UNAUDITED FINANCIAL INFORMATION

TIE Holding N.V. Unaudited Condensed Consolidated Financial Statements

For the half year ended March 31, 2011

Key Financials

(EUR x 1,000)	6M_2011 (unaudited)	6M_2010 (unaudited)
Financial Results		
Total Income	5,438	5,617
Direct Purchase Costs	569	605
Employe Benefits	3,202	3,525
Depreciation, Amortization and Impairment Losses	275	236
Other Operating Expenses	1,184	1,485
Operating Income	208	(234)
Income Before Tax	206	(268)
Income After Tax	100	(447)
Comprehensive Income	39	(223)
Equity		
Total Shareholders' Equity	2,771	3,510
Total Equity Instruments	1,365	495
Total Equity	4,136	4,005
Employees (expressed as full time equivalents		
Average Number of Employees	96	95
Per Share of Ordinary Shares		
Comprehensive Income (weighted average)	0.00	0.00
Equity (closing)	0.05	0.05
Number of Shares Outstanding at end of Reporting Period (x 1,000)	82,202	77,702
Weighted Average Number of Shares Outstanding (x 1,000)	82,202	72,749
Weighted Average Number of Shares adjusted for calculation dilluted earnings per share (x 1,000)	88,493	75,715
Share Price		
Last Trading Day in reporting period	0.10	0.19
Highest	0.15	0.25
Lowest	0.10	0.17

Financial Results

Financial results for the three months and half year ended March 31, 2011

Introduction

Total Comprehensive Income for the six months amount to € 39k (2010: € -223k).

Income After Tax for the six months amounts to € 100k (2010: € -447k). Revenues for the half year amount to € 5.4m (2010: € 5.6m). The weighted average USD to EUR exchange rate for the first half year of 2011 was 1.36 compared to 1.43 over the same period in 2010, an appreciation of 5%. The half year USD to EUR closed at 1.42 compared to 1.36 per year end 2010.

Revenues

The following table provides the breakdown of revenues by category (and the percentage of total net revenues represented by each category) for the financial periods indicated:

Revenues by category

	6M_2011		6M_2010	
Licenses	584	11%	901	16%
Maintenance and Support	1,421	26%	1,451	26%
Consultancy	1,129	21%	1,186	21%
Software as a Service	2,002	37%	1,517	27%
Total Revenue	**5,136**	**94%**	**5,055**	**90%**
Other Income	302	6%	562	10%
Total Income	**5,438**	**100%**	**5,617**	**100%**
Direct Purchase Costs	(569)	-14%	(605)	-14%
Income Net of Direct Purchase Costs	**4,869**	**90%**	**5,012**	**89%**

Overall Total Income decreased by € 179k during the first six months 2011 compared to the first six months 2010. The effect of the one-time sale of the low end Edge product in 2010 amounted to € 176k.

License revenues for the first six months 2011 are € 317k (35%) lower compared to the first six months of 2010, especially the first quarter license sales were good in 2010.

Maintenance revenue is € 30k (2%) lower for the first six months 2011 compared to the 2010 comparative periods.

Consultancy is € 57k (5%) lower compared to the first six months last year.

SaaS revenue increased by € 485k (32%) compared to the first half year last year. This is predominantly resulting from Content Syndication projects, together with our partner CBS/CNET, in the US and E-commerce projects in the Netherlands. Other income consists predominantly of government grants with respect to the EC supported NetChallange, SOA4ALL and Omelette (totaling to € 302k, last year comparative € 386k). The comparative numbers include the sale of the Edge desktop software to a third party (€ 176k), during the first quarter 2010.

Direct Purchase Costs decreased by € 36k, comparing first six months 2011 with 2010, resulting from cost savings as a result of new hosting contracts.

The appreciation of the USD against the EURO had a positive effect on Total Income of € 107k compared with the first six months last year.

Operating Expenses

The following table provides a breakdown of the total operating expenses for the financial periods indicated:

Operating expenses by category

	6m_2011	6m_2010
Employee Benefits	3,202	3,525
Depreciation and Amortization Expense and Impairment Losses	275	236
Other Operating Expenses	1,184	1,485
Total operating expenses	**4,661**	**5,246**

The operating expenses decreased by € 585k (11%) compared to the same period last year. The Employee benefits decreased by € 323k predominantly resulting from lower temporary staff expenditure € 106k, lower option costs € 80k, while 2010 included redundancy costs amounting to € 125k.

The Depreciation and Amortization expenses increased by € 39k; The main reason for the increase is that new developed and capitalized software during the last three years, has become productive. The 2010 expenditure was still affected by the impairments of 2007 and 2008.

The Other Operating Expenses decreased by € 301k (20%) The main costs savings are lower bad debts expenses € 130k, less professional costs € 69k and less communication and marketing expenses € 90k.

The appreciation of the USD against the EURO had a negative effect on the operating expenses of € 74k compared to the same period last year.

Depreciation, Amortization and Impairment

	6m_2011	6m_2010
Depreciation and Amortization Expense of Fixed Assets	275	236
Impairments	-	-
Total Depreciation and Amortization Expense and Impairments	**275**	**236**

The depreciation and amortization expense increased during the first half year 2011 compared to 2010. The depreciation of capitalized R&D increased, predominantly resulting from the investments done over the last three years in our Content Syndication Platform and Business Integration Platform.

Financial Income and/or Expense

	6m_2011	6m_2010
Interest and Other Financial Income	2	0
Interest and Other Financial Expense	(6)	(26)
Exchange Rate Differences	2	(8)
Total	**(2)**	**(34)**

Interest expenses relates to interest paid on the use of the Credit facility, which ended on February 28, 2011. 2010 interest costs consisted of interest accrual on the loans of Alto Imaging Group NV and Jalak Investments BV and the discounted interest on the last part of the MamboFive BV purchase price. The exchange rate differences are resulting from realized exchange differences between the EURO and USD.

Corporate Income Tax

	6m_2011	6m_2010
Deferred Tax Movements	(121)	(162)
Income tax	15	(17)
Total	**(106)**	**(179)**

The deferred tax movements represent non-cash movements of temporary differences predominantly for goodwill and deferred revenue between commercial books (in accordance with IFRS) and US tax books. The income tax charge relates to normal tax rates on profits made.

Re-estimation Future Guidance

The world economical recovery in 2011 is still fragile and uncertain. The economic indicators in the US are turning positive, while Europe remains flat. Our SaaS revenue reached for the first time the € 1 million barrier per quarter; for the second part of the year, the Company expects to further grow its SaaS income. Various E-commerce and CSP projects, newly acquired in the second and third quarter of the fiscal year are expected to be delivered during the third and fourth quarters. As a result of this it is likely that the growth of SaaS will continue.

The partnership with CBS/CNET for CSP is starting to show promise, as several of the larger projects are expected to be delivered in the second half of the year. Additionally few smaller projects have been delivered as pilots with some important companies in the computer industry.

In the E-commerce arena, the partnership with Progress will evolve and develop further during this fiscal year. Additionally the Company sold projects in the Netherlands within the food- and office supplies industry for the second half of the year.

In March 29, 2011 the Company announced the release of E-vision 6.0 for the US market; This version brings a wide range of new features and functionality that allows our customers to tackle complex integration projects in a fraction of the time. The new release is available in both a License as well as SaaS solution.

On May 17, 2011 the Company announced the introduction to the market of the TIE Kinetix SmartBridge which is a new scalable EDI solution that can be expanded on a modular basis with increased functionalities including E-invoicing. SmartBridge is the next step and foundation in accomplishing our vision of Total Integrated E-commerce. The SmartBridge product will be available in either a License or SaaS offering on the Dutch, French and other European countries, and is likely to contribute to the Companies results as off the fourth quarter. Smart Bridge is available in both a License as well as SaaS solution.

Segment Information:

<u>The Netherlands</u>

Total Income in the Netherlands shows a decline of € 319k (12%) compared to the first six months last year. License revenue decreased by € 111k (41%), Maintenance and Support by € 46k (10%) and consultancy by € 151k (20%). While SaaS revenues increased by € 74k (10%) predominantly resulting from increased E-commerce sales. The Dutch market remains hesitant in investing in larger IT projects especially in Business Integration. Other income contributed € 302k over the first half year against € 387k other income in the first 6 months of 2010, the decrease is caused by the transition from (nearly) completed projects including Stasis and SOA4all and the start up of new EC supported projects like Netchallenge and Omlette.

The employee costs are lower by € 367k (23%). The major components of the decrease are: 2010 included redundancy costs of € 125k, lower expenditure on temporary staff is € 135k and lower option expenditure of € 88k.

Depreciation and amortization costs are € 24k lower for the first 6 months 2011 compared to 2010 resulting from an improved allocation amongst the business units of the Netherlands and International.

Other operating expenses decreased by € 193k (30%); The main factors are lower bad debts € 119k, lower communication and marketing expenses € 51k and accommodation costs € 8k.

<u>North America</u>

Revenues in North America decreased by USD 21k, from USD 2,953k to USD 2,932k for the first six months 2011. If the one time sale, amounting to USD 259k, of the Edge software is eliminated, sales increased by $238k in comparison to the same period last year.

License sales decreased by USD 205k; 2010 had strong License sales in the first quarter 2010 (Oct-Dec).

Maintenance and Support remained stable USD 1,122k this year versus USD 1,127k last year.

Consultancy increased by USD 86k (25%), resulting from the set up of new Content Syndication projects in cooperation with our partner CBS/CNET delivered as well as started during the second quarter.

SaaS revenues increased by USD 316k (59%), resulting from the delivery of Content Syndication projects as from October 2010. In addition the E-vision Business Integration product is offered as a SaaS solution in cooperation with our partner Epicor. The effect of currency exchange rate developments on US revenues expressed in EUR is substantial. The appreciation of the USD had a positive effect of € 107k on Net Income.

Other income amounts to USD 81k (last year USD 295k of which USD 259k relates to the one time sale of the Edge software). The Other Income predominantly relates to installation services delivered to by TIE International in relation to Content Syndication.

Employee costs over the first six months 2011 are USD 1,451k versus USD 1,534k last year.

Depreciation and Amortization costs increased by USD 30k compared to the same period last year resulting from new releases that have gone into production and start to include Depreciation and Amortization costs.

Other Operating expenses amount to USD 425k (last year: USD 344k)

The appreciation of the USD against the Euro on the total operating costs had a negative effect of € 74k.

Deferred Tax decreased from USD 228k last year to USD 165k. This is caused by lower fluctuation of deferred revenue as well as completion of redundancy payments during the first half year 2010, which were part of the Deferred Tax Asset.

Rest of World

Revenue during the first six months 2011 in the Rest of the World is up by € 76k (+8%) compared to revenue in the first six months of 2010.

Licenses sales are down by € 80k (45%) as well as Maintenance and Support € 19k (9%) and Consultancy € 19k (10%).

SaaS increased by € 159k (42%), resulting from the Content Syndication activities of TIE international and Business Integration activities from TIE France.

The Operating Costs of the ROW, consisting of TIE International, TIE France and TIE Asia Pacific, increased from € 695k to € 718k.

Holding

The Holding expenses decreased by € 184k (23%) compared to last year.

Employee benefits decreased by € 20k, resulting from lower option expense of € 7k and other employee related expenses of € 13k.

Other Operating expenses decreased by € 208k compared to last year. The main drivers are lower professional charges, predominantly legal costs, of € 59k, and a reallocation of operational costs between the Dutch operations of € 147k.

The Company operates in a single business segment, providing software and related services in several markets aggregated into geographical areas. These geographical areas are designated reportable segments in the most recent annual financial statements. Revenues are allocated to geographical areas based on the location of the customer.

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Segment information for the six months ended March 31, 2011:

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	155	331	98	-	584
Maintenance and Support	397	823	201	-	1,421
Consultancy	598	315	216	-	1,129
Software as a Service	836	624	542	-	2,002
Total Revenue	**1,986**	**2,093**	**1,057**	**-**	**5,136**
Other Income	302	58	(3)	(55)	302
Total Income	**2,288**	**2,151**	**1,054**	**(55)**	**5,438**
Direct Purchase Costs	246	248	130	(55)	569
Income Net of Direct Purchase Costs	**2,042**	**1,903**	**924**	**-**	**4,869**
Operating Expenses					
Employee Benefits	1,207	1,130	490	375	3,202
Depreciation and Amortization Expense and Impairment Losses	117	101	47	10	275
Other Operating Expenses	445	311	181	247	1,184
Total Operating expenses	**1,769**	**1,542**	**718**	**632**	**4,661**
Operating Income	**273**	**361**	**206**	**(632)**	**208**
Interest and Other Financial Income	1	1	-	-	2
Interest and other Financial Expense	(1)	-	-	(3)	(4)
Income before Tax	**273**	**362**	**206**	**(635)**	**206**
Corporate Income Tax	-	(121)	4	11	(106)
Income after tax	**273**	**241**	**210**	**(624)**	**100**

Segment information for the six months ended March 31, 2010:

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	266	457	178	-	901
Maintenance and Support	443	788	220	-	1,451
Consultancy	749	240	197	-	1,186
Software as a Service	762	372	383	-	1,517
Total Revenue	**2,220**	**1,857**	**978**	**-**	**5,055**
Other Income	387	175	0	-	562
Total Income	**2,607**	**2,032**	**978**	**-**	**5,617**
Direct Purchase Costs	331	205	69	-	605
Income Net of Direct Purchase Costs	**2,276**	**1,827**	**909**	**-**	**5,012**
Operating Expenses					
Employee Benefits	1,574	1,075	521	355	3,525
Depreciation and Amortization Expense and Impairment Losses	141	79	10	6	236
Other Operating Expenses	638	228	164	455	1,485
Total Operating expenses	**2,353**	**1,382**	**695**	**816**	**5,246**
Operating Income	**(77)**	**445**	**214**	**(816)**	**(234)**
Interest and Other Financial Income	-	-	-	-	-
Interest and other Financial Expense	(7)	(10)	-	(17)	(34)
Income before Tax	**(84)**	**435**	**214**	**(833)**	**(268)**
Corporate Income Tax	4	(162)	(21)	-	(179)
Income after tax	**(80)**	**273**	**193**	**(833)**	**(447)**

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Segment information for the three months ended March 31, 2011:

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	81	167	52	-	300
Maintenance and Support	188	408	95	-	691
Consultancy	280	159	122	-	561
Software as a Service	426	306	269	-	1,001
Total Revenue	**975**	**1,040**	**538**	**-**	**2,553**
Other Income	138	55	-	(55)	138
Total Income	**1,113**	**1,095**	**538**	**(55)**	**2,691**
Direct Purchase Costs	133	131	91	(55)	300
Income Net of Direct Purchase Costs	**980**	**964**	**447**	**-**	**2,391**
Operating Expenses					
Employee Benefits	557	579	235	187	1,558
Depreciation and Amortization Expense and Impairment Losses	59	51	24	5	139
Other Operating Expenses	233	116	103	169	621
Total Operating expenses	**849**	**746**	**362**	**361**	**2,318**
Operating Income	**131**	**218**	**85**	**(361)**	**73**
Interest and Other Financial Income	1	-	-	-	1
Interest and other Financial Expense	(1)	-	-	(1)	(2)
Income before Tax	**131**	**218**	**85**	**(362)**	**72**
Corporate Income Tax	-	(61)	(6)	11	(56)
Income after tax	**131**	**157**	**79**	**(351)**	**16**

Segment information for the three months ended March 31, 2010:

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	92	138	91	-	321
Maintenance and Support	217	404	109	-	730
Consultancy	342	127	94	-	563
Software as a Service	386	186	202	-	774
Total Revenue	**1,037**	**855**	**496**	-	**2,388**
Other Income	161	0	0	-	161
Total Income	**1,198**	**855**	**496**	-	**2,549**
Direct Purchase Costs	144	99	32	-	275
Income Net of Direct Purchase Costs	**1,054**	**756**	**464**	-	**2,274**
Operating Expenses					
Employee Benefits	805	575	270	208	1,858
Depreciation and Amortization Expense and Impairment Losses	69	33	5	3	110
Other Operating Expenses	295	71	86	310	762
Total Operating expenses	**1,169**	**679**	**361**	**521**	**2,730**
Operating Income	**(115)**	**77**	**103**	**(521)**	**(456)**
Interest and Other Financial Income	-	-	-	-	-
Interest and other Financial Expense	(3)	(8)	-	(7)	(18)
Income before Tax	**(118)**	**69**	**103**	**(528)**	**(474)**
Corporate Income Tax	-	(84)	(9)	-	(93)
Income after Tax	**(118)**	**(15)**	**94**	**(528)**	**(567)**

Financial Position

The Equity position of the Company remains positive. Shareholders' Equity as per March 31, 2011 amounts to € 2,771k (September 30, 2010: € 2,663k).

Total Equity as per March 31, 2011 amounts to € 4,136k (September 30, 2010: € 4,028k) including convertible bonds amounting to € 1,365k (September 30, 2010: EUR 1,365k).

Development (R&D)

In the first six months of financial year 2011, the Company capitalized € 233k, compared to € 255k for the first six months 2010. Development activities were spent primarily on the next generation of the Messaging Portal, called SmartBridge and the Content Syndication Platform.

Significant R&D effort is being invested in the EC supported, SO4ALL, Omelette, NetChallenge projects. These projects have not been capitalized but are expensed through the Income Statement.

Interim Consolidated Balance Sheet

As at March 31, 2011

Assets (€ x 1,000)	March 31, 2011		September 30, 2010	
	(unaudited)			
Non Current Assets				
Intangible fixed assets				
Goodwill	2,386		2,402	
Other intangible fixed assets	1,517		1,492	
		3,903		3,894
Tangible fixed assets				
Property, Plant and Equipment	165		164	
		165		164
Financial fixed assets				
Deferred Tax Asset	1,309		1,476	
Loans and Receivables	12		38	
		1,321		1,514
Total Non Current Assets		**5,389**		**5,572**
Current Assets				
Trade Debtors and Other Receivables:				
Trade Debtors	1,683		1,539	
Taxation and Social Security	12		4	
Other Receivables and Prepayments	564		795	
		2,259		2,338
Cash and Cash Equivalents		544		326
Total Current Assets		**2,803**		**2,664**
Total Assets		**8,192**		**8,236**

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Interim Consolidated Balance Sheet

As at March 31, 2011

Equity and Liabilities (€ x 1,000)	March 31, 2011 (unaudited)		September 30, 2010	
Equity				
Shareholders' Equity	2,771		2,663	
Convertible Bonds	1,365		1,365	
Total Equity		**4,136**		**4,028**
Non Current Liabilities				
Provisions	13		11	
Total Non Current Liabilities		**13**		**11**
Current Liabilities				
Settlement Liabilities short term	-		47	
Credit Facility	-		316	
Short Term Debt	-		100	
Trade Creditors	481		435	
Deferred Revenue	2,094		1,609	
Taxation and Social Security	112		216	
Income tax	1		12	
Other Payables and Accruals	1,355		1,462	
Total Current Liabilities		**4,043**		**4,197**
Total Equity and Liabilities		**8,192**		**8,236**

Interim Consolidated Statement of Comprehensive Income

For the 6 months ended March 31, 2011:

(EUR x 1,000)	2011		2010	
	(unaudited)			
Revenues				
Licenses	584		901	
Maintenance and Support	1,421		1,451	
Consultancy	1,129		1,186	
Software as a Service	2,002		1,517	
Total Revenues		5,136		5,055
Other Income		302		562
Total Income		5,438		5,617
Direct Purchase Costs		(569)		(605)
Income Net of Direct Purchase Costs		**4,869**		**5,012**
Operating Expenses				
Employee Benefits	3,202		3,525	
Depreciation and Amortization	275		236	
Other Operating Expenses	1,184		1,485	
Total Operating Expenses		**4,661**		**5,246**
Operating Income		**208**		**(234)**
Interest and other Financial Income		2		-
Interest and other Financial Expense		(4)		(34)
Income before Tax		**206**		**(268)**
Corporate Income Tax		(106)		(179)
Income after Tax		**100**		**(447)**
Other Comprehensive Income				
Exchange differences on translating of foreign operations		**(61)**		**224**
Total Comprehensive Income net after Tax		**39**		**(223)**
Attributable to Shareholders:				
Income after Tax		100		(447)
Comprehensive Income net after Tax		39		(223)
Net result per share - basic		0.00		0.00
Weighted average shares outstanding - basic (thousands)		82,202		72,749
Net result per share - diluted		0.00		0.00
Weighted average number of shares fully diluted (thousands)		88,493		75,715

Interim Consolidated Statement of Changes in Equity

(unaudited)

(€ x 1,000)	Share Capital (Incl Surplus)	Retained Earnings	Accumulated other Comprehensive Income (loss)	Share-holders Equity	Convertible Bonds	Equity attributable to equity-holders of TIE
Balance per September 30, 2009	**53,639**	**(50,802)**	**(420)**	**2,417**	**1,661**	**4,078**
Total Comprehensive Income (loss)	-	(1,928)	163	(1,765)	-	(1,765)
Total recognized net income for 2010	**-**	**(1,928)**	**163**	**(1,765)**	**-**	**(1,765)**
Shares Issued and Share premium	1,723	-	-	1,723	-	1,723
Issued Convertible Bonds	-	-	-	-	870	870
Converted Convertible Bonds	-	-	-	-	(1,166)	(1,166)
Share based payments	-	292	-	292	-	292
Other movements	-	(3)	-	(3)	-	(3)
Balance per September 30, 2010	**55,362**	**(52,441)**	**(257)**	**2,663**	**1,365**	**4,028**
Total Comprehensive Income (loss)	-	100	(61)	39	-	39
Total recognized net income for 2011	**-**	**100**	**(61)**	**39**	**-**	**39**
Shares Issued and Share premium	-	-	-	-	-	-
Issued Convertible Bonds	-	-	-	-	-	-
Converted Convertible Bonds	-	-	-	-	-	-
Share based payments	-	69	-	69	-	69
Other movements	-	-	-	-	-	-
Balance per March 31, 2011	**55,362**	**(52,272)**	**(318)**	**2,771**	**1,365**	**4,136**

Share based payments amounting to € 69k.

Comprehensive Income for the period of € 39k.

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Interim Consolidated Cash Flow Statement

(€ x 1,000)	For the six months ended March 31, (unaudited) 2011		For the six months ended March 31, (unaudited) 2010	
Income before tax		206		(268)
Adjustments:				
Share based payments expense	69		150	
Depreciation and amortization	275		236	
Increase (decrease) provisions for redundancy, legal and rent building	(47)		156	
Increase (decrease) provisions	3		16	
Other movements	(3)		2	
		297		560
Working Capital Movements				
(Increase) decrease in debtors and other receivables	54		502	
(Decrease) increase in deferred revenue	519		(64)	
(Decrease) increase in current liabilities	(192)		(212)	
		381		226
Cash generated (applied) in operations		884		518
Interest paid		(4)		(23)
Interest received		2		-
Income taxes paid		(15)		-
Net Cash flow from operating activities		867		495
Disinvestments in intangible fixed assets	2		167	
Disinvestment in financial fixed assets	26		(27)	
Investments in intangible fixed assets	(226)		(166)	
Investments in tangible fixed assets	(32)		(72)	
Net Cash flow generated / (used) in investing activities		(230)		(98)
Increase (decrease) bank overdrafts/loans short term	(416)		(355)	
Net Cash flow generated / (used) by financing activities		(416)		(355)
Net increase (decrease) in Cash and Cash Equivalents		221		42
Currency Exchange Rate Difference on opening balance Cash and Cash Equivalents		(2)		18
Opening balance Cash and Cash Equivalents		326		457
Closing balance Cash and Cash Equivalents		**544**		**517**

Corporate Information

TIE Kinetix delivers innovative web centric, software based solutions that enable all trading partners in the supply chain to work seamlessly together on the major E-commerce processes of marketing, sales and fulfillment. With its TIE Kinetix concept, it provides a Total Integrated E-commerce process, embracing three innovative platforms for Business Integration (including e-invoicing, XML/EDI data synchronization), Content Syndication and E-commerce. The Total Integrated E-commerce solutions minimize the energy needed for a transaction lifecycle throughout the supply chain giving organizations the advantage to reduce cost and maximize revenue and profit.
TIE Kinetix has more than two decades of experience in developing and implementing E-commerce standards. TIE is a listed company with offices in the United States, Australia, France and the Netherlands.The unaudited condensed consolidated financial statements for the half year ended March 31, 2011 are authorized for issue through a resolution of the Management Board dated May 25, 2011.

Notes forming part of the financial statements for the half year ended March 31, 2011

1 ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the six months ended March 31, 2011 have been prepared in accordance wih IAS 34 Interim Financial Reporting as adopted by the EU.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at September 30, 2010.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended September 30, 2010.

2 Segment Information

The Company operates mainly in one business segment, but operates in different countries, through subsidiaries. All subsidiaries provide similar products and services. The segment information is disclosed above.

3 Seasonal Effects

There are little seasonal effects on the operations and therefore the results of the Company. Despite the holiday season the second half year (April-September) sales have proven to be strong during this period over the last few years. Due to the increased importance of SaaS, the company’s revenue and results have become less vulnerable for seasonal effects. However there may be some effect on Consultancy and R&D development as a result of the holiday’s season. Therefore the Company may face some impact on the results of the second half year.

4 Intangible Assets

During the first six months of 2011 the Company capitalized € 233k (6M_2010: € 255k).

5 Cash

On March 31, 2011 the Company held a net positive cash and cash equivalents position of € 544k (September 30, 2010 € 10k).

The major events influencing the cash position of TIE during the first half year are:

- The reduction in steps of the Rabobank facility of € 350k to nil on February 28, 2011.
- Repayment of the Alto Imaging Group N.V. loans of € 100k plus interest on February 28, 2011.
- The Company has been cash flow positive from its operations of € 867k during the first half year 2011 (6m_2010: € 495k).

6 Subsidiaries

There are no changes to report.

7 Acquisitions

There have been no acquisitions during this reporting period.

8 Convertible Bonds

Since September 30, 2010 the Company reports the following movements in the Convertible Bonds:

Convertible Bonds	Issue date	Maturity date	Conversion rate in €	March 31, 2011	September 30, 2010	
Related Party	August 4, 2009	August 4, 2019	€ 0.180	40,000	40,000	
Related Party	April 1, 2010	April 1, 2015	€ 0.188	385,669	385,669	1)
Related Party	August 31, 2010	August 31, 2020	€ 0.100	530,000	530,000	
	Sub Total Related Party			**955,669**	**955,669**	
Third Party Investors	June 19, 2009	June 19, 2019	€ 0.18	5,000	5,000	
Third Party Investors	April 1, 2010	April 1, 2015	€ 0.188	64,331	64,331	1)
Third Party Investors	August 31, 2010	August 31, 2020	€ 0.100	340,000	340,000	
	Sub Total Third Party Investors			**409,331**	**409,331**	
	Total Convertible Bonds			**1,365,000**	**1,365,000**	

Subsequent to the current reporting period, ending on March 31, 2011:

Note 1) On April 1, 2011 Convertible Bonds (dating from April 1, 2010) amounting to € 450k were converted into Shares.

9 Options

During the reporting period the following movements occurred:

A total of 793,650 options have been granted to the Managing Director of TIE France SAS. The individual option plan was agreed in connection with the sale and purchase of the remaining 49.75% of the shares in TIE France SAS which took place in November 2008. This option plan does not form part of the Annual Stock Option program for all staff members of TIE worldwide.

A number of 32,039 options have been cancelled resulting from people leaving the Company.

10 Equity

During the reporting period no shares were issued.

The total number of Common Shares per March 31, 2011 is 82,201,804 (Sept. 30, 2010 82,201,804).

The movement of Equity is summarized under the Interim Consolidated Statement of Changes in Equity.

Subsequently on April1, 2010 due to the conversion of Convertible Bonds amounting to € 450,000, the number of shares increased by 2,393,617 to a total number of 84,595,421

11 Pending Litigations

On March 31, 2011 the Company reported that TIE and CMC settled their dispute regarding the intellectual property rights of the Content Syndication Software. During the course of the legal proceedings, parties have tried to settle their dispute. Parties have now agreed to relinquish the proceedings, and to explore the option of a commercial partnership. The total compensation to be paid to CMC amounts to €112,5k of which € 70k has been paid, reported and expensed in 2010. Based on the settlement, TIE will pay additional litigation costs of CMC up to an amount of € 42,5k. This amount and our legal costs thereto of € 36k are reported in our Q2_2011 results.

Since December 2007 the Company has been involved in discussions and subsequently in legal proceedings with Samar. All claims in the summary proceedings were instantly dismissed at the court hearing of February 15, 2008. On July 7, 2010, the court of Haarlem unexpectedly granted all claims by Samar. In Q4_2010, TIE has paid damages this amount may be adjusted upwards or downwards in the procedure regarding the assessment of the damages. TIE has filed an appeal and provided the court with its substantiated findings. The Company currently awaits Samar's response.

12 Related Parties

During the reporting period from October 1, 2010 – March 31, 2011 the following related party transactions occurred:

a) Alto Imaging N.V., is a related party which helds a shareholding in TIE of 20.2% of the shares. On February 28, 2011 TIE repayed a loan to Alto Imaging N.V. amounting to € 100k plus interest.

b) Subsequent to the current reporting period, on April 1, 2011, the Convertible Bonds received by two managers and former Shareholders of MamboFive B.V. amounting to € 373k (out of € 450k) have been converted into shares.

c) On December 28, 2010 the managing director of TIE France received a final portion of 793,650 stock options based on the results of TIE France SaS and resulting from the sales/purchase agreement dated October 29, 2008.

13 Changes in Accounting Policies and Disclosures

The following standards and/or interpretations became effective during the reporting period but did not affect the Company's results:

- IFRS 1: First-time adoption of IFRS – Limited Exemption from Comparative IFRS 7 Disclosures for First-Time Adopters, effective for financial years beginning on or after July 1, 2010. The revised amendment is not applicable to TIE as the Company is not a first-time adopter of IFRS.
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments, effective for financial years beginning on or after July 1, 2010. The adoption of this interpretation will have no impact on the financial position or the performance of the Company
- IAS 32: Financial Instruments: Presentation – Classification of Right issues. As TIE has not made foreign currency rights issues, the amendment will have no impact on the financial position or the performance of the Company.

The following standards and/or interpretations became effective after commencing the reporting period and did not affect the Company's results:

- IFRS 9: Will become effective as from 2013, with earlier adoption permitted. IFRS 9 introduced new requirements for classifying and measuring financial assets. This standard encompasses an overall change of accounting principles in that standard and will eventually replace IAS 39 – the current standard on financial instruments. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on financial instruments and consider adoption when appropriate;
- IFRIC 14 Prepayments of a Minimum Funding Requirement, effective for financial years beginning on or after January 1, 2011. The interpretation does not apply to TIE and therefore has no impact on the financial position or performance of TIE;
- IAS 24: Related party disclosures amendment effective as of January 1, 2011, with earlier adoption permitted. Clarifies the definition of a related party and provided a partial exemption from the disclosure requirements for government-related entities. The revised standard also clarifies that disclosure is required of any commitments of a related party to do something if a particular event occurs or does not occur in the future. TIE did not promptly adopt the amended standard; upon adoption, limited impact is expected.

Amendments resulting from Improvements (issued May 2010, effective January 1, 2011) to IFRSs to the following standards have not been adopted; The Company is assessing the impact thereof and will adopt the improvements upon the effective date:

- IFRS 1 First-Time Adoption of IFRS;
- IFRS 3 Business Combinations;
- IFRS 7 Financial Instruments: Disclosures;
- IAS 1 Presentation of Financial Statements;
- IAS 27 Consolidated and Separate Financial Statements;
- IAS 34 Interim Financial reporting;
- IFRIC 13 Customer Loyalty Programs.

14 Subsequent Events

On April 1, 2010 convertible bonds amounting to € 450,000 were converted into shares as disclosed in detail under Equity.

15 Statement of the Management

The Management Board has considered and approved the interim condensed consolidated financial statements for the period October 1, 2010 – March 31, 2011.

The interim condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU.

We consider the accounting policies applied to the effect that the interim condensed consolidated financial statements give a true and fair view of the Group's assets, liabilities and financial position as at March 31, 2011 and of the results of the Group's operations and cash flow in the period October 1, 2010 – March 31, 2011.

Hoofddorp, May 25, 2011

J.Sundelin

CEO