Important Information

Investors in the Ordinary Shares are reminded that investment in the Ordinary Shares carries financial risks. Investors should therefore take careful notice of the entire contents of this Report on the Annual Accounts 2000.

Cautionary Statement on forward looking information

Certain statements contained in this Annual Report are "forward looking statements". Such statements can be identified by among others:

- the use of forward looking wording such as "believes", "expects", "may", "anticipates" or similar expressions,
- by discussion of strategy that involves risks and uncertainties, and
- by discussions of future developments with respect to the business of TIE Holding NV.

In addition, from time to time, TIE Holding NV, or its representatives have made or may make forward-looking statements orally or in writing. Furthermore, such forward looking statements may be included, but are not limited to, press releases or oral statements made by or with approval of an authorized executive officer of TIE Holding NV.

Forward looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied in such statements. Important factors which could cause actual results to differ materially from the information set forth in any forward looking statements include, but are not limited to:

- General economic conditions,
- Performance of financial markets,
- Interest rate levels,
- Currency exchange rates,
- Changes in laws and regulations,
- Changes in policies of Dutch and foreign governments, and
- Competitive factors, in each case on a national and/or global scale.
- TIE's ability to attract and retain qualified management and personnel
- TIE's ability to successfully complete ongoing Research & Development efforts
- TIE's ability to integrate acquisitions and manage the continuous growth of the company

Many of these factors are beyond TIE Holding NV's control or ability to predict. Given these uncertainties, investors are cautioned not to place undue reliance on any forward-looking statement.

TIE Holding NV

Annual Report

of

the financial year 2000

October 1, 1999 - September 30, 2000

Financial Highlights

(EUR in thousands except number of employees and per share amounts)

	2000	1999[?]
Financial Results		
Revenue – 3rd Party	9,137	4,660
EBITDA	(9,125)	689
Depreciation & Amortization	(4,693)	(279)
Net Result	(13,567)	308
Shareholders' Equity		
Total Assets	24,648	2,880
Total Shareholders' Equity	16,949	1,288
Employees (in full time equivalents)		
Average Number of Employees in Group Companies	279	76
Per Share of Ordinary Shares		
Net Result	(1.10)	0.032
Shareholders' Equity	1.37	0.13
Number of shares outstanding	14,001,504	10,001,504
Weighted average number of shares outstanding	12,336,000	9,603,513
Share price		
Introduction (March 2, 2000)	10.00	-
Per September 29, 2000	9.70	-
Highest (March 6, 2000)	43.00	-
Lowest (August 31, 2000)	7.65	-

[?] Pro forma 12 months unaudited results

Letter to the Shareholders

"We hereby present you with our Annual Report on the results of the first year in which we were listed as a public company. We have seen a very turbulent year 2000. First the preparation for the Millennium Switch, then the announcement that TIE will go Public, which caused a lot of media attention. The IPO was a tremendous success and TIE started to implement the strategy to expand to a leading player in Business-to-Business (B2B) eCommerce in Europe. The turmoil in the Financial Markets caused a slow down in rolling out our plans and towards the end of the year 2000 we shifted course to define more clearly the Path to Profitability. With some delay we managed to secure the funds that brought us financial stability and allow us to bring the Company back on the road to profitability.

All in all we have had a year in which the company grew from 76 to close to 300 staff. This was totally in line with the objectives we set before the IPO, and it is this dedicated, professional staff that has the potential to bringing TIE where it wants to be. I would like to thank every one of our staff for their unrelenting efforts to build up the Company. When market sentiments turned, it was a tough decision to let a significant number of our staff go, but we needed to bring the costs in line with the opportunities in a market that was diminishing.

Especially in a time where all companies have to focus on their bottom line results, doing business electronically will help them to save costs. Investments in B2B eCommerce tools and projects have a short return on investment and a high gain. TIE's management is convinced that now that the new realism has set in, where traditional business can be enhanced by using modern technology, the market for the products and services that TIE delivers, is in its infancy and has enormous growth potential.

The years following, I believe, will show how well TIE's Vision and Experience can help our customers to streamline their Business Processes and help them to collaborate with their partners in the Supply Chain."

Drs. Th.H. Raman,
Chief Executive Officer, TIE Holding NV

Vision Statement

"By using the Internet as the platform to 'TIE' your business processes to those of your trading partners, companies will realize dramatic improvements in efficiency and build the foundation for ongoing success in business-to-business eCommerce."

Report from the Supervisory Board

To the annual general meeting of shareholders,

We hereby present the 2000 financial statements of TIE Holding N.V. Management prepared the annual accounts for the financial year of October 1, 1999 to September 30, 2000 for approval and adoption by the Annual General Meeting of shareholders. Ernst & Young Accountants have examined the financial statements and their report is included in this annual report.

Formally, the Supervisory Board and the Board of Directors have met 4 times since the IPO, together with numerous emails and teleconferences during the period.

The Supervisory Board recognizes that although the strategy outlined in the IPO Prospectus has broadly been successfully implemented and that the financial results are also in line with expectations, the general sentiment in the financial marketplace has changed significantly since the IPO in March 2000. In November 2000 it became clear that this necessitated a revision to the business plan to advance significantly the time needed to attain profitability.

For that reason the Supervisory Board supported the initiatives from management to change direction from an expansion scenario to one where the focus is on integration and consolidation. We are very confident that the Company is back on track now that the financial stability of the Company has been assured.

We believe management has succeeded in shifting course and although a lot of work has to be done yet, we recommend you to:

- Adopt the 2000 annual accounts as submitted;
- Discharge the Management for its conduct of affairs and the Supervisory Board for its supervision during the financial year.

We appreciate the employees' dedication and commitment for their continuous support, and also support the Board of Directors in the decisions that have been taken to achieve profitability as rapidly as possible while maintaining the ability to meet the challenges and growth of eBusiness marketplace.

Amsterdam, July 16, 2001

The Supervisory Board

D.J. Hobart (Chairman)

Drs. M. de Hond

Company Profile and Strategy

TIE Holding N.V., whose shares have been traded on the Amsterdam Stock Exchange since March 2000, is in the business of developing and marketing high quality XML/EDI^{tm}-based B2B eCommerce software and services. The software and services provided by TIE allow buyers and suppliers of products to conduct their business electronically. By establishing 'Digital Business Communities' (DBCs) on the Internet, TIE facilitates the collaboration between partners in the Supply Chain. TIE has a broad customer base in the Benelux and is a leading player in Europe, with a strong presence in the USA. TIE customers cover many market sectors, including retail, health care, banking and insurance, transport, manufacturing and foodstuffs.

TIE serves the market for application-to-application integration software with a clear focus on the inter-company processes (order, shipping, payment, etc.) based on globally accepted standards. This niche market is now evolving as the center of B2B eCommerce.

Internet and eCommerce developments will heavily impact the market TIE operates in and will create new opportunities.

The main implications are:

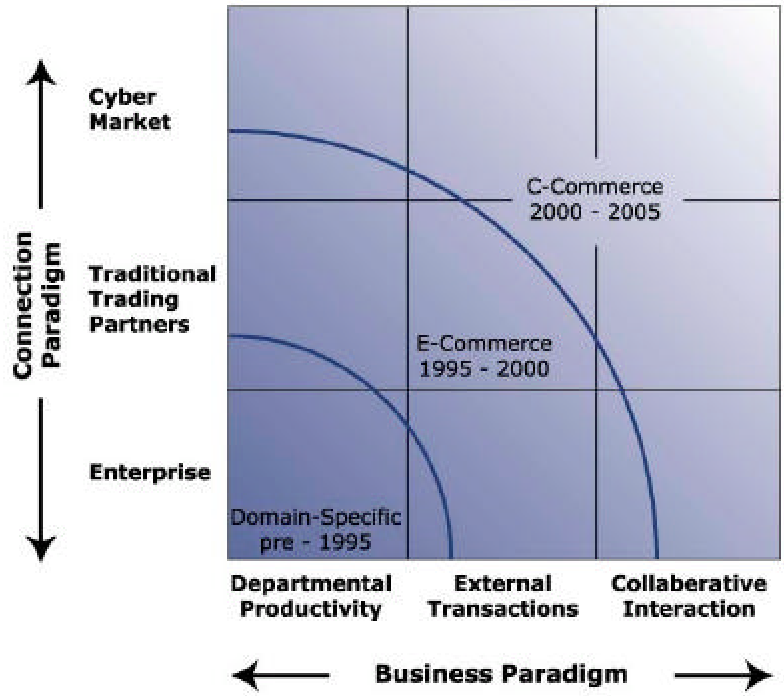
- Low threshold technologies (Internet, Browser, XML) make electronic solutions for inter-company communications affordable for the majority of the market.
- Interactive communications through the World Wide Web increases the potential for B2B eCommerce on the Internet by allowing the smaller companies to join.
- As product information gets seriously involved in the whole inter-company standardization process there is a natural move towards content-oriented communities. Community solutions not only have the capability to achieve critical mass faster, they are cheaper, easier to roll out and are endorsed by the community as a whole from the start. The organization facilitating the central community solution will have the task to connect all the members. TIE refers to such vertical industry portals to electronic marketplaces as Digital Business Communities.

The eCommerce Market

Electronic Commerce can simply be defined as "Doing business electronically". eCommerce is increasingly being perceived as the business model for the future. The role of eCommerce is twofold:

- Sell-side eCommerce
  A means of developing new sales channels and targeted at creating competitive advantages. Typically Sell-side eCommerce refers to a business-to-consumer (B2C) environment.
- Supply-Chain eCommerce
  Refers to increasing efficiency in the supply chain by enabling trading partners to exchange information and conduct transactions electronically. Typically this refers to a Business-to-Business environment.

As the power in the supply chain shifts to the consumers who increasingly require new products at an increasing pace and a more individual approach and higher quality ("mass-individualization") companies are responding by cooperating more closely in the supply chain. Recent studies by Gartner show that we are now entering a new phase. The era of eCommerce –in the sense of humans ordering things on a website – is now over. We are entering in the era of cCommerce or Collaborative Commerce, where partners in the Supply Chain integrate their business processes and forge and application-to-application link between their information systems (ERP).



Source: Gartner, May 2000

The technology required to implement each phase of cCommerce is XML, the second-generation web language – and as such the successor of HTML – and is better suited than HTML to transmit complex structured information over the Internet. Basically, XML separates the content from the format and behavior of the information transmitted. XML/EDI combines the structure of XML and the semantics of EDI to provide a complete framework of technologies that enables B2B eCommerce.

In order to conduct business electronically a suitable infrastructure has to be created. Today much of the required infrastructure is available, but there is still a long way to go before every business, person and object is connected to an Information Superhighway with ample bandwidth.

Although there are substantial discrepancies in the growth projections for eCommerce between research institutes, there is a consensus that eCommerce will grow at an explosive rate in the near future.

Strategy

The strategy -as outlined in the IPO prospectus- is:

"TIE aspires to become the leading facilitator of Digital Business Communities in Europe and a leading global provider of B2B eCommerce XML/EDI™ software. TIE's strategy consist of the following elements:

- Increase international presence,
- Acquisition of selected companies,
- Significant investments to remain at forefront of technology,
- Significant investments in marketing,
- Focus on establishing and operating DBCs,
- Establishment of Internet-based distribution, and
- Continued investments in human resources."

Management concludes that TIE is well on the way to fulfill its objectives as outlined in the IPO prospectus:

- TIE operates the 'EnterSys' portal for the Music and Video Industry, has launched the 'CareShare' DBC, for Healthcare, partnered with 'TechnoNet' for the Installation Industry and is currently setting up a number of portals for Fashion, Office Supplies and Furniture.
- TIE has acquired companies in Belgium, Middle East, and USA and has started operations in the Asia Pacific Region. It has currently over 30 active resellers in other countries worldwide.
- In September 2000 TIE officially launched the first version of its new product line for B2B eCommerce called 'Enterprise Portal Framework'. The framework is designed for collaboration between partners in the Supply Chain and consists of multiple complementary, integrated components. The product suite is designed to operate in a web-based environment, so it can be used by companies great or small.
- We have spent EUR 3.3M on Sales & Marketing in FY2000, 70% of this is personnel cost of the Sales force.
- The distribution of products to our Subsidiaries and Agents is now done through the Internet.
- TIE has been able to attract highly qualified personnel in spite of the tight job market. Headcount grew from 75 pre-IPO to close to 300 at its peak, largely due to acquisitions. TIE has opened a new office in Schiphol-Rijk, which offers personnel a healthy and properly equipped work place.

The Company

Joining Vision and Experience

Since its foundation in 1987 TIE has been active in B2B eCommerce, not only in application development but also in the standardization process. When the Internet started its expansion TIE understood that this would trigger many new applications, basically aimed at doing the things we already did — just more efficiently. This implied that eCommerce using the Internet would not have to start from square one, but could build on the existing body of knowledge about doing business electronically.

The expansion and increasing power of the Internet have created a new focus on B2B eCommerce. It is widely believed that XML, the second-generation Web language, will help trading partners to move their business communication to the Internet. But there is more to the story.

Understanding Business Processes

It is true that the Internet offers opportunities to take B2B eCommerce to a new level. eCommerce will become available to small and medium-sized companies and will be more user-friendly by applying the standards set by Web browsers and graphical user interfaces. However, the success of B2B eCommerce does not depend on technology. The essential factor is to understand the business processes involved. To make B2B eCommerce work, trading partners must agree on specific ways of doing business and restructure their business processes accordingly.

Optimizing the Supply Chain

Mass adoption of Internet-based eCommerce will drive simplicity and standardization. The consumer will drive the Supply Chain. The only way suppliers can provide this is by optimizing the Supply Chain through agreements between partners and competitors in the Supply Chain, and standardization. TIE is best positioned to play a leading role in Europe, since it has more than 12 years of experience in building links between applications in many different companies.

TIE believes that Digital Business Communities — Internet portals for vertical markets — offer the best framework to utilize the power of the Internet to speed up the process of Supply Chain optimization.

Core Business

TIE develops and delivers XML/EDI™-based software solutions, which enable trading partners in the supply chain to do business electronically. We specialize in Enterprise Integration for vertical trade communities — TIE-ing applications in different companies and synchronizing business processes. Our products and services form the core of a truly end-to-end eCommerce solution, the Digital Business Community (DBC) Framework.

Products and Services

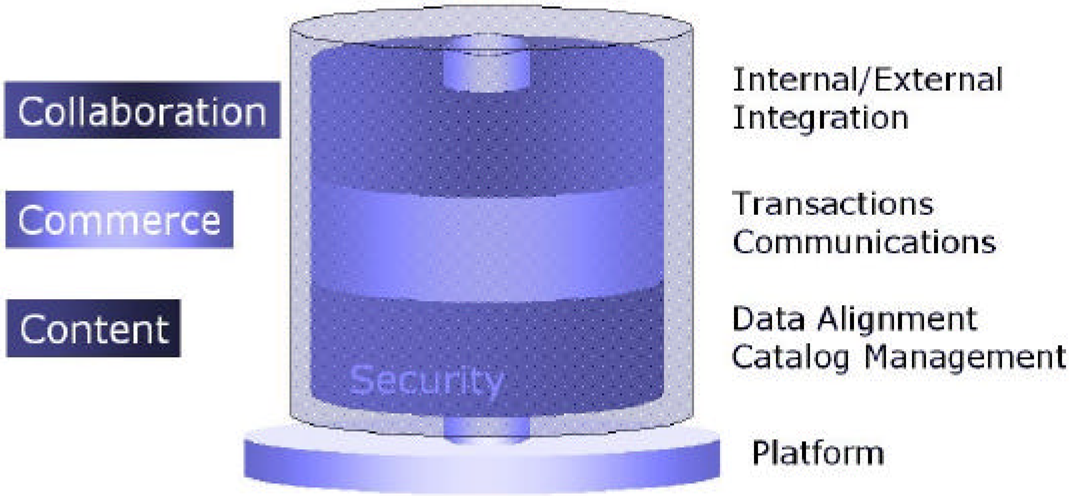
TIE has a comprehensive range of software and services, which enables companies to structure and distribute product information and to integrate their internal systems with their partners in the supply chain. TIE's current product range is the result of years of experience. The proceeds of the IPO have partly been used to further develop these products and to keep them in line with the requirements of the fast developing B2B eCommerce market. Management believes that the Internet offers new possibilities to generate additional revenue from new products and services based on the current products. The Enterprise Portal framework and content management are the areas the Company is particularly focusing on.

TIE Enterprise Portal Framework

The TIE Enterprise Portal Framework is a flexible eCommerce environment, which accommodates various integrated and complementary solutions. The easiest Framework configuration is offered as a hosted service including publishing and content functionality. This configuration is ideal for small businesses entering the new world of Internet and eCommerce for the first time. The most powerful Enterprise Portal Framework configuration is designed to meet the B2B eCommerce requirements of even the largest multinationals.

TIE's main new product line is the Enterprise Portal, a suite of low-end to high-end B2B eCommerce products that make it possible for companies to provide a link between their internal business processes and those of their trading partners. The Enterprise Integration Portal automates this exchange of data via the Internet. It integrates trading partners via the World Wide Web or other Internet protocols and traditional network services. It incorporates a wide range of modules for communication, transformation, database access, and Enterprise Resource Planning system integration.

TIE's Enterprise Portal Framework consists of a series of software solutions in three layers: Collaboration, Commerce and Content. The Collaboration Layer consists of integration modules that enable clients to take full advantage of B2B eCommerce by optimizing the information flows in the supply chain, increasing data accuracy by eliminating potential sources of errors, reducing stock and cutting delivery times. ERP systems linked to the TIE Enterprise Portal deliver streamlined operations throughout all internal and external business processes and seamlessly integrate with ERP applications including SAP, BaaN, Oracle or legacy applications. The Commerce layer modules allow clients to exchange mission-critical transactional data with buyers or suppliers directly to and from their software application system. The Content Layer Modules help companies to structure, classify and distribute product information with their partners in the Supply Chain.



TIE Digital Business Community Framework

Success in the 'Net Economy' can only be achieved by efficient working methods and a market-oriented approach. The Internet has facilitated new techniques, which mean that specific customer needs can be better satisfied than ever before. Now that the Internet is providing faster and easier access to sales and market information, many companies are asking themselves how they can structure their flows of goods and information and how they can maintain a firm grip on corporate management. By sharing information within the value chain they can respond more quickly to market changes and improve their operational efficiency. But there is still a practical problem that needs to be addressed: efficient electronic operation requires companies to adapt their business processes and software to one another. This is where TIE comes into the picture with the Digital

Business Community Framework. DBCs are Marketplaces on the Internet where buyers and suppliers operating within the same industry can do business in a radically more effective manner.

With the Enterprise Portal Framework TIE is focusing on individual companies, which want to improve their communication and information exchange with internal and external customers. The DBC Framework, on the other hand, is a virtual platform for a complete vertical market sector. It enables suppliers to join forces and yet to create a distinctive profile for themselves. This means that buyers no longer have to search many different places for products and services. A Digital Business Community provides suppliers and buyers alike with all facilities to support the sales and procurement processes. Services provided by the DBC are, among others, content exchange, management and subscription.

Collaboration in the supply chain

TIE shares the vision of Gartner Group and other market analysts that the cCommerce model (collaborative Commerce) will gradually replace the current Business-to-Business (B2B) eCommerce model. Before long it will be clear that the most successful businesses will be those that can organize their supply chain as an efficient and collaborative network. Partners in the supply chain will work together, not exercise power over one another.

TIE's Digital Business Community (DBC) Framework is designed for streamlining processes in the Supply Chain to optimize productivity and efficiency. A DBC offers the functionalities of an Internet portal and combines content with the latest integration and transaction technologies. The strength of the DBC lies in low-threshold access for all businesses, including SMEs (Small and Medium Sized Enterprises). The whole supply chain stands to benefit from this strategic collaboration. All businesses connected to a DBC profit from, amongst others, an extensive information supply, efficient sales practices and optimized logistical processes.

For many years TIE has been facilitating efficient business transactions by enabling companies to share information electronically. One of the first companies in Europe to recognize and facilitate B2B eCommerce, TIE has been successfully managing diverse DBCs for several years now. TIE's DBC Framework can help companies get a head start in collaborative Commerce.

The healthcare sector

The healthcare sector has always been a prolific purchaser of the most diverse products and services. TIE has matched supply with demand in the Dutch healthcare sector by designing the CareShare cCommerce portal (http://www.careshare.nl).

Healthcare workers can now order and receive products and services at their own workplace on the basis of framework deals agreed by the Purchasing department. CareShare streamlines the traditional purchasing process by making intensive use of electronic transactions and web technology. Thanks to the deployment of XML/EDI™ all the participating suppliers can easily receive orders and integrate them in their internal systems. All the buyers and suppliers need is an Internet connection and a browser. This form of collaboration delivers key strategic benefits; not only does it save time and money, it also creates closer teamwork.

The music industry

Four years ago a DBC was set up for the music industry under the name of Entersys (http://www.entersys.nl). Major record producers and music publishers use this DBC together with the retailers to conduct their business transactions. This speeds up the order process, enables data to be exchanged through a central catalog and provides information on availability. All the parties gain quicker access to accurate content. Thanks to the DBC all the parties can reap efficiency benefits and capitalize more on the market.

The installation industry

This DBC links up the manufacturer, the distributor and the installer (http://www.technonet.be). Its current product database features no fewer than 30,000 articles. The catalog can be fitted with its own search functions and is capable of supporting all sorts of unstructured data, such as photos, installation plans, and manuals. The catalog also is useful for on-line round-the-clock information requests, price calculations and orders. After an order has been placed an electronic follow-up is generated.

Other sectors

DBCs are being set up in different sectors: the Government (import/export), Furniture, Office Supplies, Apparel and Facilities. Here all parties in the value chain can participate: manufacturers, importers, wholesalers, retailers etc. Electronic storage and centralized data exchange creates a dramatic reduction in the number of incorrect orders due to misinterpretations.

Collaborative Commerce will enable groups of customers and suppliers in specific market segments (i.e. 'communities') to increasingly develop into centers of information and interaction. Each community solution concentrates, in principle, on one market segment and offers a whole spectrum of services, ranging from product information to templates, advertising facilities, discussion forums, job vacancy banks and sector information.

Leading market research agencies such as Gartner and Forrester are predicting spectacular growth for the B2B eCommerce market over the coming years. Although estimates vary, turnover in B2B eCommerce is expected to rise by hundreds of billions of euros in the next 5 years.

Support and consultancy

TIE offers its customers end-to-end support when selecting, implementing and operating a B2B eCommerce solution. Covering all phases of the implementation project (before, during and after), its services range from analyzing internal and external business processes to implementation support, customization and training.

EC-PRE Services

Each business-to-business eCommerce project starts with an analysis of a company's internal and external processes and its entire supply chain. In this phase TIE clearly positions eCommerce at the heart of a company's internal system. TIE offers consultancy services and dedicated tools to streamline this phase including the links to eCommerce partners.

The most important EC-PRE offering is the eScan Methodology. Using a structured walkthrough of the primary business processes, the customer gets a clear insight of all areas that are affected when moving to B2B eCommerce. Based on this analysis, a blueprint is created per area showing how to change or improve processes to prepare for eCommerce. With this documentation, the implementation can be prepared.

EC-GO Services

These services, ranging from project management to software customization, implementation and support, are crucial for launching an eCommerce project and ensuring its continuity. Service Level Agreements (SLA) put in place to fit the customers' need in supporting business process critical situations (which usually is the case in B2B communication).

Key Events

October 1999

TIE establishes a new organization, where its predecessor EDI-TIE BV is transformed from a centrally managed entity into a Holding company with the de-centrally managed subsidiaries TIE Nederland BV, TIE International BV and TIE Product Development BV.

November 1999

EbXML, an initiative of UN/CEFACT and OASIS has its inaugural meeting in San Jose, California. The organization is to produce a new global standard for B2B eCommerce within a timeframe of 18 months. TIE plays an active role as member of the Steering Group and with representatives in all Project Teams.

December 1999

Preparations for the Millennium Switch reach completion. After months of strenuous efforts to supply the thousands of TIE customers with a Millennium Proof version of the TIE software, the measures have been taken for a smooth transition into the new Millennium. With success: no reported problems in the early days of January 2000 and beyond.

January 2000

TIE announces that it plans to apply in February of this year for a listing on the Euro.NM of the Amsterdam Stock Exchange. This will make TIE the first Dutch Internet Company listed in the Netherlands. TIE is a leading player in the Benelux in the fast- growing market for business-to-business eCommerce. Delta Lloyd Bank acts as Lead Manager.

February 2000

TIE announces the acquisition of the US company DNS Worldwide Inc., provider of B2B eCommerce solutions for medium-sized businesses in the USA and Latin America. Both markets are growing explosively in eCommerce. This strategic move gives TIE a foothold in the American market.

March 2000

On 2 March 2000 TIE manages a very successful IPO on the Amsterdam Stock Exchange, amidst intense media attention and high demands for shares of TIE. The offering price of EUR 1 0 is doubled in the initial price and quickly goes up to EUR 49.95.

TIE completes the acquisitions of TIE Belgium, TIE Middle East and DNS Worldwide, which were all subject to the completion of the IPO.

April 2000

TIE announces that it has completed the acquisition of the US Company SPS Solutions, which was first announced in March. SPS Solutions develops B2B eCommerce solutions for large organizations. The company has over 1,000 permanent customers and occupies an important position in the US market. The takeover of SPS Solutions together with the acquisition of DNS Worldwide Inc. strengthens TIE's position in the United States and enables it to speed up the implementation of its international growth strategy.

SPS Solutions was later on merged with DNS into TIE Commerce Inc., which will be in a strong position to serve American companies that want to carry out international B2B eCommerce projects in conjunction with European partners.

May 2000

Announcement of a Digital Business Community in the Dutch Healthcare sector named 'CareShare'. Together with two buyers' organizations Intrakoop and NVILG, TIE will establish CareShare as the successor to 'ProductView', where over 50 suppliers have already joined forces.

June 2000

TIE announces that it signed a Letter of Intent for the acquisition of the Belgian company Computer Solutions NV. With this acquisition TIE will have a strong position in the Benelux installation sector. TIE Belgium NV and Computer Solutions started to work together closely, but the formal completion of the deal was not effectuated.

TIE completed the move to a new location in Amsterdam (Schiphol-Rijk), where it is now housed in a modern and fully equipped office building. This enables the company to continue to accommodate all Dutch staff in one location and expand further. The official opening of our new office was done on 29 September 2000 by Mr. D. Benschop - Deputy Minister (Staatssecretaris) of European Affairs.

July 2000

TIE investigates the possibility to acquire AND International Publishers NV. TIE's interest in AND concerns mostly AND's in-depth knowledge of XML and classification of large volumes of data. In the end TIE could not put together a business case that would justify a take-over and subsequently ceased negotiations.

August 2000

PricewaterhouseCoopers and TIE announce the intention to form a joint venture called 'eProco', that will provide services for companies that want to engage in electronic procurement. The plans are put on hold for now, but both companies have started working together to implement eProcurement within PwC itself.

September 2000

In September TIE officially launches the first version of its new product line for B2B eCommerce called 'Enterprise Portal Framework'. The framework is designed for collaboration between partners in the Supply Chain and consists of multiple complementary, integrated components. The product suite is designed to operate in a web-based environment, so it can be used by companies great or small.

Report from the Board of Directors

2000 was an exciting year for TIE. It was able to lay the foundation for a strong future growth and deployment of the experience TIE has in the field of doing business electronically. TIE completed its Initial Public Offering successfully, consummated a number of strategic acquisitions and established a team of skilled IT professionals.

In the eCommerce market it became clear that 'After-the-hype'-realism kicked in and the likes of Gartner and Forrester came out with reports that support TIE's vision on using the Internet for collaboration and achieving efficiency in the supply chain.

During the Fiscal year 2000 TIE became closely involved in the development of the new world standard for B2B eCommerce, called ebXML. This is a worldwide initiative of UN/CEFACT (the United Nations body charged with developing trade and standardization) and OASIS (the organization in which the key XML players are involved, including IBM, Microsoft, Sun, Oracle, Commerce One). The parties involved expect ebXML to become the new world standard and to become freely available to all companies that wish to conduct their worldwide business over the Internet. TIE is strongly represented in ebXML, as a member of the Steering Group and in most of the Project Teams. This gives TIE the First-Mover advantage to be one of the first companies in the world to launch products that support ebXML. The first results have become visible in the launch of the TIE Enterprise Portal Framework in September. This provides justification for the expectation that the standardization initiative referred to will provide a positive long-term contribution to the further expansion of B2B eCommerce in general and of TIE in particular.

Millennium

The year 2000 will certainly be going down in history as a remarkable year. It all started with fears of the so-called 'Millennium-Bug'. We had done all our preparations right and although within TIE we had a complete disaster plan ready, we didn't see a single glitch.

Initial Public Offering

On January 17, 2000 we announced that TIE was going to apply for a listing on the New Market of the Amsterdam Stock Exchange. During the IPO TIE positioned itself as a down-to-earth company, which was focused on helping companies to do business electronically in order to forge tight links to their partners in the supply chain and thus saving costs. As a company that had been active in this field for 12 years, the slogan "Joining Vision and Experience" said it all.

The IPO was successfully completed on March 2, 2000. The issue of 4 million Ordinary Shares was oversubscribed by 52 million shares, but the IPO price was still kept at the top of the EUR 7 -EUR 10 range. The net proceeds from the IPO were EUR 36.4 Million. TIE has consistently and clearly communicated that this money was going to be u sed to expand the company by investing in product and market development, personnel and infrastructure. TIE stressed that the Company would incur substantial losses in the coming years because the focus was on expanding the company. This was seen as a viable business proposition at the time.

Acquisitions

TIE was successful in completing a number of strategic acquisitions. TIE completed the following acquisitions within one month after the IPO and invested EUR 20M in cash on these transactions:

- TIE Belgium (Mol, Belgium)
- DNS Worldwide (Boston, Massachusetts, USA)
- SPS Solutions (St. Paul, Minnesota, USA)

The interest in TIE Middle East (Herzlia, Israel) was increased from 25% to 90% on completion of the IPO. TIE Belgium and TIE Middle East had been resellers of TIE for over 8 years and their businesses were totally aligned with that of TIE in The Netherlands. The structure of these companies is comparable as well and both have their own development staff. In Belgium a web-based transaction service was established and in Israel the development and support for TIE's AS/400 line of products was developed and supported. Both companies are market leaders in their home market.

DNS and SPS were former competitors of TIE and are well-respected leaders in the US market, DNS for the low-end products and SPS in the high-end. The business model of both companies is comparable with TIE but the products were different. DNS and SPS were merged in one legal entity called 'TIE Commerce', since their products and customer base complemented each other.

All four companies were profitable at the time of acquisition, but needed a substantial investment from TIE to make the transition to a B2B eCommerce company, which was subsequently provided. In order to align the existing products, the development teams of the acquisitions embarked on a major R&D effort with TIE Product Development to create a corporate ebXML-based product line.

Path to Profitability

After the IPO, TIE went into the 'expansion and investment' scenario, which was outlined in the prospectus. TIE had the intention to bundle the aforementioned acquisitions and refinance them on the capital market. However during 2000 Internet and Technology related shares on financial markets declined dramatically. This lead to the situation that the access to the capital market to refinance the acquisitions was blocked. As the Company was at the same time investing heavily in terms of R&D, marketing and people, it became clear that a change of focus was required.

The changed financial market situation prompted Management to introduce a Profit Improvement Plan to shift the course of the Company to a focus on 'consolidation and integration' in demonstrating the Path to Profitability (P2P), leading to positive operational Cash Flows and achieving a positive EBITDA within the fourth quarter of the fiscal year 2001. Under strong leadership the organization got back on track. In difficult circumstances the Company managed to secure approximately EUR 6 million additional financing which enabled Management to implement a rigorous world wide cost-saving program including significant headcount reductions. Also the Company has aligned its Research & Development initiatives under central leadership, directed at realizing shorter time-to-market for the new range of ebXML products.

Management's Discussion & Analysis

The following section contains trend analysis statements of financial condition and results of the Company's operations. The financial data given for the fiscal year 1999 - unless otherwise indicated - represent unaudited 12 months financial data. The audited financial data for 1999 only correspond with the trading activities from January 1, 1999 to September 30, 1999.

Annual result of operations

The following table sets forth the main items in the Company's income statement for the fiscal years 2000 and 1999:

	2000	**1999**
Net revenues	9,137	4,660
Operating expenses	18,948	3,755
Amortization goodwill	3,235	-
Net result	-13,567	308

The financial results of 2000 are in line with the expectations of Management and the communications of the Company throughout the year. TIE managed to almost double turnover for the fiscal year 2000 (1 October 1999 to 30 September 2000) compared with the corresponding period for the previous year. The revenue for the year 2000 was EUR 9.1 million compared with EUR 4.7 for 1999.

For the year, the net after-tax loss was EUR 13.6 million. Half this amount (EUR 6.5 million) was invested on research and development. A total of EUR 4,7 million relates to Amortization & Depreciation (on goodwill for acquisitions and fixed assets), and EUR 2,4 million loss before R&D.

Management believes that the results of the fiscal year 2000 are barely comparable with the results of the Company in previous years. One off events and activities, e.g. redirection of the Company's strategy, the IPO, the magnitude of research and development activities, amortization of goodwill paid and integration of acquisitions before and after IPO, have contributed to a much bigger increase in operating expenses than the increase in total revenue. Therefore, the Company will focus the analysis in this section on fiscal year 2000, unless a proper analysis with fiscal year 1999 is considered useful.

Net Revenues

The following tables set forth, for the fiscal years indicated, the breakdown of net revenues by category and region (and the percentage of total net revenues represented by each category):

Net Revenue by category

	2000		**1999**	
License Revenues	2,919	32%	1,260	27%
Consultancy Revenues	2,003	22%	1,023	22%
Maintenance and Services Revenues	4,215	46%	2,377	51%
Total Net Revenues	9,137	100%	4,660	100%

Net Revenue by region

	2000		1999	
The Netherlands	2,391	26%	3,780	81%
Rest of Europe	1,446	16%	589	13%
United States of America	4,866	53%	0	0%
Rest of the World	434	5%	291	6%
Total Net Revenues	9,137	100%	4,660	100%

From the tables above, it becomes clear that total net revenue in fiscal year 2000 increased because of acquisitions of TIE Belgium N.V., TIE Middle East, DNS Worldwide Inc. and SPS Solutions (a division of SPS Commerce Inc.).

The tables also indicate that total net revenues in fiscal year 2000 were negatively influenced by a revenue shortfall in the Netherlands. An increased management focus on international expansion plans (as outlined in the Prospectus) and the integration of newly acquired entities after the Initial Public Offering (2 March 2000), led to a decrease in revenues.

Operating Expenses

The following table provides a breakdown of the total operating expenses (excluding depreciation and amortization) for the fiscal years indicated:

	2000		1999	
Personnel Expenses	10,139	58%	2,336	68%
All Other Operating Expenses	7,351	42%	1,140	32%
Total Operating Expenses	17,490	100%	3,476	100%

The increase of total operating expenses was largely due to a rise in staffing in both the Netherlands and in the newly acquired subsidiaries. Staffing levels increased in anticipation of the start up of operational activities to prepare the Company for the implementation of its strategy as outlined in the Prospectus. Such activities include primarily product and market research and development and the recruitment of a small holding staff to support strategic and financial management tasks.

Research and development expenses not only include the Company's activities on product R&D activities, but also include market research activities and activities necessary to modify the Company's business practices and systems and to train newly recruited staff. Research and development expenses were not capitalized in the financial year 2000, but fully expensed.

With the rapid pace of B2B eCommerce, product research and development is a critical activity for TIE. TIE staff has proactively contributed to the global United Nations/OASIS initiative for electronic business XML (ebXML), which will enable a single electronic market. The result of these activities will be the completion of the critical business process and semantics standards, which was finalized in May 2001.The implementation phase of ebXML can start now, entirely in line with TIE's strategy, where TIE is focused on the development of software tools that will help companies to streamline their business processes with those of their trading partners. TIE will help its customers taking steps in collaborating with their partners in the Supply Chain, and to make the transition to an open, standards based method of electronic commerce.

Furthermore, the foundations have been laid for the continuing activities to share and stimulate the exchange of current knowledge to facilitate future product direction and current product assimilation by key research staff across the globe. The very first objective of these activities was the extension of XML capabilities within existing products including the delivery of a 'proof of concept' demonstrator at the ebXML Tokyo Conference, which is based on TIE's Enterprise Portal application.

Another and evenly important objective of these activities is the development of a corporate plan for future direction on the development and implementation of a universal corporate wide product vision and product and services portfolio.

The move to a new office building in June 2000, to accommodate all Dutch staff, has also contributed to the increase in operating expenses.

Depreciation and Amortization

Total depreciation and amortization charges related to tangible and intangible fixed assets (depreciation) and to goodwill paid (amortization) have both increased substantially in the financial year compared to previous years as shown in the following table:

	2000	**1999**
Depreciation Fixed Assets	1,458	279
Amortization Goodwill	3,235	-
Total Depreciation & Amortization	4,693	279

Goodwill, as a result of acquiring the shares of companies, is charged to shareholders' equity directly.

Goodwill relating to acquired assets and liabilities is written off by the Company in two years on a pro rata basis from the date of the acquisition. According to this accounting policy the net book value of goodwill paid as per September 30, 2000 will be fully amortized at the end of the second quarter of fiscal year 2002.

Financial Results

The financial income in the Profit and Loss Account was the result of interest income earned on short-term investments in cash and cash equivalents. During the financial year, the Company did not incur interest charges related to loan or credit facilities.

Income Taxes

At September 30, 2000 the Company had net operating losses totaling EUR 13.6 million, of which approximately EUR 11.2 million are applicable under Dutch Tax Laws. Dutch net operating losses can be carried forward indefinitely to offset future taxable income. The Company has a conservative approach towards accounting for income tax, as it has provided for a full valuation allowance for all deferred tax assets on these losses carry forward reserves.

Cash Position

As of September 30, 2000 the Company had cash and cash equivalents of EUR 4.7 million.

The net proceeds of the Initial Public Offering totaled an amount of approximately EUR 37 million. These proceeds were primarily used for acquisitions (EUR 20 million), purchases of property and equipment (EUR 3 million) and the net operating loss for the year (EUR 8 million).

Introduction of Euro Currency

As of January 1, 2001 all participating EMU countries are expected to be operating with the Euro as their single currency. The Company is not aware of any material operational issues or expenses associated with the preparation of its own internal systems for the Euro. The Company is taking steps for all its subsidiaries operating in the Euro zone to address the impact of converting its back office systems to support the single Euro currency. All these subsidiaries utilize well known, third-party vendor equipment and software for its accounting and invoicing systems.

Personnel

Staffing levels rose from 76 to 279 staff (FTE) in 2000. Existing staff contributed greatly to the selection and training of new personnel.

TIE has a relatively young workforce, which is highly motivated and has built a wealth of experience over the years. The Company's culture may be characterized as congenial, informal, challenging and internationally orientated.

In view of the Company's 2000 growth objectives, TIE has attracted a number of high-level professionals who have built a successful career outside TIE and bring new professionalism to the organization.

An overview of the average full time equivalents employed by the Company in the fiscal year is as follows:

Subsidiary	**R&D**	**Sales & Marketing**	**General & Admin.**	**Total**	**%**
TIE Holding	6	0	14	20	7%
TIE Netherlands	21	11	43	75	27%
TIE International	4	4	5	13	5%
TIE Product Development	19	0	0	19	7%
Total Netherlands	**50**	**15**	**62**	**127**	**46%**
TIE Belgium	2	6	19	27	10%
Total Europe	**52**	**21**	**81**	**154**	**56%**
TIE Commerce (USA)	26	16	61	103	37%
TIE Middle & Far East	8	6	8	22	8%
Grand Total	**86**	**43**	**150**	**279**	**100%**
%	**31%**	**15%**	**54%**	**100%**	

Research and development personnel amounted to 31% of total full time equivalents during the year. This relatively high dedication to research and development emphasizes the effort the Company makes to prepare itself for the rapid changes in B2B eCommerce.

The general and administrative personnel in the Company also include the personnel in the so-called middle office, such as support, consultants and project management.

As a result of the Profit Improvement Plan it is expected that total staff in the Company will be below 200 at the end of fiscal year 2001.

Objectives Human Resources Management

Management considers human resource management to be an integral part of the Company's strategy. The strategic objectives for Human Resources are:

- Enable personnel commitment and productivity through empowerment (releasing the power within people),
- Production of a corporate human resources framework where the remuneration, education and career opportunities for all personnel are actively managed and where goals are set and boundaries defined in a way to increase autonomy for the work force, and
- Stimulate and facilitate the creation of self-directed teams for all cross-corporation tasks like human resources, marketing and business development.

TIE has adopted an empowered organizational structure where responsibility for defining and achieving pre-determined objectives is largely delegated to the workforce. TIE supports its employees with appropriate training, personal coaching, career planning and employability. This empowered organizational model offers the opportunity to align employees' personal goals (e.g. development of skills, education, career planning, etc.) with the objectives of the Company.

Focus on knowledge management is expressed in establishing a skills database, where the skills and experience of employees is described in detail and which is accessible throughout the Company.

Ondernemingsraad (Workers' Council)

In October 1999 elections were held to establish for the first time a Workers' Council (as defined in the Wet op de Ondernemingsraden).

The Council has regular meetings and has followed an extensive training program. Additional training on specific topics will be offered when necessary. There are monthly meetings with the Board of Directors or the Vice President Human Resource Management where in an open and cooperative atmosphere topics like HRM Policy, Terms of Employment, Stock Option Plans and the status of the expansion and the growth of the company are discussed. Meetings with the Supervisory Board take place twice a year.

Elections for the Workers' Council take place every three years. In Subsidiaries outside the Netherlands and Belgium employees are organizing representational bodies as well.

In the year 2000 the Workers' Council initiated a representational body for the employees of TIE's Belgian subsidiary. Twice a year meetings with the Workers' Council and the representation of TIE Belgium takes place.

Strategy and expectations for 2001

A market in turmoil

In all markets we operate in, we can see a demand for our products and services. We can see that sales-cycles are long, since we try to tackle the most difficult problem in B2B eCommerce: establishing electronic links from application to application between buyers and suppliers in the supply chain.

It is clear that the financial markets today are quite nervous and have trouble distinguishing DotCom drama's from solid B2B eCommerce business models. TIE needs to demonstrate even more that its business model is at the core of what every company needs to survive the changes in doing business the Internet will undoubtedly bring.

The Financial Markets are in turmoil. Since April 2000 there has been a worldwide decline in Internet and Technology related shares and there are no signs that the decline is ceasing. In order to comply with market expectations, TIE has taken the necessary steps.

For the Fiscal Year 2000/2001 the Company has outlined a plan aimed at keeping the operation profitable, focusing on the core business and taking into account that costs should match the opportunities in the market. TIE will continue its growth strategy, but will put emphasis on matching Cash Flow with Expenses. In the plan the focus is still on expansion and extensive resources will be allocated to research and to developing the new B2B eCommerce products and markets. This is a clear indication of the focused activities securing future growth.

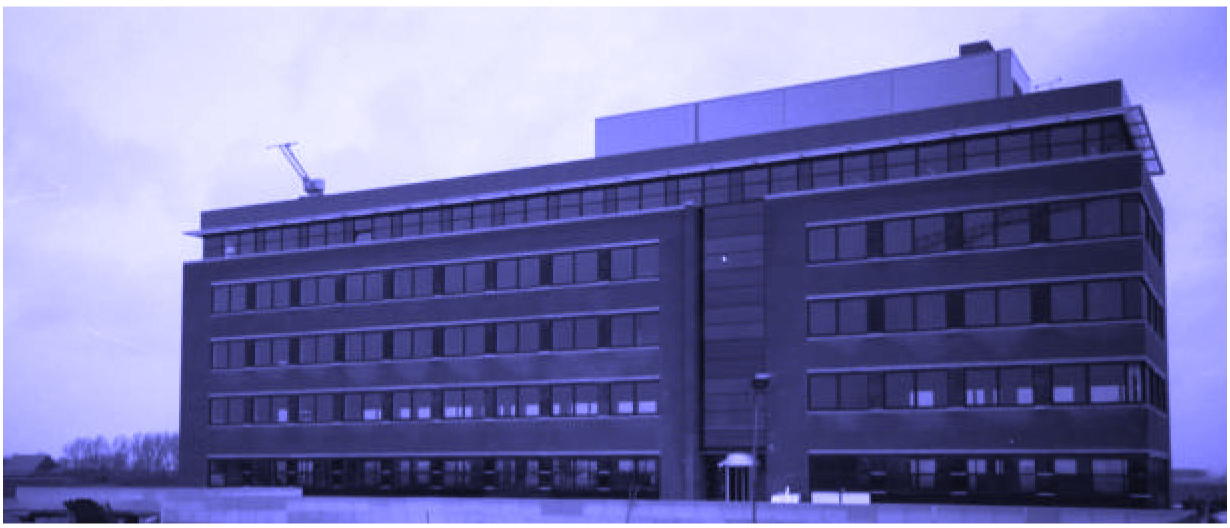
TIE applies conservative accounting policies, in which it expenses investments in R&D and acquisitions in the shortest possible time. This strengthens the financial outlook because past investments have been dealt with. Goodwill amortization charges of consummated acquisitions (EUR 1.8 million per quarter) will impact the bottom line only during the initial 2 quarters after the Financial Year 2001.

Outlook

The business world has changed significantly in the past year, and it is difficult to predict where it is going in the future. All companies will have to cope with the changed environment. In the beginning of 2000 it looked like companies understood that making heavy investments in eCommerce was necessary to survive in the future. A year later many companies seem hesitant to move forward at the same pace - however today an increasing number of companies realizes that eCommerce initiatives can save costs, even in a recession. The technological advances have not slowed down even though the financial markets have. The Internet will bring new business models to fruition and will enable companies to collaborate and save costs.

The products and services TIE can bring are at the heart of what it is all about in firmly establishing the competitive position of companies in the future. With its dedicated and professional staff TIE is in the position to bring about the necessary changes in the business processes of its customers. TIE has therefore every chance to establish a strong position in the European market of B2B eCommerce.

Amsterdam (Schiphol-Rijk), July 16, 2001



TIE Holding NV

FINANCIAL STATEMENTS

for

the financial year 2000

October 1, 1999 - September 30, 2000

Consolidated balance sheet at September 30, 2000

(After proposed appropriation of results)

Assets

(€ x 1.000)	September 30, 2000		September 30, 1999	
Fixed assets				
Intangible fixed assets				
Goodwill	10,876		–	
Other intangible fixed assets	270		129	
		11,146		129
Tangible fixed assets				
Fixtures and fittings	2,776		100	
Hardware and software	1,717		250	
Vehicles	143		–	
		4,636		350
Financial fixed assets				
Participating interests	2		1	
		2		1
Total fixed assets		15,784		480
Current assets				
Stocks		127		123
Debtors				
Trade debtors	2,721		1,685	
Amounts owed by affiliated companies	410		177	
Taxation	421		–	
Other receivables and prepayments	493		241	
		4,045		2,103
Cash and cash equivalents		4,692		174
Total current assets		8,864		2,400
Total assets		**24,648**		**2,880**

Liabilities and stockholders equity

(€ x 1.000)	September 30, 2000		September 30, 1999	
Capital and reserves	16,949		1,288	
Subordinated loan	–		91	
Capital base		16,949		1,379
Long-term liabilities				
Credit institutions and affiliated companies		46		110
Current liabilities				
Credit institutions and bank	41		–	
Trade creditors	1,708		368	
Deferred revenue	2,797		479	
Taxation and social security contributions	525		206	
Current installments of loans	22		–	
Other payables and accruals	2,560		338	
Total Current Liabilities		7,653		1,391
Total liabilities and stockholders equity		**24,648**		**2,880**

Consolidated profit and loss account

(€ x 1.000)	October 1, 1999 to September 30, 2000		January 1, 1999 to September 30,1999	
Net turnover	9,137		3,320	
Cost of sales	772		384	
Gross result		8,365		2,936
Selling & marketing expenses	3,247		440	
General & administrative expenses (incl Research & Development)	15,701		2,318	
Amortization goodwill	3,235		-	
Total expenses		22,183		2,758
Operating Result		(13,818)		178
Financial income/(expense)		251		(8)
Result on ordinary activities (before taxation)		(13,567)		170
Corporate income tax		-		6
Net result		(13,567)		164

Basic and Diluted net loss per share:

Net loss/(profit) per share-basic and diluted	€ (1.10)	€ 0.02
Weighted average shares outstanding-basic and diluted	12,336	9,638

Cash flow statement

(€ x 1.000)	October 1, 1999 to September 30, 2000		January 1, 1999 to September 30,1999	
Operating (Loss) / Profit		(13,818)		178
Depreciation and amortization		4,693		204
Decrease/(increase) in stocks	22		(123)	
Increase/(decrease) in debtors	(1,277)		612	
Increase/(decrease) in current liabilities	1,798		(443)	
		543		46
		(8,582)		428
Interest income/(expense)	251		(8)	
Corporate income tax	-		(6)	
		251		(14)
Cash flow used in operating activities		(8,331)		414
Investments in subsidiaries	(20,285)		(325)	
Additions to intangible fixed assets	(382)		–	
Additions to tangible fixed assets	(3,159)		(250)	
Disposals of tangible fixed assets	49		16	
Disposals of intangible fixed assets	-		115	
Cash flow used in investing activities		(23,777)		(444)
Decrease in long-term liabilities	(144)		(117)	
Shares issued and share premium	36,770		883	
Cash flow provided by financing activities		36,626		766
Change in Liquid funding		4,518		736

Notes to the consolidated financial statements

General

On March 2, 2000 the Company completed its Initial Public Offering on the Amsterdam Stock Exchange EURO.NM and issued 4,000,000 Ordinary Shares. In February 2000 the company effected a reorganization of its share capital and was converted from a Private Limited Liability Company "Besloten Vennootschap" (B.V.) into a Public Limited Liability Company "Naamloze Vennootschap" (N.V.) under the laws of The Netherlands. Pursuant to the reorganization for each share of TIE Holding B.V. held, shareholders received 214 Ordinary Shares of TIE Holding N.V. In the 1999 comparative financial data a retroactive adjustment of the split is reflected.

Basis of presentation.

In the fiscal year ended September 30, 2000 the Company incurred significant losses and did not generate sufficient cash flows from operations to support its operating and capital requirements. The Company has continued to incur significant losses and an operating cash flow shortfall during the fiscal year ending September 30, 2001.

The Company has financed its operations through the sale of equity securities and credit facilities. The Company expects to support operations through revenues derived from product sales or collaborative arrangements with third parties.

As per July 2001, the Company has secured additional capital and credit facilities and has undertaken cost and profit improvement measures to improve their cash flow from operations. Should the Company not be successful in improving this cash flow, they may be required to scale down or significantly curtail operations and development programs, or obtain additional financing through the sale of equity securities or attainment of credit facilities.

Considering the facts and circumstances, management believes it to be appropriate that the accompanying financial statements have been prepared on a going concern basis.

The Company operates in a highly competitive environment subject to rapid technological change and emergence of new technology. Although management believes it is at the forefront of technological developments, rapid changes in technology could have an adverse financial impact on the Company.

Basis of Consolidation

The consolidated financial statements include, on the basis of full consolidation, the financial data of TIE Holding NV, Hoofddorp and its subsidiaries:

Name	Statutory seat	Date Acquired	
TIE Nederland BV	Amsterdam (Schiphol-Rijk), The Netherlands		100%
TIE Product Development BV	Amsterdam (Schiphol-Rijk), The Netherlands		100%
TIE International BV	Amsterdam (Schiphol-Rijk), The Netherlands		100%
Gordian Investments BV	Amsterdam (Schiphol-Rijk), The Netherlands		100%
Commerce One Benelux BV	Amsterdam (Schiphol-Rijk), The Netherlands	02-14-00	100%
TIE Belgium NV/SA	Mol, Belgium	10-01-99	100%
TIE Middle East Ltd.	Tel Aviv, Israel	01-01-00	90%
TIE Commerce Inc.	Burlington, United States of America	03-09-00	100%
TIE Asia Pacific Ltd.	Hong-Kong, China		65%

All significant inter-company balances and transactions have been eliminated. After the close of the fiscal year, CSD Nederland BV has sold its 35% interest in TIE Asia Pacific Ltd. to the Company at the nominal share value of NLG 1,560. Due to equity deficits of TIE Middle East Ltd. and TIE Asia Pacific Ltd. the minority interest has been absorbed in full by TIE Holding N.V.

Change of Accounting Period

The profit and loss account of 2000 reflects the period of October 1, 1999 to September 30, 2000. The comparative figures of 1999 show a transitional period of January 1 to September 30, 1999 due to a change of the fiscal year to October 1 to September 30 in 1999.

Accounting policies

These financial statements have been prepared under Dutch generally accepted accounting principles using the historical cost convention. Departures from historical cost rules, if any, are stated separately. Profits on transactions are recognized at the time the transaction is conducted and concluded. Losses are accounted for as soon as they are foreseen.

Effective, January 1, 1999, the European Economic and Monetary Union (the 'EMU') created a single currency (the 'euro') for its member countries, which includes the Netherlands. The accompanying financial statements are reported in euros for all periods presented. Amounts were restated from Dutch guilders into euros by dividing the amounts in Dutch guilders by the January 1, 1999 exchange rate of 2.20371.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Intangible fixed assets

Intangible fixed assets are carried at cost less amortization.

Goodwill

This represents the excess of the purchase price and related costs over the fair value assigned to the net assets of the businesses acquired. Goodwill associated with the acquisition of shares is written off to shareholders' equity at the date of acquisition.

Goodwill associated with the acquisition of the assets/liabilities is capitalized and is amortized using the straight-line method over a period of two years from the date of acquisition.

Research and development

Certain software development costs relating to the completion of internally-developed products for customers are capitalized as intangible fixed assets when technological feasibility is established, normally on the completion of a detailed program design.

Capitalized amounts are carried at the lower of unamortized cost and net realizable value, and are amortized on a product-by-product basis. The annual amortization charge is the greater of the amount computed using the ratio of current revenue to the total anticipated revenue for the product and the amount computed using the straight-line method over the estimated life of the product (generally three years), commencing when the product is available for general release to customers. Estimated lives are revised when new projects or product enhancements which affect product lives are completed. Establishing the technological feasibility and the ongoing assessment of the recoverability of capitalized amounts are chiefly based on management's assessment of such factors as future revenues, product lives and economic changes in the company's market. Amortization of software development costs was Euro 102 for 2000 (1999: Euro 11).

Tangible fixed assets

Tangible fixed assets are carried at cost less depreciation based on their estimated useful economic lives.

Financial fixed assets

The participating interests in group companies are stated at the company's share in the net asset value of the participating interests at the balance sheet date. The net asset value is calculated on the basis of the same policies as those which apply to these financial statements. The 30% participating interest in TIE France SAS is stated at cost.

Stocks

This item represents computer software bought from third parties, which is available for resale. Stocks are valued at the lower of cost and estimated realizable value. Cost is determined on the first in, first out basis.

Debtors

Debtors are stated net of a provision for doubtful debts.

Financial instruments

The Company's financial instruments include primarily cash and cash equivalents, trade debtors, prepaid expenses and other current assets, accounts payable, accrued liabilities and notes payable. The carrying amounts of these monetary assets and liabilities approximate their fair value.

Revenue recognition

License revenue is derived from software licensing fees. Maintenance and service revenue is derived from maintenance support services, training and consulting. License revenue is recognized upon delivery if the company has a signed agreement in place, the license fee is fixed and determinable, and collection of the resulting receivable is deemed probable. Sales to third parties are recorded upon product shipment subject to the conditions noted above. Delivery is further defined in certain contracts as delivery of the product master or first copy for non-cancelable product licensing arrangements under which the customer has certain software reproduction rights. Service revenue from customer maintenance fees for ongoing customer support and product updates is recognized pro rata over the term of the maintenance contract, which is typically twelve months. Maintenance fees are generally paid in advance and are non-refundable. Service revenue from consulting and training is billed separately and is recognized as the services are performed.

Taxation

Taxation is calculated at standard rates, taking account of tax facilities and permanent differences between the valuation of assets and liabilities for accounting and for tax purposes. Deferred tax assets and liabilities are established for temporary differences between the financial and tax bases for assets and liabilities using currently enacted tax rates. A valuation allowance is established for deferred tax assets for which realization is not assured beyond reasonable doubt.

Costs

Costs are recognized in the year to which they relate.

Foreign currency translation and financial instruments

The functional currencies of the Company's foreign subsidiaries are the local currencies. Accordingly, assets and liabilities of foreign subsidiaries are translated to the euro at period-end exchange rates and revenue and expenses are translated using the average monthly rates during the period. The effects of foreign currency translation adjustments have been accumulated and are included in a foreign currency translation reserve included in shareholder's equity.

Assets and liabilities denominated in foreign currencies are translated at the rates ruling on the balance sheet date. Exchange differences are taken to the profit and loss account with the exception of translation variances on inter-company loans which are recorded in shareholders equity . Transactions denominated in foreign currencies are translated at the rates ruling on the transaction date.

Foreign currency transaction gains and losses are included in financial income/(expense).

Cash flow statement

The cash flow statement is prepared using the indirect method. Cash consists of current accounts with banks and cash in hand. Payments of interest and income taxes are included in cash flows from operating activities.

Net loss per share

Basic earnings or loss per share is computed based on the weighted-average number of Ordinary Shares outstanding during the period. Diluted earnings or loss per share is computed based on the weighted-average number of Ordinary Shares outstanding including the effect of stock options, if any. Basic and diluted loss per share is the same for 2000 because the impact of stock options outstanding is anti-dilutive due to the net loss incurred.

Consolidated balance sheet

Intangible Fixed Assets

(€ x 1.000)	Goodwill
Net book value at October 1, 1999	–
Additions	14,111
Amortization	(3,235)
Net book value at September 30, 2000	10,876

Goodwill incurred with the acquisition of assets/liabilities is amortized using the straight-line method over a period of two years from the date of the acquisition. A goodwill amount of EUR 7,609 relating to acquisition of shares has been charged to equity directly.

Other intangible fixed assets

(€ x 1.000)	Marketing, research & dev. costs	Software developed for internal use	Software developed for external use	Total
Net book value at October 1, 1999	–	18	111	129
Fair value of software TIE Commerce	–	–	244	244
Additions	382	–	–	382
Amortization	(382)	(18)	(102)	(502)
Translation adjustments	–	–	17	17
Net book value at September 30, 2000	0	0	270	270
Accumulated amortization at September 30, 2000	382	46	113	541
Depreciation periods	1 year	2 years	3 years	

Tangible fixed assets

Movements in the financial year were as follows:

(€ x 1.000)	Fixtures and fittings	Hardware and software	Vehicles	Total
Net book value at October 1, 1999	100	250	–	350
Tangible fixed assets acquisitions	767	1,085	149	2,001
Additions	2,115	1033	11	3,159
Disposals	(49)	–	–	(49)
Translation adjustments	55	76	–	131
	2,988	2,444	160	5,592
Depreciation charge for 2000	212	727	17	956
Net book value at September 30, 2000	2,776	1,717	143	4,636
Accumulated depreciation at September 30, 2000	597	1,444	17	2,058
Depreciation periods	5 years	2-3 years	3 years	

Financial fixed assets

Financial fixed assets relate to investments in subsidiaries. The movement can be broken down as follows:

	Subsidiary Investments
Net book value at October 1, 1999	1
Acquisitions of participating interest	2
Subject to consolidation	(1)
Net book value at September 30, 2000	2

The 30% participating interest in TIE France SAS is stated at cost. Effective October 1, 1999 TIE Asia Pacific Ltd. and TIE Middle East Ltd. are stated at the company's share value of the participating interests at the balance sheet date.

Taxation

(€ x 1.000)	September 30, 2000	September 30, 1999
Corporate income tax	40	–
VAT	381	–
	421	–

Total net operating loss in fiscal year 2000 amount to EUR 13,6m. Fiscal results will not differ materially from these amounts, which results into a deferred tax asset of approximately EUR 5 million. This amount has been provided for in full.

Group equity

Capital and reserves

The item Capital and reserves is explained in further detail in the notes to the Company balance sheet.

Other long-term liabilities

These contain a note denominated in US Dollars of EUR 38, which bears an interest of 10,5% and expires in 2004.

Current liabilities

(€ x 1.000)	September 30, 2000	September 30, 1999
Taxation and social security contribution		
Corporate income tax	–	148
Payroll tax	438	50
Social security contributions	87	(34)
VAT	–	42
	525	206

Consolidated profit and loss account

Net turnover

(€ x 1.000)	October 1, 1999 to September 30, 2000	January 1, 1999 to September 30, 1999
Licenses	2,919	898
Consultancy	2,003	729
Service and maintenance	4,215	1,693
	9,137	3,320
Salaries	9,220	1,537
Social security charges	819	175
Pension premiums	100	39
	10,139	1,751
Interest expense		
Bank interest and charges	26	30
Other loans	20	25
	46	55
Interest income		
Interest	273	15
Exchange results	2	30
Other	22	2
	297	47

Personnel

The average number of personnel based on full time equivalents:

	2000	1999
Research and Development	86	9
Selling and Marketing	43	7
General and Administrative	150	60
	279	76

General and Administrative headcount include also personnel in Middle Office e.g. support, project management.

The remuneration and pension costs in the current financial year for the Board of Directors and the Supervisory Board amounted to EUR 190 (1999: EUR 159) and EUR 20 (1999: EUR 0) respectively.

Segment information

In all regions the Company has the same business model and type of products, therefore only a geographical segmentation is given.

During 1999 the Company was active in Europe, Latin America and Asia, however the Company was established in The Netherlands only. For comparative purposes the revenue figures have been given per region.

(€ x 1.000)	October 1, 1999 to September 30, 2000	January 1, 1999 to September 30, 1999
Net revenues:		
The Netherlands	2,391	2,740
Rest of Europe	1,446	519
United States of America	4,866	–
Rest of the World	434	61
	9,137	3,320
Results:		
The Netherlands	(11,158)	164
Rest of Europe	(260)	–
United States of America	(1,311)	–
Rest of the World	(838)	–
	(13,567)	164
Total asset value:		
The Netherlands	18,934	2,880
Rest of Europe	361	–
United States of America	4,491	–
Rest of the World	862	–
	24,648	2,880
Total liabilities:		
The Netherlands	2,914	1,501
Rest of Europe	454	–
United States of America	3,913	–
Rest of the World	418	–
	7,699	1,501

Contingent Liabilities

Credit institutions and banks

The Company has a Note Payable amounting to approximately EUR 40 and a letter of credit of approximately EUR 24. The note is collateralized by all of TIE Commerce Inc. Assets.

Leases

Company cars were purchased under an operating lease. There is no long-term commitment in respect of these lease agreements. The monthly lease charge at September 30, 2000 amounted to EUR 42.

Rental agreements

Under the rental agreements concluded, the annual rental charge, including service costs for all TIE offices, is approximately EUR 1.461.

The company has issued guarantees to ING Bank NV for the amount of EUR 215 and to ABN AMRO Beheer BV for the amount of EUR 46.

Other

The company decided to postpone the closure of the announced acquisitions of 70% of the shares in TIE France SAS and 100% of the assets of Computer Solutions (Belgium). Until September 30, 2001 TIE has the option to close the transaction with TIE France under the agreed terms or to cancel the transaction altogether, incurring costs of EUR 200. This amount is fully provided for as per September 30, 2000 in view of the current strategic focus of the Company.

Related Party Transactions

At September 30, 2000, drs. Th. H. Raman, founder and CEO of TIE Holding N.V., through his personal holding company CSD Nederland BV, owned 75% of CSD Investments BV, which owned approximately 58% of the Ordinary Shares of TIE Holding N.V. after the IPO.

CSD Investments BV was founded in 1998 as a venture capital company whose activities include investing in joint ventures and/or partnerships in various new technologies, educational programs, research projects and sales, consulting, and support activities principally in the technology markets. TIE has entered into certain agreements with entities owned or controlled by CSD Investments BV and CSD Nederland BV, and has recognized revenue and reimbursement of expenses from, and incurred costs for goods and services provided by, such related parties.

EDI-TIE Belgium NV was founded in 1992 by Mr. L. Wouters Lic, the managing director, owner of 65% of the share capital and CSD Nederland BV holder of 35% of the share capital. EDI-TIE Belgium has become a leading EDI services company in Belgium and Luxemburg. In 1999 EDI-TIE Belgium had 15 employees.

On 25 January 2000 GCV Wouters & Co has transferred his shares of EDI-TIE Belgium to CSD Investments BV, in exchange for shares in CSD Investments BV. L. Wouters Lic. will continue in his current position. CSD Nederland BV has transferred its shares to CSD Investments BV in exchange for cash. On 25 January 2000 TIE entered into an agreement to acquire immediately after the IPO 100% of the outstanding share capital of EDI-TIE Belgium for a consideration of EUR 1,579. All transactions were carried out at the same valuation.

Drs. Th.H. Raman has transferred his shares in EDI-TIE France Sarl, the TIE reseller in France - to Gordian Investments BV, a 100% subsidiary of TIE for the nominal share value of FFR 12,500.

In December 1999 the Company acquired a license for a software product (BuySite Hosted edition) from CommerceOne, an independent third party, for use in the BeNeLux countries at a significantly discounted price. This software has been capitalized and amortized in one year by the Company. In connection with this transaction, the shares of CommerceOne BeNeLux BV, which was a wholly owned subsidiary of the controlling shareholder of the Company (CSD Investments BV), were transferred to the Company at nominal value in February 2000. CommerceOne BeNeLux BV incurred costs totaling EUR 382 during 1998 and 1999 in connection with market research and development of and generating sales opportunities for the CommerceOne brand. These costs have been paid by the Company in connection with the discount received on the software indicated above. Payments of EUR 382 have been made by the Company and capitalized under intangible fixed assets as Market Research and Development and are written off completely last year.

Company balance sheet at September 30, 2000

(After proposed appropriation of results)

Assets

(€ x 1.000)	September 30, 2000	September 30, 1999
Fixed assets		
Intangible fixed assets	10,876	18
Tangible fixed assets	2,151	333
Financial fixed assets	983	20
Total fixed assets	14,010	371
Current assets		
Stocks	–	99
Amounts owed by subsidiaries	–	848
Debtors	857	821
Cash and cash equivalents	3,536	20
Total current assets	4,393	1,788
Total assets	18,403	2,159

Liabilities

(€ x 1.000)	September 30, 2000		September 30, 1999	
Capital and reserves				
Issued and paid-up share capital	1,400		21	
Share premium	36,370		896	
Foreign currency translation reserve	67		–	
Legal reserve	–		18	
Other reserves	(20,888)		353	
		16,949		1,288
Subordinated loan		–		201
Capital base		16,949		1,489
Provision		173		–
Creditors		1,281		670
Total liabilities		18,403		2,159

Company profit and loss account

(€ x 1.000)	October 1, 1999 to September 30, 2000	January 1 1999 to September 30,1999
Result of participating interests	(7,404)	457
Loss on ordinary activities before taxation	(6,163)	(534)
Corporate income tax credit		241
Net Result	(13,567)	164

Notes to the company financial statements

General

The company has opted to prepare an abbreviated profit and loss account in accordance with the exemptions provided by Section 402, Part 9, Book 2 of the Netherlands Civil Code.

Unless stated otherwise, the same accounting policies apply as those stated in the notes to the consolidated financial statements.

Notes are provided for items in the company financial statements insofar as these are not already provided in the notes to the consolidated financial statements.

Company balance sheet

Intangible fixed assets

(€ x 1.000)	Goodwill	Software developed for internal use	Total
Net book value at October 1, 1999	–	18	18
Additions	14,111	–	14,111
Amortization	3,235	18	3,253
Net book value at September 30, 2000	10,876	–	10,876
Accumulated amortization at September 30, 2000	3,235	47	3,282
Depreciation periods	2 years	2 years	

Tangible fixed assets

(€ x 1.000)	Fixtures and fittings	Hardware and software	Total
Net book value at October 1, 1999	94	239	333
Additions	1,980	102	2,082
Disposals	–	–	–
Depreciation charge for 2000	102	162	264
Net book value at September 30, 2000	1,972	179	2,151
Accumulated depreciation at September 30, 2000	179	579	758
Depreciation periods	5 years	2-3 years	

Financial fixed assets

Financial fixed assets relate to investments in subsidiaries. The movement can be broken down as follows:

(€ x 1.000)	Subsidiary Investments	amounts owed by subsidiaries	Total
Net book value at October 1, 1999	20	0	20
Transfer from current assets		848	848
Acquisitions/additions	(2,704)	10,301	7,597
Share of net income	(7,404)		(7,404)
Write off loans against deficit in equity respectively transfer to provision for equity deficit	10,359	(10,186)	173
Foreign exchange difference	(251)	–	-251
Net book value at September 30, 2000	20	963	983

Provisions have been recognized in full for deficit in equity of subsidiaries and deducted from the loan balance or have been recorded as provision for equity deficit.

The loans have a duration of more than a year.

Capital and reserves

Stock Option Plan

In September 1999 a stock option plan was introduced, whereby all employees were awarded options that vest immediately and expire after 37 months. This plan was finalized during the fiscal year 2000 and agreed with the Tax Authorities in The Netherlands beginning of 2001.

A total number of 299,837 options to acquire one new Ordinary Share at an exercise price of NLG 4.47, were distributed among the employees of the Company and its subsidiaries in the BeNeLux. Of these 267,500 are still outstanding and are distributed as follows:

Directors	0 options (0%)
Employees	267,500 options (100%)

Shortly before the IPO an additional stock option plan was introduced, making available for grant another 191,378 options to acquire one new Ordinary Share at EUR 10. Since the Company could not reach a favorable ruling from the Tax Authorities, this plan was not completed within the fiscal year 2000.

The general meeting of shareholders determined that per financial year a maximum of 1% of the authorized share capital could be issued as options. The total number of options that can be awarded in TIE Holding during the financial year 2000 is 500,000. Any un-awarded options can be carried over to subsequent years. Given the uncertainties in the market, the Company has not introduced an Employee Stock Option Plan for the financial year 2000. For the fiscal year 2000 500,000 options are carried over.

Issued and paid-up share capital

The company's authorized share capital amounts to EUR 5,000,000, divided into 25,000,000 cumulative preference shares and 25,000,000 ordinary shares of EUR 0,10 nominal value each. A total of 14,001,504 ordinary shares of EUR 0.10 each are paid-up and called-up, resulting in issued and paid-up share capital of EUR 1,400,150. No preference shares are outstanding.

By an amendment of the articles of association during the fiscal year the nominal value of the shares has been revalued up from NLG 1 to EUR 21.40. The increase in nominal value of the shares has been charged to share premium. To the extend no available share premium was available the remaining increase in nominal value of the shares has been charged to other reserves. After completion of the re-capitalization a stock split of 1:214 took place.

On March 2, 2000 a share issue and an Initial Public Offering of 4.000.000 ordinary shares with a nominal value of EUR 0.10 took place. No existing shares were transferred.

(€ x 1.000)	2000	1999
Issued and paid-up share capital		
Opening Balance	21	20
Increase in nominal value of shares	979	–
Shares issued	400	1
Closing Balance	1,400	21

(€ x 1.000)	2000	1999
Share premium account		
Opening Balance	896	14
Transferred to issued and paid-up capital	(896)	–
Share Issuance, net of costs	36,370	882
Closing Balance	36,370	896

(€ x 1.000)	2000	1999
Foreign currency translation reserve		
Opening Balance	–	–
Addition	67	–
Closing Balance	67	–

(€ x 1.000)	2000	1999
Legal reserves		
Opening Balance	18	150
Transferred to other reserves	(18)	(132)
Closing Balance	–	18

(€ x 1.000)	2000	1999
Other reserves		
Opening Balance	353	452
Transferred to issued and paid-up capital	(83)	–
Goodwill	(7,609)	(395)
Transferred from legal reserve	18	132
Appropriation of result for current financial period	(13,567)	164
Closing Balance	(20,888)	353

Provision for equity deficit subsidiary

There is a Provision for equity deficit subsidiaries of EUR 173.

Contingent Liabilities

Leases

Company cars were purchased under an operating lease. There is no long-term commitment in respect of these lease agreements. The monthly lease charge at September 30, 2000 amounted to EUR 42.

Rental agreements

Under the rental agreements concluded, the annual rental charge, including service costs for the offices of TIE at Schiphol-Rijk, is approximately EUR 731.000.

The company has issued guarantees to ING Bank NV for the amount of EUR 215k and to ABN AMRO Beheer BV for the amount of EUR 46k.

Taxes

The company has formed a fiscal unit for corporate income tax and with TIE Nederland BV, TIE International BV, TIE Product Development BV and Gordian Investments BV. Based on this, TIE Holding BV is jointly and severally liable for the corporate income tax liabilities of the fiscal unit as a whole.

For VAT purposes the company has formed a fiscal unit with TIE Nederland BV, consequently TIE Holding is jointly and severally liable for the VAT liabilities of the fiscal unit.

Other

The company has issued guarantees in respect of TIE Nederland BV, TIE International BV, TIE Product Development BV and Gordian Investment BV pursuant to Section 403, Book 2 of the Netherlands Civil Code.

Other information (unaudited)

Appropriation of net result

According to Article 26 of the company's articles of association, the annual meeting of shareholders determines the appropriation of the company's net result for the year. The managing directors propose that the net loss of EUR 13,567 million will be charged to Other reserves. The financial statements have been prepared on the assumption that this proposal will be adopted.

Subsequent events

The Company has postponed the announced acquisitions of 70% of the shares of TIE France SAS and the net assets of Computer Solutions (Belgium). The Company has the option to close the transaction with TIE France SAS under the agreed terms or cancel the transaction until September 30, 2001.

CSD Nederland BV has sold its 35% interest in TIE Asia Pacific Ltd. to the Company at the nominal share value of NLG 1,560.

The Company secured a bridge loan of EUR 2,5 million from Delta Lloyd Bank in December 2000 to fund short term cash flow requirements. CSD Investments BV, a related party, acted as guarantor for this facility. In April 2001, additional funding was raised via a private placement of common stock totaling EUR 1,2 million. Concurrent with the private placement, the bridge loan was converted into a two year loan, with initial redemptions beginning 31 December 2001.

The Company entered an Equity Line Agreement with Navigator, an American venture capital company funded by Talisman Capital. Under this agreement the Company may at its option draw on the Equity Line and Navigator shall be obliged to purchase newly issued shares of common stock in return for these funds. An unlimited number of draws may be made during the 18 months contract period. The minimum per draw down, if made, is EUR 100,000. The maximum draw is equal to 20% of the average market volume of the preceding 30 trading days multiplied by the trading days of a defined draw down period. The price of the shares to be sold is determined by a formula equal to the Volume Weighted Average Price for each trading day in the draw down period discounted by 15%. Settlement will take place weekly and the shares are immediately tradable at the EuroNext Amsterdam Stock Exchange. Navigator has the option to double the number of shares it is obliged to purchase. The limit of the agreement is EUR 12 million. In exchange for this facility, Navigator was granted 400.000 warrants at an initial strike price of EUR 2,09 and 100.000 warrants at an initial strike price of EUR 2,50. The warrants expire on May 9, 2004.

In May 2001 the Company has made an initial draw of EUR 455,762 issuing 431,477 ordinary shares. Navigator purchased 350,000 ordinary shares and exercised an option to buy 81,477 additional ordinary shares. After this transaction the total number of shares outstanding is 15,449,646. The dilution of the share capital as a result of the Equity Line was 2.8%.

The Company secured an additional facility in July 2001. This mezzanine facility will provide the Company with a cash injection of up to EUR 2 million and the investor a five-year option on 3 million Ordinary Shares in TIE at a strike price of EUR 1.00. The facility has been arranged by Pall Mall Capital Limited, a London based private corporate finance house. Certain collateral was provided i.e. the pledge on TIE's trade receivables and fixtures & furniture. The facility bears 10% interest annually and ends on June 30, 2003, unless parties agree to extend the facility. TIE is free to terminate it any time when a regular bank takes over the credit line.

Auditors’ report

Introduction
We have audited the financial statements of TIE Holding NV, Hoofddorp for the period October 1, 1999 - September 30, 2000 as set out on pages 24-44. These financial statements are the responsibility of the company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope
We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of the company as at September 30, 2000 and of the result for the period October 1, 1999 – September 30, 2000 in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code.

Utrecht, July 17, 2001

Ernst & Young Accountants

Shares, and Shareholders. (unaudited)

The interests in the capital of the Company of the Members of the Board of Directors and Supervisory Board at September 30, 2000 are shown below.

	Ordinary Shares	**Options to acquire Ordinary Shares**
D. Hobart	10,700	8,346
Drs. Th.H. Raman	6,119,105	0

Drs. M. de Hond does not directly own any Ordinary Shares in the Company, but as a shareholder in Newconomy has an indirect interest in the capital of the Company.

The following shows the ownership of the Ordinary Shares of the Company before the IPO and immediately after issuing 3,750,000 Ordinary Shares with a Green Shoe of 250,000 in March 2000. No Preference Shares have been issued.

Shareholders	**Prior to Offering**		**Post Offering incl. Exercise of the Green shoe Option**	
	Number	%	Number	%
CSD Investments BV	8,158,750	81.58%	8,158,750	58.27%
Personnel	842,732	8.43%	842,732	6.02%
Newconomy N.V.	1,000,022	10.00%	1,000,022	7.14%
Other Shareholders			4,000,000	28.57%
TOTAL	10,001,504	100.00%	14,001,504	100.00%

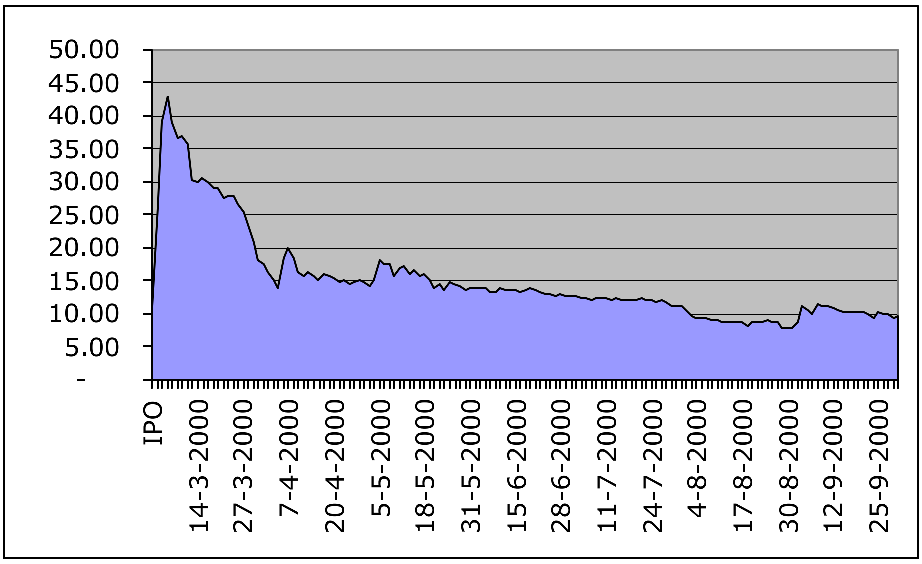
CSD Investments BV has four shareholders Drs. Th.H. Raman (75%), R.P. Stolwijk (9%), R.F. Raman (9%), and L. Wouters (6%). Drs. Th.H. Raman is the sole director of CSD Investments BV. All shareholders participate in CSD Investments BV through their respective personal holding companies named respectively: CSD Nederland BV, R. Stolwijk Holding BV, Säl BV and GCV Wouters & Co.

In July 2000 the UK Insurance Company CGNU plc. reported holding a 5% share in the share capital of TIE.

Share Price

At the IPO on 2 March 2000 the stock commenced trading at EUR 20, which was double the Offering Price of EUR 10. During the first week the volume of the trade was extremely high (EUR 350 Million) and the share price peaked at EUR 49.95 (Intraday). In the second half of March 2000 there was a lot of turmoil in the Dutch financial market, which was followed by the total collapse of Internet Shares worldwide starting in April.

The share price of TIE gradually went down as market sentiment worsened. At the end of the Fiscal year TIE closed slightly under its introduction price at EUR 9.70. The average volume of shares traded in that period was 145.000 per day. In terms of volume and in terms of Market Capitalization TIE was in the top 100 companies in The Netherlands with shares traded on the Amsterdam Stock Exchange.



Dividend policy

Over the past financial years TIE has not declared or paid dividends to its shareholders.

Management intends to retain any future earnings for investment in the further development and expansion of the Company (including through acquisitions) and does not foresee that the Company will pay dividends next year.

The Ordinary Shares are fully entitled to the dividend, if any, for the financial year ending 30 September 2000 and subsequent financial years. Payment of dividends can be done either in cash or in stock. See Corporate Structure for certain relevant provisions of the Articles of Association on the Company in respect to dividends.

Investor Relations

It is TIE's policy to conduct an intense and open relationship with its Shareholders. In its publications, press releases and websites TIE tries to give an open and informative view on events in order to achieve optimal transparency for Shareholders. On a regular basis TIE issues press releases through the Amsterdam Stock Exchange (http://www.aex.nl) and on her own website (http://www.TIEglobal.com). TIE Subsidiaries may also publish events related to their local market on their own websites (See: Where to find TIE...)

Regular one-on-one discussions with Financial Analysts and journalists have been conducted in the course of the year. Discussions have taken place with most Dutch (Investment) Banks. In September 2000 a special Analyst Meeting was held in the Amsterdam Hilton Hotel that was very well attended.

Since TIE is committed to open communications with the general public we have frequently shared our experiences in going public as the first Internet Company in The Netherlands with interested audiences. For instance on the 'Dag van het Aandeel' a conference/exhibition for (Private) Investors in Amsterdam in October 2000, TIE participated in the Plenary Forum discussion, gave a Corporate Presentation and had a stand at the exhibition.

Where to find TIE...

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