Press release interim consolidated financial statements TIE KINETIX N.V.
Financial information in this interim report is unaudited

TIE KINETIX: solid growth in SaaS revenue

Breukelen, the Netherlands, May 20th, 2015

<u>First half year results (period Oct, 1, 2014 – March 31, 2015)</u>.

- **Launch of Google GSA sales in the Netherlands and UK**
- **Growth of Demand Generation sales in US and Europe**
- **SaaS and hosting revenues grow 34,5% to € 4.485k (H1 2014: € 3.334k)**
- **Implementation of SaaS contracts erodes chargeable consultancy**
- **Total revenue (excl. EU projects) increase by 6,8% to € 9.495k (H1 2014: € 8.888k)**
- **EBITDA, excl. EU projects and one-time costs amounts to € 540k (H1 2014: € 1.103k)**
- **EBITDA impacted by EU projects (- €187k) and one-time costs (€ 1.893k)**
- **Net profit, excl. EU projects and one-time costs amounts to € 28k (H1 2014: € 731k)**
- **Three year contract value (excl. EU projects) increases with 8,3% to € 31.848k (H1 2014: € 29.402k)**

Highlights:

Table 1: Operational performance

In € x 1.000	Integration		E-Commerce		Optimization		Generation		Elimination		Operations	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Licenses and hardware	298	515	1	4	0	0	2	0	0	0	301	519
Maintenance and support	1.486	1.409	12	6	0	0	0	0	0	0	1.498	1.415
Consultancy and Implementation	881	1.227	643	819	919	639	690	883	0	0	3.133	3.568
Software as a service	1.703	1.488	1.055	389	373	430	1.354	1.027	0	0	4.485	3.334
Other income and intercompany	122	317	45	4	88	88	59	0	-236	-357	78	52
Total income	**4.490**	**4.956**	**1.756**	**1.222**	**1.380**	**1.157**	**2.105**	**1.910**	**-236**	**-357**	**9.495**	**8.888**
Total cost of sales	**-1.621**	**-1.655**	**-1.160**	**-921**	**-959**	**-603**	**-1.594**	**-1.490**	**193**	**366**	**-5.141**	**-4.303**
Gross margin	**2.869**	**3.301**	**596**	**301**	**421**	**554**	**511**	**420**	**-43**	**9**	**4.354**	**4.585**
	64%	67%	34%	25%	31%	48%	24%	22%	18%	-3%	46%	52%
Wages and salaries											-2.365	-2.189
Other operating expenses											-1.449	-1.293
Total Operating expenses											**-3.814**	**-3.482**
EBITDA (excl. one-time expenses)											**540**	**1.103**
One-time expenses											-609	-650
EBITDA											**-69**	**453**
Depreciation and amortization											-512	-372
EBIT											**-581**	**81**

Table 2: EU projects and total performance

In € x 1.000	Operations		EU projects		Total Consolidated		
	2015	2014	2015	2014	2015	2014	Change
Licenses and hardware	301	519	0	0	301	519	-218
Maintenance and support	1.498	1.415	0	0	1.498	1.415	83
Consultancy and Implementation	3.133	3.568	0	0	3.133	3.568	-435
Software as a service	4.485	3.334	0	0	4.485	3.334	1.151
Other income and intercompany	78	52	969	595	1.047	647	400
Total income	**9.495**	**8.888**	**969**	**595**	**10.464**	**9.483**	**981**
Total cost of sales	**-5.141**	**-4.303**	**-44**	**-338**	**-5.185**	**-4.641**	-544
Gross margin	**4.354**	**4.585**	**925**	**257**	**5.279**	**4.842**	**437**
	46%	52%	95%	43%	50%	51%	9%
Wages and salaries	-2.365	-2.189	-845	-222	-3.210	-2.411	-799
Other operating expenses	-1.449	-1.293	-266	-245	-1.715	-1.538	-177
Total Operating expenses	**-3.814**	**-3.482**	**-1.111**	**-467**	**-4.925**	**-3.949**	**-976**
EBITDA (excl. one-time expense:	**540**	**1.103**	**-186**	**-210**	**354**	**893**	**-539**
One-time expenses	-609	-650	-1.283	0	-1.893	-650	-1.243
EBITDA	**-69**	**453**	**-1.469**	**-210**	**-1.539**	**243**	**-1.782**
Depreciation and amortization	-512	-372	0	0	-512	-372	-140
EBIT	**-581**	**81**	**-1.469**	**-210**	**-2.051**	**-129**	**-1.922**

TIE Kinetix, the leading provider of cloud-managed Integration, Analytics, Demand Generation and E-Commerce services today released interim results for the first half year of its fiscal 2015, covering the period October 1, 2014 – March 31, 2015. In the first half year of 2014 the German company Tomorrow Focus Technologies GmbH ("TFT", hereinafter called 'TIE Kinetix Germany') was acquired on December 2nd, 2013. The results for the first half year of 2014 include the results of TIE Kinetix Germany as from that date, consolidated for only four months in the first half year of 2014. Acquisition costs amounted to € 345k and have been reported under one-time expense in the first half year 2014 Profit & Loss statement.

EU subsidies repayment

In the first half year of 2015, the full scope of the repayment of EU subsidies became clear. TIE Kinetix hired an interim subsidy specialist to fully recalculate all current and past EU projects and turned to Deloitte to assure that the recalculations were in line with the audit findings and EU regulations. Management has spent a considerable effort in investigating possibilities to mitigate damages, communicate with EU officials and their auditors to try and find an amicable resolution or payment plan. The EU officials have responded negatively to all TIE Kinetix' requests for resolution and even our request for phased payments was rejected. As a consequence, TIE Kinetix has to repay EU subsidies currently calculated at approximately € 1.085.383, for which amount a provision has been created in the first half year of 2015. Furthermore, TIE Kinetix has incurred support costs consisting of subsidy specialist costs and legal fees, in total amounting to € 62.286. This amount is of an extra-ordinary nature and reflected in the first half year profit and loss account under one-time expenses. In order to completely mitigate any effect of repayments of subsidies on the company's operations, TIE Kinetix obtained a shareholder guarantee for damages up to an amount of € 2 million. On March 31st a first draw-down of € 700.000 under this guarantee was done. All draw-downs under this guarantee will be reflected under the company's equity.

Samar

Since December 2007, TIE Kinetix has been involved in discussions and subsequently in legal proceedings with Samar. For further information on these proceedings, reference is made to TIE's previous press releases on the matter and to the summary included in the paragraph "Legal Cases - Samar B.V.” in TIE's 2014 Annual Report, page 57.

On March 6, 2015 TIE Kinetix announced that it had reached an out of court settlement with Samar. The settlement includes 26 monthly payments of € 10.416 by TIE Kinetix to Samar commencing March 2015, and totaling an amount of € 270.816. With this payment, parties grant each other full and final discharge with regard to all claims.

In TIE Kinetix’ first half year 2015 one instalment amounting to € 10.416 is of extra-ordinary nature and reflected under operating expenses whilst a provision is made for the remaining 25 installments (amounting to € 260.400).

Revenue (excluding EU subsidies)
Overall revenue grew with € 607k or 6,8% to € 9.495k (H1 2014: € 8.888k), including a currency (dollar appreciation) effect of € 610k. Overall revenue excluding TIE Kinetix Germany declined with € 221k or 3,5% to € 6.154k (H1 2014: € 6.375k).
SaaS revenue grew with € 1.151k or 34,5% to € 4.485k (H1 2014: € 3.334k), including a currency (dollar appreciation) effect of € 216k. SaaS revenue excluding TIE Kinetix Germany grew with € 617k or 38,5% to € 3.002k (H1 2014: € 2.162k).
Consultancy revenue declined with € 435k or 12,2% to € 3.133k (H1 2014: € 3.568k), including a currency (dollar appreciation) effect of € 218k. Consultancy revenue excluding TIE Kinetix Germany declined with € 617k or 27,7% to € 1.611k (H1 2014: € 2.228k).

The following highlights the developments in our four business lines:
- Business Integration: our solution continues to benefit from its strong position in the telecom, publishing, do-it-yourself, food retail and automotive industries. In the first six months we have a.o. concluded contracts with customers Bijenkorf, Samsonite, and Compass Group. Strong sales have resulted in an implementation backlog of customers waiting to be implemented. Automation and near shoring of parts of the customer implementation process should near term result in the reduction of the implementation backlog, currently covering several months depending on location and functionality. In the first six months, our Business Integration revenue declined with 9,4% to € 4.490k (H1 2014: € 4.956k), mainly caused by lower license sales at € 297k (H1 2014: € 515k) and lower consultancy revenue at € 881k (H1 2014: 1.227k). SaaS revenue grew with 14,4% to € 1.703k (H1 2014: € 1.488k).
- E-commerce: our E-commerce proposition delivers webshop back-end solutions with full back office integrations. Our customers are typically large scale telecommunications companies such as KPN and T-Mobile. In the first half year TIE Kinetix successfully supported T-Mobile with webshop solutions around several commercial events, such as the introduction of T-Mobile’s new pricing model. In the first six months, our E-commerce revenue grew with 43,7% to € 1.756k (H1 2014: € 1.222k).
- Demand Generation: increased order intake is a first sign that our 2014 investments in marketing and sales investments are paying off. In the first half year of 2015 a similar number of new customers were contracted as in the entire year 2014. We concluded contracts with US customers such as Motorola, Tenable, Genesys, Getac, Zebra Technologies and Hyland Onbase. The market seems to be budding fuelled by increasing attention from analyst firms (Sirius Decisions and Forrester), who are initiating coverage on Channel Marketing Management Platforms and through Partner Marketing Automation platforms. In their reports TIE Kinetix is positioned as a major global player in this upcoming market. In the first six months, our Demand Generation revenue increased with 10,2% to € 2.105k (H1 2014 € 1.910k).
- Business Analytics: following the acquisition of TIE Kinetix Germany, sales of Analytics have been initiated in the Netherlands and most recently in the UK. In the Netherlands new customer contracts were signed with Ymere, Landelijke Huisartsen Vereniging, VDAB and Nationale huisartsen Genootschap. TIE Kinetix has successfully established itself as a premium partner and

reseller of Google (Google Search Appliance) and other analytic tools to the business community. Our comprehensive services for web business performance and user experience include consulting services and managed hosting solutions. TIE Kinetix Germany has been consolidated since its acquisition on December 2, 2013. In the first six months of 2015 our Analytics revenue grew with 19,3% to € 1.380k (H1 2014: € 1.157k).

Jan Sundelin (CEO) said: "In the first half year management has spent considerable efforts resolving matters of the past. We were happy to finally close the Samar case. The EU subsidy repayments are a heavy burden for a company with the size of TIE Kinetix. As much as we are disappointed with the position the European Commission is taking with regards to finding a resolution, we are very grateful for the shareholder-guarantor that enables TIE Kinetix to close this matter without spillover effect to its operations. With regards to our operational performance we see a continued growth in SaaS revenue in line with our projections. However, we do recognize that our billable consultancy has suffered from the focus on SaaS performance. We are taking measures to avoid similar erosion of consultancy hours in the second half year. We are content with the roll out of Google Analytics to the Netherlands and the UK, under TIE Kinetix Germany management, in line with our plans. Our integration business continues to deliver healthy margins, and we are developing new tools and processes to bring newly signed up customers quicker into operation. This will allow a more aggressive go to market strategy. Our E-commerce business grew with a number of new T-mobile projects. Our second largest customer KPN has indicated to consolidate certain of its brands, as a result of which our future revenue with these brands will be uncertain. Although we are happy with the performance in the first half year, we will exploit new commercial opportunities for our platform. Our Demand Generation business is developing in the right direction, and TIE Kinetix seems to have a pole position in this budding market. But the size of the market and speed of development continues to be below our expectation."

Operating margin

(€ x 1,000)	**1HY 2015**	**1HY 2014**
Total Revenue	10.464	9.483
Gross Profit	5.279	4.842
	50,4%	51,1%
Employee Benefits	3.210	2.411
Other Operating Expenses	1.715	1.538
EBITDA (excl. one time expenses)	**354**	**893**
One time expenses	1.893	650
EBITDA	(1.539)	243
EBITDA%	-14,7%	2,6%

As from October 1, 2014 onwards all employee expenses related to consultants are no longer recorded under Operating Expenses but included as direct costs in the business line in which the consultant performs its activity (ref. to Table 1). From October 1, 2014 onwards Operating Expenses only reflect indirect costs (including sales costs, SG&A and management overhead). Furthermore, expenses with a non- recurring nature (acquisition costs, EU subsidy support costs) are excluded and reflected separately under 'one-time costs'.

The following table provides a breakdown of the Total Operating Expenses:

Operating expenses (€ x 1,000)	1HY 2015	1HY 2014
Employee Benefits	3.210	2.411
One time expenses	1.893	650
Depreciation and amortization	512	372
Other Operating Expenses	1.715	1.538
	7.330	**4.971**

Operating Expenses (excl. One-time Costs and Depreciation and Amortization) for the first six months 2015 increased with 24,7% to € 4.925k (H1 2014: € 3.949k). Operating Expenses (excl. One-time costs) excluding TIE Kinetix Germany increased with 6% or € 205k, of which € 131k is attributable to currency (dollar appreciation) effects.

Depreciation and Amortization for the first half of 2015 increased with 37,6% to € 512k (H1 2014: € 372k), in part caused by the depreciation of hardware in TIE Kinetix Germany and amortization of customer base in TIE Kinetix Germany. Excluding TIE Kinetix Germany, depreciation and amortization expenses for the first half of 2015 increased with 15,1% to € 419k.

The following table provides a breakdown of One time Expenses:

One-time Expenses	1HY 2015	1HY 2014
Legal & Severance costs	474	255
Temporary staff hires	62	50
Samar Claim	271	-
EU claim	1.086	-
Acquisition Costs	-	345
Total	**1.893**	**650**

One-time expenses amounted to € 1.893k (H1 2014: € 650k) and consist of Samar costs (€ 271k), EU claim costs (€ 1.086k) and professional services, legal fees and termination benefits (€ 474k). Professional Services costs and legal fees were incurred in the Samar case, in the EU claim case and for legal advice on termination.

EU projects

EU projects are projects for which TIE Kinetix claims, and periodically receives, EU Development grants. Depending of the Development Grant Regime in which the projects are executed, these grants are intended to cover direct staff costs incurred plus a limited compensation for overhead. In past reporting these grants were included in the category 'other income' and reported in TIE Nederland BV in the segment reports. As from October 1, 2014 all costs incurred and development grants claimed are separated out from the ordinary operations and reflected under 'EU Projects'.

In the first half year 2015 it became clear that the size and scope of TIE Kinetix' involvement was disproportionate to the perceived benefits TIE Kinetix derived from these projects. Furthermore, the sheer height of grants to be repaid and the lack of co-operation of the European Commission officials in resolving simple administrative anomalies reinforced the notion of misfit of running EU projects at this large scale in a small and medium size company like TIE Kinetix. As a consequence, TIE Kinetix will only very modestly participate in future EU Development projects and has withdrawn its official participation in EU institutions NESSI and BDVA.

In the first half year of 2015 EU projects generated a total Grant revenue of € 969k (H1 2014: €595k), caused by stronger focus on billable hours and higher hourly rates. In the first half year of 2014 internal allocations (staff in other operating entities working on EU projects) were included in Cost of

Sales. As from October 2015 onwards, said costs are included in Wages and Salaries. EBITDA generated by EU projects is - € 186k (H1 2014: - € 210k) due to non-funded compliance costs and overhead costs.

EBITDA excluding acquisition costs and one-time expenses decreased with 60,4% to € 354k (H1 2014: € 893k).

Corporate income tax
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 the US tax books. As at the end of March 2015, the deferred tax position has not been recalculated at its actual value as the US tax position will only be recalculated at year end. Taxes are paid in France and in the US. The income tax charge relates to normal taxes paid on local profitable income.

Net profit

(€ x 1,000)	1HY 2015	1HY 2014
EBITDA	(1.539)	243
Depreciation	161	98
Amortization	351	274
Net financial charges	75	25
Profit before tax	**(2.126)**	**(154)**
Income tax	(11)	(84)
Net profit	**(2.137)**	**(238)**
Net profit before acquisition costs and one-time expenses	(244)	412
Earnings per share in €	(1,87)	(0,23)

Net income before acquisition costs and one-time expenses decreased to € -244k (H1 2014: € 412k)

Development activities
In H1, 2015 the company capitalized € 556k (H1 2014: € 372k), on its E-commerce offering, on its Demand Generation products and on the next generation messaging portal (called 'Smart Bridge') for Business Integration.

Liquidity and cash flow
Operating cash flow decreased by 85.6% to € 214k (H1 2014: € 1.483k) due to one-time expenses and lower consultancy sales.

The cash position at the end of March 2015 was positive € 524k compared with positive € 1.032k at the end of March 2014.

Three year contract value projection
The three year contract value projection is the value of our current customer contracts with a going forward contract duration of three years or more. As at the end of Q2, 2015 the total three year contract value amounts to € 34,8 million and is primarily driven by multi-year maintenance agreements, SaaS and Hosting agreements and EU projects. In calculating the three year contract value the following assumption is made: SaaS, Maintenance and support, and hosting contracts run between 12 and 36 months with an automatic renewal for 12 months. Since contracts may be

renewed during the projected period of three years, the contracted value is adjusted based on historical churn rates. The table indicates the allocation over the various sources of revenue.

Three year contract value (€ x 1,000)	**Maintenance**	**Consultancy**	**SaaS**	**EU**	**Total**
Q2, 2014	7.463	101	21.838	2.942	32.344
Q2, 2015	8.574	599	24.041	1.576	34.790

Business highlights
As from October 1, 2014 up to now, TIE Kinetix has reported the following highlights (legal and financial):

30-10-2014: TIE Kinetix announces that it has received a notice from the European Commission for a partial repayment of development grants received in the period 2008-2011;

10-11-2014: Supervisory Board statement on the repayment of development grants;

14-11-2014: TIE Kinetix announces that it has reached agreement with a shareholder-guarantor to buy new shares up-to an amount of € 2 million to cover damages resulting from the repayment of EU development grants;

19-11-2014: Trading Update Q4 and full year 2014 financial statements;

27-01-2015: Publication of Annual Report 2014;

06-02-2015: Update on EU reclaim of development grants;

11-02-2015: First Quarter Update

12-02-2015: Convocation Annual General Meeting of Shareholders;

06-03-2015: TIE Kinetix settles dispute with Samar;

13-03-2015: Appointment of new Chief Technology Officer;

27-03-2015: Annual general Meeting of Shareholders approves all proposals;

02-04-2015: Update on EU reclaim of development grants, new shares issued;

And the following commercial highlights have been reported in this period:

18-12-2014: TIE Kinetix organizes successful user experience day with partner Google, Objective Lune, Medius and ID Interactive;

23-01-2015: TIE Kinetix launches new portal for e-invoicing to the Dutch Government, municipalities and associated companies (www.papierloosfactureren.nl);

12-02-2015: TIE Kinetix launches secured E-Archiving Solution;

Litigation update: Samar
Since December 2007, TIE Kinetix has been involved in discussions and subsequent legal proceedings with Samar.

On March 6th, 2015 TIE Kinetix announced that it had reached an out of court settlement with Samar. The settlement includes 26 monthly payments of € 10.416 by TIE Kinetix to Samar commencing March 2015, and totaling an amount of € 270.816. With this payment, parties grant each other full and final discharge with regard to all claims.

In TIE Kinetix' first half year of 2015 one instalment (amounting to € 10.416) is recorded under one time operating expenses and a provision is made for the remaining 25 installments (amounting to € 260.400). The settlement will not have a material impact on TIE Kinetix' operations or cash flow.

For further information on the legal proceedings, reference is made to TIE's previous press releases on the matter and to the summary included in the paragraph "Legal Cases - Samar B.V." in TIE's 2014 Annual Report, page 57.

Management Board Responsibility statement
The Management Board hereby declares that, to the best of their knowledge:
The half year financial statements give a true and fair view of the assets, liabilities, financial position as per March 31, 2015 and the profit for the half-year ended March 31, 2015 of the Company and its consolidated entities;
The half year Management Board report for the first six months of the financial year 2015 includes a true and fair review of the position as per March 31, 2015 and of the development and performance during the first six months ended March 31, 2015 of the Company and its consolidated entities, of which the information is included in the interim financial statements. In addition, the interim report gives a true and fair review of the expected developments, investments and circumstances of which the development of revenue and profitability depend.

Forward looking statement/Guidance
This report contains information as referred to in the articles 5.59 jo. 5:53, 5:25d and 5:25 w of the Dutch Financial Supervision Act (Wet op het financieel toezicht). Forward looking statements, which can form a part of this report refer to future events and may be expressed in a variety of ways, such as 'expects', 'projects', 'anticipates', 'intends' or similar words. The Company has based these forward looking statements on its current expectations and projections about future events.

Risks and uncertainties
Risks and TIE Kinetix's risk management strategy are detailed in the 2014 annual report and have not changed during the first half of 2015.

This document may contain expectations about the financial state of affairs and results of the activities of TIE Kinetix as well as certain related plans and objectives. Such expectations for the future are naturally associated with risks and uncertainties because they relate to future events, and as such depend on certain circumstances that may not arise in future. Various factors may cause real results and developments to deviate considerably from explicitly or implicitly made statements about future expectations. Such factors may for instance be changes in expenditure by companies in important markets, in statutory changes and changes in financial markets, in the EU grant regime, in the salary levels of employees, in future borrowing costs, in future take-overs or divestitures and the pace of technological developments. TIE Kinetix therefore cannot guarantee that the expectations will be realized. TIE Kinetix als refuses to accept any obligation to update statements made in this document.

For further information, please contact:

TIE Kinetix N.V.
Jan Sundelin CEO or Michiel Wolfswinkel CFO
Phone: +31 (0) 88 3698060
e-mail: michiel.wolfswinkel@tiekinetix.com

About TIE Kinetix

TIE Kinetix transforms the digital supply chain by providing Total Integrated E-commerce solutions. These solutions maximize revenue opportunities by minimizing the energy required to market, sell and deliver online. Customers and partners of TIE Kinetix constantly benefit from innovative, field tested, state-of-the-art technologies, which are backed by over 25 years of experience and prestigious awards. TIE Kinetix makes technology to perform, such that customers and partners can focus on their core business.

TIE Kinetix is a public company (NYSE Euronext: TIE Kinetix), and has offices in the United States, the Netherlands, France, Australia, UK, Spain, Germany, Austria and Switzerland.

Unaudited interim condensed
Consolidated financial statements

31 March 2015

1. Interim consolidated statement of financial position.

As at March 31, 2015

Assets **(€ x 1,000)**	**31 March 2015**		**30 September 2014**	
Non Current Assets				
Intangible fixed assets				
Goodwill	4.568		4.495	
Other intangible fixed assets	3.377		3.107	
		7.945		7.602
Tangible fixed assets				
Property, Plant and Equipment	579		596	
		579		596
Financial fixed assets				
Loans and Receivables	597		196	
Deferred Tax Asset	1.926		1.691	
		2.523		1.887
Total Non Current Assets		**11.047**		**10.085**
Current Assets				
Trade Debtors	3.722		3.618	
Income Tax Receivable	-		-	
Taxation and Social Security	14		10	
Other Receivables and Prepayments	1.199		1.687	
		4.935		5.315
Cash and Cash Equivalents		524		594
Total Current Assets		**5.459**		**5.909**
Total Assets		**16.506**		**15.994**

Equity and Liabilities

(€ x 1,000)	31 March 2015		30 September 2014	
Equity				
Shareholders' Equity	4.940		5.975	
Convertible Bonds	45		45	
Total Equity		**4.985**		**6.020**
Non Current Liabilities				
Loans	1.213		1.527	
Deferred Tax Liability	131		131	
Contingent Consideration	56		56	
Deferred Revenue	380		-	
Provisions	1.231		96	
Total Non Current Liabilities		**3.011**		**1.810**
Current Liabilities				
Provisions	198		-	
Short term debt	434		464	
Bank overdraft	692		468	
Trade Creditors	1.686		1.420	
Deferred Revenue	3.328		2.989	
Taxation and Social Security, Income ta:	140		289	
Other Payables and Accruals	2.032		2.534	
Total Current Liabilities		**8.510**		**8.164**
Total Equity and Liabilities		**16.506**		**15.994**

2. Interim consolidated income statement.
For the 6 month period ending March 31, 2015

(€ x 1,000)	1HY 2015		1HY 2014	
Revenues				
Licenses	301		519	
Maintenance and Support	1.498		1.415	
Consultancy	3.133		3.567	
Software as a Service	4.485		3.334	
Revenues		9.417		8.835
EU Projects		969		595
Onetime income and other income		78		53
Total Revenue		**10.464**		**9.483**
Third party hire		(599)		(620)
Direct Purchase Costs		(4.586)		(4.021)
Gross Profit		**5.279**		**4.842**
Operating Expenses				
Employee Benefits	3.210		2.411	
Acquisition costs and onetime expenses	1.893		650	
Depreciation and Amortization	512		372	
Impairments	-		-	
Release of Contingent Consideration	-			
Other Operating Expenses	1.715		1.538	
Total Operating Expenses		**7.330**		**4.971**
Operating Income/(loss)		**(2.051)**		**(129)**
Interest and other Financial Income		5		3
Interest and other Financial Expense		(80)		(28)
Income/(loss) before Tax		**(2.126)**		**(154)**
Corporate Income Tax		(11)		(84)
Net Income/(loss)		**(2.137)**		**(238)**

Comprehensive Income	**1HY 2015**	**1HY 2014**
Net Income/(loss)	**(2.137)**	**(238)**
Items that will be reclassified subsequently to profit and loss:		
Exchange differences on translating of foreign operations	357	(30)
Total Comprehensive Income/(loss) net after Tax	**(1.780)**	**(268)**

Attributable to Shareholders of TIE:	**1HY 2015**	**1HY 2014**
Income after Tax	(2.137)	(238)
Comprehensive Income net after Tax	(1.780)	(268)
Net result per share – basic	(1,87)	(0,23)
Weighted average shares outstanding – basic (thousands)	1.142	1.044
Net result per share – diluted	(1,30)	(0,17)
Weighted average number of shares fully diluted (thousands)	1.645	1.439

3. Interim consolidated statement of changes in equity.
For the 6-month period ending March 31, 2015

(€ x 1,000)	Notes	Share Capital (Incl Surplus)	Retained Earnings	Foreign Currency translation reserve	Share-holders Equity	Convertible Bonds	Total Equity
Balance per September 30, 2013		**56.688**	**(52.377)**	**(267)**	**4.044**	**45**	**4.089**
Foreign currency translation reserve		-	-	108	108	-	108
Net Income		-	439	-	439	-	439
Total Comprehensive Income (loss)		**-**	**439**	**108**	**547**	**-**	**547**
Share based payments	8)	-	14	-	14	-	14
Other movements	5)	1.357	13	-	1.370	-	1.370
Balance per September 30, 2014		**58.045**	**(51.911)**	**(159)**	**5.975**	**45**	**6.020**
Foreign currency translation reserve		-	-	357	357	-	357
Net Income		-	(2.137)	-	(2.137)	-	(2.137)
Total Comprehensive Income (loss)		**-**	**(2.137)**	**357**	**(1.780)**	**-**	**(1.780)**
Share based payments	8)	-	-	-	-	-	-
Other movements	5)	700	45	-	745	-	745
Balance per March 31, 2015		**58.745**	**(54.003)**	**198**	**4.940**	**45**	**4.985**

4. Interim consolidated statement of cash flows.
For the 6-month period ending March 31, 2015

(€ x 1,000)	**1HY 2015**		**1HY 2014**	
Income before tax		**(2.126)**		**(154)**
Adjustments:				
Share based payments expense	-		7	
Depreciation and amortization	512		372	
Impairments	-		-	
Release Contingent Consideration	-		-	
Increase (decrease) provisions	1.333		57	
		1.845		**436**
Working Capital Movements				
(Increase) decrease in debtors and other receivables	170		(725)	
(Decrease) increase in deferred revenue	517		978	
(Decrease) increase in liabilities	(71)		988	
		616		**1.241**
Cash generated (applied) in operations		**335**		**1.523**
Interest paid		(70)		(28)
Interest received		5		3
Sales taxes paid		(56)		(15)
Net Cash flow from operating activities		**214**		**1.483**
Investments in intangible fixed assets	(556)		(578)	
Divestments of intangible fixed assets	-		-	
Acquisition of subsidiary net of cash acquired	-		(2.873)	
Investments in tangible fixed assets	(140)		(31)	
Net Cash flow generated / (used) in investing activities		**(696)**		**(3.482)**
Increase (decrease) loans	-344		1.473	
Issue of new shares	700		1.361	
Net Cash flow generated / (used) by financing activities		**356**		**2.834**
Net increase (decrease) in Cash and Cash Equivalents		**(126)**		**835**
Currency Exchange Rate Difference on opening balance		56		(3)
Opening balance Cash and Cash Equivalents		594		204
Closing balance Cash and Cash Equivalents		**524**		**1.036**

Notes to the interim consolidated financial report

General Information

TIE Kinetix N.V. is a public limited company established and domiciled in the Netherlands, with its registered office and headquarters at De Corridor 5d, 3621 ZA in Breukelen. The Interim Consolidated Financial report of the company for the half year ended on March 31, 2015 include the company and all its subsidiaries (jointly called "TIE Kinetix"). The financial year of TIE Kinetix commences on October 1 and closes on September 30. The Interim Consolidated Financial report for the six months has been authorized for issue by both the Supervisory Board and the Management Board on May 19, 2015.

Auditor's Involvement

The interim financial report has not been audited by our external auditors. The Annual General Meeting of shareholders has appointed BDO on March 27th, 2015 as external auditor for the year commencing on October 1, 2014.

Statement of Compliance

The Management Board has considered and approved the interim condensed consolidated financial statements for the period October 1, 2014 – March 31, 2015.

The Interim Consolidated Financial report has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU. The Interim Consolidated Financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as at September 30, 2014.

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, 2015 and of the results of the Group's operations and cash flow in the period October 1, 2014 – March 31, 2015.

General Accounting Principles

The accounting policies used in the preparation of the Interim Consolidated Financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended September 30, 2014. The Interim Consolidated Financial report is presented in € x 1.000 unless otherwise indicated.

Accounting Estimates

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the determination of results and the reported contingent assets and liabilities. For a list of the judgments, estimates and assumptions, reference is made to the financial statements for 2014. No important changes occurred in the first six months of financial year 2015.

Segment Information

After the acquisition of TIE Kinetix Germany in December 2013, the Company adjusted its internal reporting. The segment reporting in these Interim consolidated Financial Statements are aligned with the internal reporting to the Executive Board as Chief Operating Decision Maker in the Company. Reporting is primarily based on business line segments. All revenue, direct costs and fee earning staff are allocated to business lines. To avoid arbitrary and volatile allocation, indirect costs and non-free earning staff are not allocated directly to business lines, but rather allocated to country operations (or holding functions).

TIE has four business lines: Integration, E-Commerce, Demand Generation and Analytics &Optimization and operations in the Netherlands, in the US, in Germany, and in France. The business lines are primary reporting segment for both internal and external reporting. Country operations are secondary reporting segment for internal reporting and externally for statutory reporting purposes only. In preparing this segment information, the accounting principles applied reflect the same as those in the preparation of the Consolidated Statement of Financial Position and Consolidated Statement of Income. Any transactions between reporting segments are accounted for at cost. These items are adjusted for the segment information presented under Eliminations.

Risks and Risk Management

In the Annual Report 2014 (pages 56-57) we have outlined the strategic, operational and financial risks we face; the risk management and control mechanisms we have in place; and the risk analysis and assessments we conduct regularly. We believe that the nature and potential impact of these risks have not materially changed in the first half of 2015. We will continue to monitor the key risks closely and manage our internal control systems as new risks may emerge and current risks may change in the second half of 2015.

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.

Intangible Assets

The capitalization of development costs amounts to € 556k.

Tangible Assets

The investment in tangible assets amounts to € 140K.

Cash

On March 31, 2015 the Company held a net positive cash and cash equivalents position of € 524k (September 30, 2014 € 1.401k) as follows:

Cash at bank and in hand (€ x 1,000)	**31-3-2015**	**30-9-2014**
Regular bankpositions	118	478
EU funds received in advance	406	923
	524	**1.401**

The net cash flow from operating activities in H1, 2015 amounted to € 214k (H1 2014: € 1.483k).

Options

During the reporting period no movements occurred.

Equity

(number of shares)	2015	2014
Balance as of October 1,	1.127.377	932.954
Issued	100.000	194.423
Balance as at March 31,	**1.227.377**	**1.127.377**
In € (x 1,000)	**8.592**	**7.892**

The issued shares in 2015 relate to the first draw-down of the guarantee covering damages of the EU subsidies repayment.

Personnel

The total number of FTE of the Company by country are:

By country	March 31, 2015	March 31, 2014	Change
NL	63	66	(3)
US	32	38	(6)
DACH	47	53	(6)
France	11	10	1
Total FTE	**153**	**167**	**(14)**

Breukelen, May 19, 2015

M. Wolfswinkel
J.B. Sundelin
Executive Board