main reason for the currency differences was the fall in the value of the Euro compared to the Swiss Franc.

Liquidity and Financial Resources, Cash-Flow

For the business year 2011, the cash flow statement shows an outflow of funds totaling EUR 444,428 (in the previous year: EUR 284,679). The outflow of funds from current operations equaled EUR 450,567 (in the previous year: EUR 503,255) and the outflow of funds from investment activities equaled EUR 17,073 (in the previous year: EUR 7,078). In the year under review, as in the previous year, the cash flow from financing activities equaled EUR 0.

The profits due to exchange rate fluctuations of EUR 23,212 had a positive effect on the cash flow statement in the year under review, but they were significantly lower than in the previous year (EUR 225,654).

As of December 31, 2011, the liquid assets of the Corporate Equity Partners Group equaled EUR 706,068 compared to EUR 1,150,496 on December 31, 2010.

Assets, Total Assets

The asset side of the balance sheet is mainly characterized by a decline in liquid assets of EUR 444,428 or -38.6% to EUR 706,068 compared to December 31, 2010 as a result of group operating costs (as of December 31, 2010: EUR 1,150,496).

Accounts receivables against third parties increased by EUR 5,277 or 58.1% from EUR 9,087 (December 31, 2010) to EUR 14,364. Current assets, which made up 97.4% of the total assets of the Corporate Equity Partners Group on December 31, 2011, declined in the reporting period from EUR 1,161,927 to EUR 722,347 (- EUR 439,580 or – 37.8%).

The fixed assets increased by 88.4% from EUR 10,384 to EUR 19,560 due to investments in office and IT equipment. Rights and licenses maintained a balance sheet reminder value of EUR 1.

The balance sheet total for Corporate Equity Partners Group declined by EUR 430,404 or 36.7% from EUR 1,172,311 to EUR 741,907, primarily as a result of the reduction in liquid assets.

Equity capital, liabilities

On the liabilities side of the balance sheet, trade accounts payable increased by EUR 3,743 or 63.9% to EUR 9,603 (as of December 31, 2010: EUR 5,860). The remaining liabilities were reduced by EUR 10,139 from EUR 17,192 to EUR 7,053 (59.0%). On the other hand, accruals and deferrals increased by EUR 30,264 or 46.2% from EUR 65,449 (December 31, 2010) to EUR 95,713. In contrast, the change in the Tax Liabilities item was only marginal. In total, the short-term liabilities of the Corporate Equity Partners Group fell by EUR 23,880 or 26.5% and stood at EUR 113,894 at the end of fiscal year 2011 (December 31, 2010: EUR 90,014). The short-term liabilities make up 15.4% of the entire balance sheet total for the Group (previous year: 7,7%).

As in the previous year, Corporate Equity Partners Group did not post long term liabilities.

Because of the annual loss of EUR 475,258 (annual loss 2010: EUR 489,186), the shareholders equity of the Corporate Equity Partners Group sank from EUR 1,082,297 on December 31, 2010 to just EUR 628,013. This was despite a small positive change in currency differences from EUR 745,153 (in the previous year) to EUR 766,127. The decrease therefore amounted to EUR 454,284 or 42.0%. The equity ratio on the balance sheet date was 84.6% compared with 92.3% on December 31, 2010.

At EUR 1,438,190, the share capital portion of equity capital remained unchanged in both the reporting year and the comparison year. The loss brought forward on December 31, 2011 equaled EUR 1,101,046 (on the balance sheet date in the previous year: EUR 611,860).

Current situation of the Corporate Equity Partners Group

In 2012 the Board of Directors successfully implemented its strategy, adopted over the last few years.

In the context of a management buy-out, Corporate Equity Partners AG acquired a majority interest (79% of the shares in the company) in the established French fashion accessories company Sicara Fashion Accessories SARL (referred to as "SICARA" below) with offices in Bois-le-Roi near Paris. The management purchased the remaining shares in cash. SICARA was founded in 1963 and traded under the name of "Hennert". Since then, the company has sold fashion accessories – particularly sunglasses from various brands – over a wide network of distribution channels in France.

In the previous business year, which ended on July 31, 2011, SICARA achieved a net sales turnover of just over EUR 5 million, and it is now in a turnaround situation. For the current business year 2011/12 the management expects a break-even result. Due to the shortage of time between setting up the participation and the publication of the Annual Report 2011 it has still not been possible to perform a purchase price allocation and so determine a goodwill value from the viewpoint of Corporate Equity Partners AG.

The Board of Directors plans to further develop the company in this direction.

Risks

The risk profile of Corporate Equity Partners Group has not changed in any significant way in fiscal year 2011.

In the current business year 2012, Corporate Equity Partners AG has acquired a majority shareholding in Sicara Fashion Accessories SARL, having purchased 79% of voting shares, and will in future include it in the consolidated financial statements of the Corporate Equity Partners Group. Since SICARA is currently the only operationally active company within the Corporate Equity Partners Group, the group financial statements will be affected by the development of this company in the medium term. Consequently the Corporate Equity Partners Group will to a great extent be dependent on the success of the restructuring measures introduced at SICARA, the successful anticipation of fashion trends, the continuation of sales agreements with major retail chains and economic development in France as the country in which SICARA is primarily active. With regard to the interim financial reporting for the Corporate Equity Partners Group it must be taken into account that the SICARA business has historically been subject to strong seasonal fluctuations. Consequently the majority of the company's revenue was achieved in the summer months. In addition this, the business is also dependent, to a considerable extent, on the weather conditions, so for example longer rainy periods cause significant falls in revenues compared to warm, sunny weeks or months. In future these factors will make themselves strongly felt in the reporting for the Corporate Equity Partners Group. Furthermore, it is uncertain whether the revenue expectations associated these acquisitions will materialize at the planned time and at the expected level and whether these revenues will be sufficient to fully cover Corporate Equity Partners Group’s costs.

Furthermore, the strategic alignment of the Corporate Equity Partners Group also makes the Group more dependent on developments in (international) financial markets. This is particularly true regarding the attraction of investments to fund Corporate Equity Partners Group. It should be noted that the continuing after-effects of the international financial crisis complicates attraction of investment funds, even making it, at least partly, impossible.

For the group, the implementation of the growth strategy also presents a fundamental risk of being taken over. Generally, company acquisitions are subject to a high level of risk that cannot be completely excluded even after extensive due diligence. Corresponding risks must be expected, especially with international transactions, no matter how they are inspected by Corporate Equity Partners Group. For example, such risks can result from the previous business of these companies and be accompanied by unforeseeable financial obligations. It can therefore not be guaranteed that the prices paid for a company reflect its actual value and that, later on, write-offs might not be necessary on these investments. In addition, losses from the valuation of shareholdings can also result from changes in the accounting regulations applied.

As of Dec. 31, 2011, 95.2% of Corporate Equity Partners Group assets consisted of liquid assets that were held in the form of bank deposits.

Corporate Equity Partners Group achieved no turnover in the fiscal years from 2007 to 2011, while incurring costs for setting up business activity planned for the future. This led to regular losses and the outflow of liquid assets. Its existence may therefore also be dependent upon the implementation of further financing measures in the future. Whether these financing measures will occur and if so, under what conditions that would be the case, cannot be predicted at this point. However, it cannot be excluded that further financial measures would only take place under very adverse conditions for the (old) shareholders and or/ Corporate Equity Partners Group. Additionally, a breakdown of further financing measures would threaten the Company's existence.

The risks that the company faces, which include additional, as yet unknown risks, besides those that are already known, could lead to considerable losses in the future that could both negatively affect the share price of the company and permanently restrict future ways of financing Corporate Equity Partners Group.

Furthermore, every future-oriented action is based on certain expectations concerning the future framework conditions and the environment. However, there is no guarantee that these expectations will actually occur. This risk can lead to seriously erroneous decisions by management. In connection with the risks of future development, particular reference is made to the “Advice on statements relating to the future” at the beginning of this business report.

Zug, April 30, 2012

Oliver Krautscheid	**Roger Meier**	**Markus Gildner**
President of the Board of Directors	*Deputy President of the Board of Directors*	*Member of the Board of Directors*

Auditor's report

To the general assembly of
CORPORATE EQUITY PARTNERS AG, ZUG

Report on the Consolidated Financial Statements

As statutory auditor we have audited the accompanying consolidated financial statements of Corporate Equity Partners AG, which comprise the consolidated balance sheet, the statement of recognized income and expense, consolidated cash flow statement, consolidated movement in shareholders' equity and an appendix for the fiscal year ending December 31, 2011.

Board of Directors' Responsibility
The Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Group Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards and the International Standards on Auditing (ISA). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The selection of audit procedures depends upon the auditor's discretion. This includes the assessment of the risks of material misstatement in the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes an evaluation of the appropriateness of the accounting policies used, the reasonableness of accounting estimates made, as well as an appraisal of the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion
In our opinion, the consolidated financial statements for the fiscal year that ended on December 31, 2011 give a true and fair view of the financial position, the results of operations, and the cash flows, in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with Art. 728a Para. 1 item CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

1
Zurich, April 27, 2012

Deloitte AG

Martin Welser	Peter Frehner
Licensed audit expert	Licensed audit expert
Auditor in charge	

Consolidated financial statements of
Corporate Equity Partners AG and Subsidiaries

as of Dec. 31, 2011

including Comparison Periods
and the Auditors’ Report

CEP CORPORATE EQUITY PARTNERS AG

Consolidated balance sheet

ASSETS

	Reference to the Appendix	31/12/2011 EUR	31/12/2010 EUR
Short-term assets (current assets)			
Cash and Cash Equivalents	3	706,068	1,150,496
Receivables from Third Parties		14,364	9,087
Accruals and Deferrals		1,915	2,344
Total Current Assets		***722,347***	***1,161,927***
FIXED ASSETS			
Office equipment		9,994	0
EDP equipment		9,565	10,383
INTANGIBLE ASSETS			
Rights and Licenses		1	1
Total long-term assets		***19,560***	***10,384***
TOTAL ASSETS		**741,907**	**1,172,311**

LIABILITIES

	Reference to the Appendix	31/12/2011 EUR	31/12/2010 EUR
Current Liabilities			
Liabilities from Deliveries and Services		9,603	5,860
Other Liabilities		7,053	17,192
Tax Liabilities		1,525	1,513
Accrued Liabilities		95,713	65,449
Total Current Liabilities		***113,894***	***90,014***
Total Long-term Liabilities		***0***	***0***
Equity capital			
Share Capital	9	1,438,190	1,438,190
Currency differences		766,127	745,153
NET PROFIT/LOSS FOR THE YEAR			
Profit / Loss Brought Forward		-1,101,046	-611,860
- Net loss for the period		-475,258	-489,186
Total Equity Capital		***628,013***	***1,082,297***
TOTAL LIABILITIES		**741,907**	**1,172,311**

Statement of Comprehensive Income

	Reference to the Appendix	Jan. 1 – Dec. 31, 2011 EUR	Jan. 1 – Dec. 31, 2010 EUR
Sales revenues		0	0
Cost of Services Provided		0	0
Gross Profit		***0***	***0***
Personnel Costs	4	-256,324	-226,746
Administration and General Costs		-214,012	-263,907
Other Operating Income	5	3,809	1,007
Total Operating Expenses		**-466,527**	**-489,646**
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)		***-466,527***	***-489,646***
Depreciation		-7,947	-2,754
Profit from the sale of a subsidiary company	7	0	1,181
Operating Result (EBIT)		***-474,474***	***-491,219***
Financial Income		1,174	1,633
Financial Expenses		-1,290	-885
Capital Gains/Losses (net)		-668	1,285
Total financial result		**-784**	**2,033**
Pre-Tax Profit/Loss		***-475,258***	***-489,186***
Taxes	6	0	0
Net loss for the period		***-475,258***	***-489,186***
Undiluted and diluted result per share		[1] **–0,0677**	[1] **–0,0697**

[1] Number of shares: 7.016.400

NET LOSS FOR THE PERIOD	***-475,258***	***-489,186***
Other Results		
- Currency differences	20,974	211,428
OVERALL RESULT	***-454,284***	***-277,758***

Consolidated cash flow statement

Cash-Flow from Current Business Activity:	Reference to the Appendix	Jan. 1 – Dec. 31, 2011 EUR	Jan. 1 – Dec. 31, 2010 EUR
Pre-tax loss for the period		-475,258	-489,186
Reconciliation of loss in period to cash outflow from current business activities:			
Depreciation		7,947	2,754
Financial Income		-1,174	-1,633
Financial Expenses		1,290	885
Decrease / Increase in Short-term Receivables		-4,464	18,519
Decrease / Increase in Short-term Liabilities		21,208	-35,342
Paid interest and dividends		-1,290	-885
Received interest and dividends		1,174	1,633
Cash Inflow (Outflow) from Current Business Activity		***-450,567***	***-503,255***
Cash-Flow from Investment Activity:			
Investments in movable tangible assets		-17,073	-8,258
Profit from sale of subsidiary company	7	0	1,180
Cash Inflow (Outflow) from Investment Activity		***-17,073***	***-7,078***
Cash-Flow from Financing Activity:			
Cash Inflow (Outflow) from Financing Activity		***0***	***0***
Profits / Losses due to exchange rate fluctuations		23,212	225,654
Increase /Decrease in Cash or Cash Equivalents		**-444,428**	**-284,679**
Liquid assets at start of period		**1,150,496**	**1,435,175**
Liquid funds at end of period		**706,068**	**1,150,496**

Changes in shareholders' equity

All figures in EUR

Equity capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of Jan. 01, 2010	**1,438,190**	**533,725**	**-611,860**	**1,360,055**
Positions from the overall results				
- Currency differences		211,428		211,428
- Net loss for the period			-489,186	-489,186
Overall result		**211,428**	**-489,186**	**-277,758**
Status as of Dec. 31, 2010	**1,438,190**	**745,153**	**-1,101,046**	**1,082,297**

Equity capital	Share Capital	Currency differences	Loss carried forward	Total Equity Capital
Status as of Jan. 01, 2011	**1,438,190**	**745,153**	**-1,101,046**	**1,082,297**
Positions from the overall results				
- Currency differences		20,974		20,974
- Net loss for the period			-475,258	-475,258
Overall result		**20,974**	**-475,258**	**-454,284**
Status as of Dec. 31, 2011	**1,438,190**	**766,127**	**-1,576,304**	**628,013**

Notes to the Consolidated Accounts

1. Business Activity

"Corporate Equity Partners AG" ("the Company") is a Swiss Public Limited Company with headquarters in Zug, Obmoos 4.

The commercial activity of the Company, according to the entry in the trade register, essentially comprises the acquisition, holding and administration of investments in other companies and the development, marketing, distribution and support of software solutions for data transfer via satellite, radio cable network and other types of transfer and for the accompanying applications in the field of information technology.

Subsequent to realignment, the company commenced operations. However, it has not generated any turnover from ordinary business activity in the 2011 fiscal year.

2. Principles applied in this Consolidation and Valuation

Principle for the Presentation of Accounts
The consolidated accounts were produced on the basis of historical acquisition and production costs and in accordance with International Financial Reporting Standards (IFRS). The valuation and balance sheet methods were the same as those used in the 2010 consolidated financial statements. The reporting currency is EUR, as it is expected that the company will generate income in EUR from its future operations.

The company has implemented all new and changed IFRS standards and interpretations ("IFRICs") that came into force for the fiscal year beginning on January 1, 2011. These are the following standards and interpretations: IAS 24 (revised) information about related companies and persons; IAS 32 Revisions with respect to the classification of subscription rights; IFRIC 19 Repayment of financial liabilities with equity capital instruments; IFRIC 14 Revision concerning voluntary advance payments (January 1, 2011) additional revisions as a result of annual improvements to IFRS.

These new or revised standards and interpretation had no impact on the Group financial statements.

At the time of adoption of these Group accounts, the following new and revised IFRS standards and interpretations were published, but not yet in force on the balance date (date of entry into force in parentheses for annual accounts beginning on): New standards: IFRS 9 Financial instruments (January 1, 2015); IFRS 10 consolidations (January 1, 2013); IFRS 11 Joint agreements (January 1, 2013); IFRS 12 Details about shareholdings in other companies (January 1, 2013); IFRS 13 Determination of the current fair value (January 1, 2013). Revised standards: IFRS 7 Financial Instruments - new section concerning transfers of financial assets (July 1, 2011); IAS 12 (revision) Taxes (January 1, 2012); IAS 19 (revised) Services to employees (January 1, 2013); IAS 27 (revised) Separate contracts (January 1, 2013); IAS 28 (revised) Shares in affiliated companies and joint ventures (January 1, 2013).

These new or revised standards will also have no or no significant impact on the Group financial statements.

Consolidation Approach
The consolidated financial statements, consisting of the balance sheet, statement of recognized income and expense (formerly the profit and loss account), cash flow statement, change in shareholder's equity and the appendix, are based on the annual accounts of the companies included in the consolidated group of companies. The individual company accounts compiled in accordance with local and national regulations and practices have been converted and summarized along the guidelines established for the consolidated financial statements, thereby applying IFRS in order to ensure a uniform application and interpretation of the valuation and consolidation principles.

Consolidation Principles
The consolidated accounts contain all domestic and foreign companies in which the Company owns 50% or more of the shares, either directly or indirectly, or upon which the Company exercises control by other means.

Consolidated group
These Consolidated Financial Statements include the following companies: "Corporate Equity Partners AG" and its subsidiaries "The Fantastic TM GmbH and "Corporate Equity Direct GmbH" (referred to jointly as 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%

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 conversion differences resulting from this are shown in the remaining overall results and accumulated in equity capital and only shown as affecting net income in the case of a possible deconsolidation of the Group company.

Main sources of uncertainty in estimations and exercising of discretion in the application of accounting and valuation methods
Accounting requires that the management make estimates and assumptions which influence the extent of the assets and liabilities shown as well as contingent liabilities and contingent assets at the point in time of the accounting, but also costs and income in the report period. The assumptions and estimates are based upon knowledge from the past and various other factors that can be seen as relevant under the given circumstances. Subsequent actual results may deviate from these estimates.

The consolidated accounts as of Dec. 31, 2011 contain no substantial sources of uncertainty or special matters of judgment in the practice of accounting and valuation methods.

Cash and Cash Equivalents
The Group treats all capital investments with high liquidity and a maturity of up to three months from the date of the acquisition as liquid funds.
Short-term Financial Investments
Short-term financial investments consist of fixed term deposits and loans that are held for the purpose of short-term financial investment. Short-term financial investments are valued at the market value. The profits or losses arising from these investments are added to/deducted from net income.

FIXED ASSETS
The fixed assets are valued at acquisition cost less accumulated depreciation in accordance with IAS 16. 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.

A linear depreciation over the expected useful life of the asset is applied:

Type	**Duration**
Technical Plant and Machinery	5 years
Office Furniture	5 years
Vehicles	4 years
IT Hardware	3 years

Intangible Assets

Intangible assets (patents and similar rights) that have been bought from third parties are entered at acquisition cost, minus accumulated depreciation.

The depreciation is debited on the statement of recognized income and expense under the item “Depreciation”, on a linear basis over the expected useful life. Intangible capital goods are depreciated commencing with the date of first use. The expected useful life of these assets is:

Type	**Duration**
Software	3 years
Patents and similar Rights	5 years

Reduction in Value of Assets (Impairment)

At least at every accounting date, it is judged whether there are indications of an impairment of the accounting values of the assets of the Group. When there are such indications, the achievable value of the assets is investigated. A loss from the impairment is entered in the accounts if the present accounting value is higher than the achievable value. The higher of the two, net re-sell value and value obtained through use is applied in the valuation model. The value from use is obtained from the estimated future cash flows derived from the assets’ use. The discount rate used for this corresponds to the average capital interest rate of the country in which the asset is located, taking into account the specific risks of the asset.

Reserves

Reserves are all present commitments for which the date and amount cannot be conclusively assessed and the causes of which lie in the past. Management has estimated the extent and probability of such an occurrence according to the best of its knowledge.

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.

Personnel Pension Arrangements and other Services for Employees
The Company's pension plan adheres to the regulations and specific situations prevalent in Switzerland. The employees are enrolled in an insurance company pension plan ("Sammelstiftung VITA") which includes insurance cover for pension, disability, and death. The contributions of the occupational pension plan are paid by the employer and employees in accordance with the laws and regulations outlined in the respective codes of conduct.

Due to the legal guarantees, this pension plan is classified as performance-orientated under IAS 19. The cost of this pension plan and the cash value of the pension commitment are determined on the basis of actuarial assumptions using the projected unit credit method. The evaluation of the pension commitment is carried out annually by an independent expert.

On-going pension claims are recorded in the period of the statement of recognized income and expense in which they arise. Profits and losses from insurance calculations are recorded in the profit and loss account as soon as they exceed 10% of the cash value of the pension commitment (and/or 10% of the pension assets, if higher).

Transactions with Related Persons or Parties
Someone who can directly or indirectly exert a significant influence on financial or operational decisions of the Company or the Group is considered a related person or party (natural or legal). Companies that are directly or indirectly controlled by related persons or parties also count as related.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial Instruments
The financial instruments of the Group consist of liquid funds, claims and liabilities. Financial instruments are then shown in the Group balance sheet if the Group becomes party to the contractual conditions of the instrument, which, in the case of purchase or sale of a financial instrument, corresponds to the trading day. The accounting value of financial instruments such as liquid funds and claims and liabilities essentially corresponds to the market value due to the short-term maturities of these financing instruments.

Risk Management in general
Through the involvement of the Board of Directors and management, risks are constantly monitored. Due to its small size, the company does not have a formal risk management process. All transactions are reviewed by at least two officers of the company.

The main risks consist of the further development of international financial markets and thus the possibility of carrying out additional financing measures for the company, successful implementation of the strategic alignment of the Group as a private equity management company, and the ability to identify appropriate investment properties within a reasonable time frame and activate the appropriate investments.

Risk management in connection with financial instruments
Management can make use of derivative financial instruments for the purpose of securing the share price, especially for hedging currency risks. Hedge-accounting in accordance with IAS 39 is not used. No derivative financial instruments are held for speculative purposes. When derivative financial instruments are first shown on the balance sheet, they are recorded at the market value on the date of sale and then revaluated at market value on each succeeding balance sheet date. Changes in the market value of the financial instruments are shown in the statement of recognized income and expense.

a) Credit Risks
Credit risks and risks in connection with default by an opposing party are monitored. Management does not expect any default, due to the credit rating of the opposing parties. The accounting values correspond to the maximum default risk.

b) Liquidity Risks
Due to the existing short-term investments in fixed term deposits and loans, which can be sold at any time, there are no liquidity risks at present. The maturity structure of the contractual liabilities that is required by IFRS 7 is omitted, as no longer-term or interest-bearing debts exist.

c) Market Risks

c1) Interest Rate Risks
The Group is not subject to any substantial interest rate risks.

c2) Foreign Currency Risks
As the financial assets and liabilities of the Group are partly held in foreign currency, the Group is subject to a certain currency risk.
Investments in subsidiary companies outside the Euro region are not hedged. Because exchange rate differences from the consolidations of these companies are shown in the equity capital, profits and losses relating to this only have effect on net income in the event of a sale or liquidation of the company in question.

If, on 31st December 2011, the EURO had increased in value by 5.0% against the Swiss Franc, and all other variables had remained constant, the equity capital would have been reduced by EUR 34,000. A fall in value of the EUR relative to the CHF would have caused a corresponding increase in equity capital. These fluctuations can be attributed to the conversion of balance sheet items from CHF into EUR. The impact on the profit or loss for the year of a currency fluctuation on this scale would not be significant.

c3) Fair Value Risks
There were no material fair value risks on Dec. 31, 2011.

Capital Management
Within the framework of capital planning, the Company aims to secure the on-going financial requirements for continuation of the Company and provide the necessary funds to achieve the aims of the reorientation of the Company. Management can carry out adjustments in view of the planned reorientation.

3. Cash and Cash Equivalents

		31.12.2011		31.12.2010
Curr. Acc. Deposits	EUR	49,012	EUR	27,626
Deposits [1)]	EUR	657,056	EUR	1,122,870
Total Current Assets	**EUR**	**706,068**	**EUR**	**1,150,496**

[1)] The money market fund has a duration of less than 3 months and is therefore viewed, in accordance with IFRS, as a cash equivalent.

4. Pension Plans (Pension Scheme Commitments)

All figures in thousands CHF unless otherwise stated

Annual Cost of the Undertaking	*01.01.-31.12.2011*	*01.01.-31.12.2010*
1. On-going Service Cost	7	2
2. Interest on the Pension Obligations	1	0
3. Expected Revenue from Planned Assets	(1)	(1)
4. Entered calculated insurance losses/(profits)	0	12
5. Pension Costs for the Period	7	13
6. Actual income from plan assets	(5)	1

Development of the Obligations	*01.01.-31.12.2011*	*01.01.-31.12.2010*
1. Pension Obligations, Start Period	26	17
2. On-going Service Cost	7	2
3. Employee Contributions	7	8
4. Interest	1	0
5. (Profits) / Losses Relating To Insurance	1	13
6. (Profits)/Losses from plan cutbacks	0	0
7. Effects of plan payments	0	0
8. Pension Payments through Pension Assets and Net Adjustment	(1)	(14)
7. Pension Obligations End Period	41	26

Development of the Assets	*01.01.-31.12.2011*	*01.01.-31.12.2010*
1. Market Value of the Assets, Start Period	5	18
2. Expected Revenue from the Assets	1	1
3. Profit/Loss from the asset revenue	(6)	0
4. Employee Contributions	7	8
5. Employer Contributions	14	0
6. Effects of plan payments	0	0
6. Pension Payments through Pension Assets and Net Adjustment	(1)	(14)
7. Other	0	(8)
8. Market Value of the Assets, End of Year	20	5

Summary of the Coverage Status	*31.12.2011*	*31.12.2010*
1. Pension Obligations	41	26
2. Market Value of the Assets	(20)	(5)
3. Under- (Over-) coverage, 1+2	21	21
4. Profits / (Losses) not yet Amortized	(8)	(1)
5. Pension Liabilities/(Assets)	13	20

Development of the Pension Liabilities/(Asset Values) included in the balance sheet	*01.01.-31.12.2011*	*01.01.-31.12.2010*
1. Pension Liabilities/(Asset Values), Start of Year	20	(1)
2. Pension Costs for the Period	7	13
3. Employer Contributions	(14)	0
4. Other	0	8
4. Pension Liabilities/(Assets), End of Year	13	20

Substantial Security Categories	*31.12.2011*	*31.12.2010*
1. Shares	4	1
2. Bonds	9	2
3. Real Estate	2	1
4. Liquid Funds and other Financial Investments	5	1
5. Total	20	5
6. of which are Financial Instruments of the Company	0	0
7. of which are Real Estate Rented by the Company or Other Assets	0	0

Development of Actuarial Profits / Losses as per	*31.12.2011*	*31.12.2010*
1. Actuarial Profit / Loss – beginning of year	(1)	0
2. Entered calculated insurance losses/(profits)	0	12
3. Actuarial Profit / Loss – beginning of year Revisions to assumptions	6	(2)
4. Actuarial Profit / Loss – beginning of year Experience variances	(7)	(11)
5. Profit / Loss – on Asset Plan	(6)	0
6. Effects of plan cutbacks and plan payments	0	0
7. Actuarial profits / (losses), year end	(8)	(1)

Calculation Assumptions as of	*31.12.2011*	*31.12.2010*
1. Technical Interest Rate	2.50%	2.85%
2. Annual Wage Growth	2.00%	2.00%
3. Annual Pension Indexing	0.00%	0.00%

Assumptions for Determining Annual Cost	*01.01.-31.12.2011*	*01.01.-31.12.2010*
1. Technical Interest Rate	2.85%	3.25%
2. Expected Revenue from the Assets	3.50%	3.44%

The estimated contribution toward the plan by the employer for the financial year 2012 is around CHF 7,000.

5. Other Operating Income

The other operational expenses for the years 2010 and 2011 consisted of liquidation surpluses from former subsidiaries.

6. Income Taxes

Income taxes recorded in the statement of recognized income and expense

		2011		2010
Pre-Tax Profit/Loss	EUR	-475,258	EUR	-489,186
Expected Tax Revenue with a Tax Rate of 16%	EUR	76,041	EUR	78,270
Effect of Unused Tax Losses, Not Recorded As Deferred Tax Assets	EUR	-76,041	EUR	-78,270
Rebate of Earlier Tax Years	EUR	0	EUR	0
Income Tax Owed for the Current Year	EUR	0	EUR	0
Effective Tax Revenue and/or Tax Costs	**EUR**	**0**	**EUR**	**0**

Tax Losses Carried Forward and Tax Credits

Tax losses carried forward, for which no deferred tax assets have been recorded:

		2011		2010
Forfeiture 2010	EUR		EUR	17,941,319
Forfeiture 2011	EUR	694,339	EUR	678,048
Forfeiture 2012	EUR	1.690,742	EUR	1,651,074
Forfeiture 2013	EUR	675,301	EUR	659,457
Forfeiture 2014	EUR	991,236	EUR	967,979
Forfeiture 2015	EUR	722,587	EUR	705,633
Forfeiture 2016	EUR	1,263,137	EUR	1,233,501
Forfeiture 2017	EUR	541,370	EUR	
Total	**EUR**	**6,578,712**	**EUR**	**23,837,011**

Note: *The table above does not contain the tax losses from the current business year, which expire after 7 years.*

7. Sale of subsidiary companies

A subsidiary company that impacted profit or loss was disposed of during the previous year's comparison period. However, no subsidiaries were disposed of during the reporting period in 2011.

Sale profit from disposal of "The Fantastic IP GmbH"

		18.02.2010
Liquid Assets	EUR	7,977
Receivables	EUR	9
Accrued Liabilities	EUR	-10
Net assets	*EUR*	*7,976*
Sale price	EUR	9,157
./. Net assets	EUR	-7,976
Profit	**EUR**	**1,181**

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

		27.09.2010
Sale price	EUR	9,157
./. Subsidiary liquid assets.	EUR	-7,977
Net currency inflow	**EUR**	**1,180**

8. Business Transactions with Related Persons

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 – 31.12.2011			
	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				
Board members' fees	91,319	19,495	57,483	**168,297**
Consultancy Fees	0	0	0	**0**
Pension Contributions	3,339	0	2,758	**6,097**

	01.01.2010 – 31.12.2010			
	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	83,292	8,693	49,089	**141,074**
Consultancy Fees	0	0	0	**0**
Pension Contributions	2,891	0	2,453	**5,344**

All figures in EUR

Other payments to related parties

	01.01.-31.12.2011		01.01.-31.12.2010	
Fees Erne Meier Mongiovì [1)]	EUR	28,303	EUR	0
Fees Lutz RA[2)]	EUR	24,568	EUR	52,244
Global Agenda GmbH [3)]	EUR	0	EUR	10,861
Total	**EUR**	**52,871**	**EUR**	**63,105**

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

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

3) Mr Markus Gildner, member of the Board of Directors, was General Manager of Global Agenda GmbH until November 9, 2011. Mr Roger Meier, member of the Board of Directors, has been General Manager of Global Agenda GmbH since November 9, 2011.

Transactions with Related Persons or Parties

"The Fantastic IP GmbH" was sold to a member of the Board of Directors on February 18, 2010. For further details (sales profit, net funds inflow, etc.) see item 7.

9. Share Capital

	31.12.2011	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 share capital can be increased by issuing a maximum of 1,200,000 fully paid-up bearer shares each with a nominal value of CHF 0.35 up to a maximum amount of CHF 420,000. This can be exercised by means of option rights which are granted to members of the Board of Directors and

employees of the Group or its subsidiaries based on one or more employees' ownership plans approved by the Board of Directors. As a result of the reverse split in a ratio of 100:1 described under item 12, the number of conditional shares fell from 120,000,000 to 1,200,000.

[3] The Company's share capital will be converted at the market price on the date of the capital transaction.

10. Shareholder structure

	31.12.2011	31.12.2010
Global Derivative Trading GmbH	43.51%	43.51%
Total shareholder's portion Global Derivative Trading GmbH	**43.51%**	**43.51%**
Alliance Growth Foundation LTD (significant influence by M. C. Mantzke, Chile)	9.98%	9.98%
M. C. Mantzke, Chile	2.95%	2.95%
Total shareholder's portion M. C. Mantzke, Chile	**12.93%**	**12.93%**

11. Legal Disputes

None.

12. Events After The Accounting Cut-off Date

Due to the loss of half the capital, the Extraordinary General Meeting of February 10, 2012 decided to reduce the Corporate Equity Partners AG share capital of CHF 2,455,740.00 by CHF 2,385,576.00. The capital decrease will be achieved by reducing the nominal share value from CHF 0.35 to CHF 0.01. This measure will completely resolve the deficit of CHF 1,695,567 that occurred at the end of business year 2011 because of losses. Simultaneously the share capital was increased by CHF 1,403,280.00 to CHF 1,473,444.00 with cash deposits and it has now been split into 147,344,400 single bearer shares, each with a nominal share value of CHF 0.01.

Corporate Equity Partners AG acquired in the context of a management buy-out, a majority interest in the established French fashion accessories company Sicara Fashion Accessories SARL (referred to as "SICARA" below) with offices in Bois-le-Roi near Paris. On March 16, 2012 Corporate Equity Partners AG took over 79% of the share capital resulting from the subscription of an equity capital increase. Together with a following equity capital increase in April 2012, the company invested EUR 1.2 million in SICARA. The management acquired the remaining shares in cash. SICARA was founded in 1963 and traded under the name of "Hennert". Since then, the company has sold fashion accessories – particularly sunglasses from various brands – over a wide network of distribution channels in France.

In the previous business year, which ended on July 31, 2011, SICARA achieved a net sales turnover of just over EUR 5 million, and it is now in a turnaround situation. For the current business year 2011/12 the management expects a break-even result. Due to the shortage of time between setting up the participation and the publication of the Annual Report 2011 it has still not been possible to perform a purchase price allocation and so determine a goodwill value from the viewpoint of Corporate Equity Partners AG.

The Board of Directors plans to further develop the company in this direction.

13. Approval by the Board of Directors

The consolidated accounts were released for publication by the Board of Directors on 27.04.12 and will be presented to the general meeting for approval.

14. Version whose language takes precedence

This Annual Report appears in German and English languages. Only the German version is legally binding. The English version is merely a translation of the original source text.

Zug, April 2012

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*

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