TIE Holding N.V. Unaudited Condensed Consolidated Financial Statements

For the three month period ended December 31, 2008

Key Financials

(EUR x 1,000)	Q1_2009 (unaudited)	Q1_2008 (unaudited)
Financial Results		
Total Income	2,816	2,235
Direct Purchase Costs	386	304
Employe Benefits	1,636	1,582
Depreciation, Amortization and Impairment Losses	70	70
Other Operating Expenses	543	671
Operating Income	181	(392)
Income Before Tax	174	(394)
Net Income	92	(405)
Equity		
Total Shareholders' Equity	704	1,124
Total Equity Instruments	1,885	870
Minority Interest	59	10
Total Equity	2,648	2,004
Employees (expressed as full time equivalents		
Average Number of Employees	86	83
Per Share of Ordinary Shares		
Net Income (weighted average)	0.00	(0.01)
Equity (closing)	0.05	0.04
Number of Shares Outstanding at end of Reporting Period (x 1,000)	54,755	52,270
Weighted Average Number of Shares Outstanding (x 1,000)	54,755	51,935
Weighted Average Number of Shares adjusted for calculation dilluted earnings per share (x 1,000)	72,001	51,935
Share Price		
Last Trading Day in reporting period	0.10	0.18
Highest	0.11	0.28
Lowest	0.07	0.17

Financial Results

Financial results for the three months ended December 31, 2008

Introduction

Earnings Before Interest and Taxes for the quarter amount to EUR 181k (2008: EUR -392k).

Net income for the quarter amounts to EUR 92k (2008: EUR -405k). Revenues for the quarter amount to EUR 2.8m (2008: EUR 2.2m). The weighted average USD to EUR exchange rate for the first quarter of 2009 was 1.3224 compared to 1.4727 over the same period in 2008, an appreciation of 11%. The quarter closed at 1.4000 compared to 1.4600 at year end.

On October 29, 2008 TIE acquired, effectively per October 1, 2008, 49,25% of the shares in TIE France SAS, resulting in a 100% shareholding in TIE France. The shares were transferred on November 10, 2008. This transaction is in line with TIE's strategy for international product and market development, and prevents distraction from the main focus of the Company.

On December 11, 2008 TIE signed the Sale Purchase Agreement for the acquisition of 51% of the MamboFive B.V. shares, effectively per December 1, 2008. The shares were transferred on December 19, 2008. MamboFive delivers and implements e-business solutions based on her standard MamboFive Commerce Suite (MCS), which is suitable for B2B and B2C solutions. MCS is a fully 'Web Enabled ERP' for the internet entrepreneur. New technologies such as e-procurement, web shops, catalogue management and web services can be implemented upon the existing investments in financial and logistic systems. The acquistion enables TIE to deliver a total electronic-concept for sharing business information, from basic information to complex content information, throughout the full chain from manufacturer to reseller of distributor and finally reaching the end-user, who buys goods or services through an online web-shop. MamboFive contributes mainly through SaaS and Consultancy revenue. Total MamboFive revenue included in the quarterly results from December 1, 2008 onwards, amounts to EUR 75k and an EBIT of 12k.

Revenues

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

Revenues by category

	Q1_2009		**Q1_2008**		**Q1_2009 vs Q1_2008 in percentage**
Licenses	351	12%	340	15%	103%
Maintenance and Support	880	31%	806	36%	109%
Consultancy	585	21%	429	19%	136%
Software as a Service	823	29%	577	26%	143%
Total Revenue	**2,639**	**94%**	**2,152**	**96%**	**123%**
Other Income	177	6%	83	4%	213%
Total Income	**2,816**	**100%**	**2,235**	**100%**	**126%**
Direct Purchase Costs	(386)	-14%	(304)	-14%	127%
Income Net of Direct Purchase Costs	**2,430**	**86%**	**1,931**	**86%**	**126%**

Overall Total Income increased by 581k during the first quarter 2009 compared to the first quarter 2008, which is an increase of 26%.

License revenues for the first quarter 2009 are EUR 11k (3,2%) higher compared to the first quarter of 2008.

Maintenance revenue is 9,2% higher for the first quarter 2009 compared to the 2008 comparative periods. There is some pressure on maintenance revenue as a result of SaaS sales opposite to license sales. SaaS revenues include maintenance fees.

Consultancy is EUR 156k (36,4%) up compared to last year's quarter. During the first quarter 2008 consultants were assigned to development projects and sales support. The acquisition of MamboFive contributed to about 9.8% of the growth in Consultancy during the first quarter 2009 compared to the same period last year.

SaaS revenue increased 43% compared to the first quarter last year, resulting from organic growth of 33,5%, the acquisition of MamboFive 5,5% and FX effects of the USD 4%.

Other income consists predominantly of government grants with respect to the EC supported STASIS, SO4ALL, NESSI2010 and NEXOF-RA. During the third quarter 2008 two additional projects were granted, resulting in an increase of other income.

Direct Purchase Costs increased by EUR 82k, comparing first quarter 2009 with 2008, resulting from the higher business level and consist of services and licences purchased from third parties.

The appreciation of the USD against the EURO had a positive effect on Total Income of EUR 117k compaired with lats years first quarter.

Operating Expenses

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

Operating expenses by category

	Q1_2009	Q1_2008
Employee Benefits	1,636	1,582
Depreciation and Amortization Expense and Impairment Losses	70	70
Other Operating Expenses	543	671
Total operating expenses	**2,249**	**2,323**

Total Operating Expenses decreased by EUR 74k (3.2%) comparing first quarter 2009 with first quarter 2008. The appreciation of the USD had an unfavourable effect on the costs of EUR 95k.

Employee cost for the first quarter 2009 increased by EUR 54k (3,4%) compared to the first quarter 2008. The USD appreciation had a negative effect on the costs of EUR 66k, while the first quarter 2008 did not contain the Sinfox staff (3 months) and MamboFive (1 month), totalling to approximately EUR 116k.

Depreciation, Amortization and Impairment in the first quarter 2009 are only consisting of depreciation and amortization costs, and are in line with the first quarter 2009.

Other Operating Expenses for the first quarter 2009 decreased by EUR 128k (19%) compared to prior year's first quarter, resulting from lower costs levels and lower levels of bad debt expenses, housing, G&A and professional fees.

Depreciation, Amortization and Impairment

The TIE France acquistion, of remaining 49.25% of the shares, effective per October 1, 2008 has resulted in recognition of EUR 279k intangible assets on the face of the balance sheet for the ROW Cash Generating Unit.

The MamboFive acquistion, of 51% of the shares, effective per December 1, 2008 has resulted in recognition of EUR 447k intangibles assets on the face of the balance sheet. The Company is considering the distribution of the intangible assets among the three Cash Generating Units. However it is not expected that distribution of the intangible assets will lead to impairment as all Cash Generating Units show a postive Cash Flow.

	Q1_2009	Q1_2008
Depreciation and Amortization Expense of Fixed Assets	70	70
Impairments	-	-
Total Depreciation and Amortization Expense and Impairments	**70**	**70**

The depreciation and amortization expense remained stable during the first quarter of 2009 compared to the first quarter 2008.

All three Cash Generating Units of the Company showed a positive Cash Flow during the first quarter of the year, resulting in no additional need for impairment of assets.

Financial Income and/or Expense

	Q1_2009	Q1_2008
Interest and Other Financial Income	1	1
Interest and Other Financial Expense	(13)	(6)
Echange Rate Differences	5	3
Total	**(7)**	**(2)**

The interest expense pertains to bank charges, the final interest charges paid for the use of the Credit Facility (which facility was ended and fully repaid on October 1, 2008) as well as the interest on the 6% loan of EUR 200k due on January 1, 2010 and 6% loan of EUR 105k due and repaid on November 28, 2008. Both loans were issued by Alto Imaging Group NV, a related party holding 29,9% of the shares of TIE Holding NV.

Corporate Income Tax

	Q1_2009	Q1_2008
Deferred Tax Movements	(76)	-
Income tax	(6)	(11)
Total	**(82)**	**(11)**

As for reasons of materiality, from the fiscal year 2009 the Company decided to report the quarterly movement of the deferred tax in the USA; The movement consist of non-cash movements of temporary differences predominantly for goodwill, deferred revenue and idemnity claims between commercial books (in accordance with IFRS) and US tax books.

Segment Information:

The Netherlands

Total Income in the Netherlands shows a 43,8% growth (EUR 385k) compared to the first quarter last year. MamboFive had a contribution (one month) to revenue of EUR 75k. License revenue grew by EUR 31k (39,7%) as a result of a few larger deals, while SaaS revenues increased by Eur 72k (19,3%), Maintenance revenue was up by EUR 35k (17,7%) and Consultancy revenue was up by EUR 155k (105%). During the first quarter 2008 income on Consultancy was negatively influenced by illness and consultants being assigned to sales support and developments projects. Other income contributed EUR 174k over the first quarter against EUR 82k other income in the first quarter of 2008, predominantly caused by the start of EC projects during the third quarter last year.

The employee costs where slightly higher EUR 4k. Compared to last years first quarter the costs of the first quarter 2009 include previous Sinfox staff and 1 month of Mambo Five staff. Without these 2 acquisitions employee costs would have decreased by approximately EUR 116k.

Depreciation and amortization costs were EUR 14k for the first quarter 2009, during the first quarter 2008 the costs were nil as a result of the 2007 impairment.

Other operating expenses decreased by EUR 49k before the acquisition of MamboFive and EUR 32k including the MamboFive acquisition. Lower operating expenses can be broken down in lower housing costs EUR 27k, lower G&A expenses EUR 46k and lower professional services 6k, while T&E were up by EUR 13k, Marketing expenses EUR 9k, other costs EUR 8k and Mambofive costs EUR 16k.

North America

Revenues in North America increased by 1,7% in USD, from USD 1,512k to USD 1,537k for the first quarter 2009 compared to previous year and an increase 5.9% compared to the fourth quarter 2008 (USD 1.452k). License sales decreased by USD 73K while SaaS revenues continued to grow increasing by USD 106k compared to the first quarter of 2008. Maintenance and Support showed a growth of USD 42K and Consultancy revenue decreased by USD 16K over the first quarter compaired to first quarter 2008.

The effect of currency exchange rate developments on US revenues expressed in EUR is substantial. Overall revenue increased for the North America's expressed in EUR by EUR 119K (11%), increasing from EUR 1,042k (Q1_2008) to EUR 1,161k of which EUR 117K was caused by favourable foreign exchange effects.

The employee costs over the first quarter 2009 decreased by USD 21k, however due the appreciation of the dollar against the Euro, the costs increased in by EUR 43k compared to the first quarter 2008. The other costs decreased by USD 22k resulting from lower bad debt expenses and professional services for the first quarter 2009 versus 2008. In Euro the effect was an increase of EUR 5k as a result of the appreciation of the USD versus the EURO by 11%.

Rest of World

Revenue during the first quarter 2009 in the Rest of the World is up by EUR 54k (+15%) compared to revenue in the first quarter of 2008. Main growth areas are SaaS up EUR 80k, License up EUR 13k while Maintenance & Support dropped EUR 38k and Consultancy slightly lower EUR 3k compared to last years first quarter.

Holding

The Holding expenses decreased from EUR 400k first quarter 2008 to EUR 254k first quarter 2009. This is a result from lower accomodation expenses Eur 120k, lower costs on professional services EUR 25k, lower depreciation expenses EUR 15k, and lower costs on office supplies EUR 13k and lower employee expenses EUR 6k. The total costs savings of EUR 179k were offset against a lower internal recharge of EUR33k, resulting in a lower cost of EUR 146k.

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.

UNAUDITED FINANCIAL INFORMATION

For the three months ended December 31, 2008

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	109	204	38	0	351
Maintenance and Support	233	547	100	0	880
Consultancy	302	173	110	0	585
Software as a Service	445	226	152	0	823
Total Revenue	**1,089**	**1,150**	**400**	**0**	**2,639**
Other Income	174		3	0	177
Total Income	**1,263**	**1,150**	**403**	**0**	**2,816**
Direct Purchase Costs	285	95	6	0	386
Income Net of Direct Purchase Costs	**978**	**1,055**	**397**	**0**	**2,430**
Operating Expenses					
Employee Benefits	683	625	193	135	1,636
Depreciation and Amortization Expense and Impairment Losses	14	48	2	6	70
Other Operating Expenses	149	238	47	109	543
Total Operating expenses	**846**	**911**	**242**	**250**	**2,249**
Operating Income	**132**	**144**	**155**	**(250)**	**181**
Interest and Other Financial Income	2	3	1		6
Interest and other Financial Expense	(8)	(1)		(4)	(13)
Share in Profit (Loss) of Associates					0
Income before Tax	**126**	**146**	**156**	**(254)**	**174**
Corporate Income Tax	(3)	(76)	(3)		(82)
Net Income	**123**	**70**	**153**	**(254)**	**92**

For the three months ended December 31, 2007

	The Netherlands	North America	Rest of World	Holding and Eliminations	Total
Revenues					
Licenses	78	237	25	-	340
Maintenance and Support	198	470	138	-	806
Consultancy	147	169	113	-	429
Software as a Service	373	132	72	-	577
Total Revenue	**796**	**1,008**	**348**	**-**	**2,152**
Other Income	82	34	1	(34)	83
Total Income	**878**	**1,042**	**349**	**(34)**	**2,235**
Direct Purchase Costs	180	113	11	-	304
Income Net of Direct Purchase Costs	**698**	**929**	**338**	**(34)**	**1,931**
Operating Expenses					
Employee Benefits	679	583	180	140	1,582
Depreciation and Amortization Expense and Impairment Losses	-	47	1	22	70
Other Operating Expenses	182	241	50	198	671
Total Operating expenses	**861**	**871**	**231**	**360**	**2,323**
Operating Income	**(163)**	**58**	**107**	**(394)**	**(392)**
Interest and Other Financial Income	4	-	-	-	4
Interest and other Financial Expense	-	-	-	(6)	(6)
Share in Profit (Loss) of Associates	-	-	-	-	-
Income before Tax	**(159)**	**58**	**107**	**(400)**	**(394)**
Corporate Income Tax	-	-	(11)	-	(11)
Net Income	**(159)**	**58**	**96**	**(400)**	**(405)**

Cash Position

On December 31, 2008 the Company held a positive cash and cash equivalents position of EUR 383k. The Credit Facility with ABN-Amro bank was ended and redeemed on October 1, 2008. The Company did repay a loan of EUR 105k to Alto Imaging (related party) and also paid the EUR 400k to its previous landlord, out of its cash flow.

Further the Company paid in relation to the MamboFive acquisition an amount of EUR 200k on December 19, 2008 for 51% of the shares. In relation to the acquisition of 51% of the MamboFive shares the Company has to pay on March 1, 2009 an amount of EUR 300k (plus interest) to the previous shareholders. Management members as well as related and third party investors are willing to fund approximately EUR 325k, by means of the issue of Convertible Bonds.

As in the fourth quarter 2008, the Company has been cash flow positive from its operations during the first quarter 2009.

Financial Position

The Equity position of the Company remains positive. Shareholders' Equity as per December 31, 2008 amounts to EUR 704k (September 30, 2008: EUR 448k).

Total Equity as per December 31, 2008 amounts to EUR 2.648k (September 30, 2008: EUR 2,184k) including convertible bonds amounting to EUR 1,885k (September 30, 2008: EUR 1,735k) and minority interest of EUR 59k (September 30, 2008: nil).

During the fourth quarter a Convertible Bond has been issued amounting to EUR 150k in conjunction to the purchase of the remaining 49.75% of the shares in TIE France.

The minority interest reported refers to the 49% held by other (old) shareholders in MamboFive B.V.

Development (R&D)

In the first quarter of financial year 2009, the Company has capitalized EUR 116k, compared to EUR 86k for the first quarter 2008. Development was spent primaraly on the next generation of the Messaging Portal and the Content Syndication Platform.

Significant R&D effort is being invested in the EC supported, SO4ALL, NESSI2010 and NEXOF-RA and STASIS projects. These projects have not been capitalized but are expensed through the Income Statement.

Consolidated Balance Sheet

As at December 31, 2008

Assets (EUR x 1,000)	December 31, 2008		September 30, 2008	
	(unaudited)		(audited)	
Non Current Assets				
Intangible fixed assets				
Goodwill	2,198		1,457	
Other intangible fixed assets	868		788	
		3,066		2,245
Tangible fixed assets				
Property, Plant and Equipment	171		122	
		171		122
Financial fixed assets				
Deferred Tax Asset	1,927		1,918	
Loans and Receivables	22		22	
Associates	-		-	
		1,950		1,940
Total Non Current Assets		**5,187**		**4,307**
Current Assets				
Trade Debtors and Other Receivables				
Trade Debtors	1,645		1,488	
Taxation and Social Security	7		15	
Other Receivables and Prepayments	343		533	
		1,995		2,036
Cash and Cash Equivalents		384		1,088
Total Current Assets		**2,379**		**3,124**
Total Assets		**7,566**		**7,431**

Consolidated Balance Sheet

As at December 31, 2008

Equity and Liabilities (EUR x 1,000)	December 31, 2008		September 30, 2008	
	(unaudited)		(audited)	
Equity				
Shareholders' Equity	704		449	
Convertible Bonds	1,885		1,735	
Capital and Reserves attributable to equity holders of TIE		2,589		2,184
Minority Interest		59		-
Total Equity		**2,648**		**2,184**
Non Current Liabilities				
Loans Payable	200		200	
Settlement Liability	91		91	
Provisions	7		7	
Total Non Current Liabilities		**298**		**298**
Current Liabilities				
Provisions short term	8		394	
Settlement Liabilities short term	154		241	
Short Term Debt	300		540	
Trade Creditors	579		672	
Deferred Revenue	2,193		1,814	
Affiliated Companies	6		4	
Taxation and Social Security	299		219	
Other Payables and Accruals	1,081		1,065	
Total Current Liabilities		**4,620**		**4,949**
Total Equity and Liabilities		**7,566**		**7,431**

Consolidated Income Statement

For the 3 months ended December 31, 2008

(EUR x 1,000)	For the three months ended December 31, (unaudited) 2008		2007	
Revenues				
Licenses	351		340	
Maintenance and Support	880		806	
Consultancy	584		429	
Software as a Service	824		577	
Total Revenues		2,639		2,152
Other Income		177		83
Total Income		2,816		2,235
Direct Purchase Costs		386		304
Income Net of Direct Purchase Costs		**2,430**		**1,931**
Operating Expenses				
Employee Benefits	1,636		1,582	
Depreciation and Amortization Expense and Impairment losses	70		70	
Other Operating Expenses	543		671	
Total Operating Expenses		**2,249**		**2,323**
Operating Income		**181**		**(392)**
Interest and other Financial Income		2		4
Interest and other Financial Expense		(9)		(6)
Share in Profit (Loss) of Associates		-		-
Income before Tax		**174**		**(394)**
Corporate Income Tax		(82)		(11)
Net Income		**92**		**(405)**
Attributable to:				
Shareholders TIE		87		(415)
Minority interest		5		10
Net result per share – basic		0.00		(0.01)
Weighted average shares outstanding – basic (thousands)		54,755		51,935
Net result per share – diluted		0.00		(0.01)
Weighted average number of shares fully diluted (thousands)		72,001		51,935

Consolidated Statement of Changes in Equity

For the 3 months ended December 31, 2008

(EUR X1,000)	FY 2009 (unaudited)		FY 2008 (audited)	
Balance per September 30, 2008/2007		**2,184**		**2,141**
Foreign Currency Translation Reserve		112		(94)
Net Income recognized directly in Equity		**112**		**(94)**
Net Income recognized in the Income Statement		92		(2,098)
Total recognized net income for the period		**204**		**(2,192)**
Shares Issued and Share premium	-		1,206	
Cost of shares issued	-		(10)	
Distribution to Equity Instrument Holders	-		-	
Issued Convertible Bond Third Party Investors	-		750	
Issued Convertible Bond Related parties	150		720	
Issued Convertible Bond to Management	-		265	
Converted Convertible Bonds	-		(870)	
Share based payments	55		169	
Minority Interest	59		-	
Other movements	(4)		5	
		260		2,235
Balance per December 31, 2008/ September 30, 2008		**2,648**		**2,184**

Equity increased by EUR 464k resulting from the movements as explained above.

No new shares were issued during the first quarter of the year. The total oustanding number of shares on December 31, 2009 amounts to 54,755,390.

Equity per December 31, 2008 includes various convertible bonds, including the Convertible Bond issued in relation to the purchase of the remaining 49,75% shares of TIE France, amounting to EUR 150k, and totalling to EUR 1,885k (september 30, 2008: 1,735k).

The Minority Interest represents the 49% of MamboFive equity attributable to the other shareholders in MamboFive B.V.

UNAUDITED FINANCIAL INFORMATION

Consolidated Cash Flow Statement

For the 3 months ended December 31,

(Unaudited)

(EUR x 1,000)	2008		2007	
Income before tax		**174**		**(394)**
Non Cash Adjustments:				
Share based payments expense	55		43	
Depreciation, amortization and Impairments	70		70	
Gain on desinvestments fixed assets	-		-	
Increase (decrease) provisions	(485)		11	
Other movements	3		(4)	
		(357)		120
Working Capital Movements				
(Increase) decrease in debtors	71		(290)	
(Decrease) increase in deferred revenue	339		376	
(Decrease) increase in current liabilities	2		(302)	
		412		(216)
Cash generated (applied) in operations		229		(490)
Interest paid		(27)		(4)
Interest received		2		1
Income taxes paid		-		-
Net Cash flow from operating activities		**204**		**(493)**
Investments in financial fixed assets	-		-	
Disinvestment in financial fixed assets	-		34	
Investments in intangible fixed assets	703		(132)	
Disinvestments tangible fixed assets	-		-	
Investments in tangible fixed assets	(61)		(32)	
Investments in business combinations net of cash acquired	(232)		-	
Dividend received	-		-	
Net Cash flow generated / (used) in investing activities		**410**		**(130)**
Increase (decrease) long term loans	-		-	
Distribution to Bondholders	-		-	
Increase (decrease) bank overdrafts/loans short term	(240)		291	
Issue of Convertible bonds	-			
Costs of shares and bonds issued	-		(10)	
Shares issued and share premium	-		336	
Net Cash flow generated / (used) by financing activities		**(240)**		**617**
Net increase (decrease) in Cash and Cash Equivalents		374		(6)
Currency Exchange Rate Difference on opening balance Cash and Cash Equivalents		10		(5)
Opening balance Cash and Cash Equivalents		-		219
Closing balance Cash and Cash Equivalents		**384**		**208**

Corporate Information

TIE bridges the gap between online and traditional business, through contributing to the online business of our customers. TIE is a strong provider of solutions that have proven to lower costs, increase revenue and optimize business processes.

TIE Kinetix empowers several Platforms such as Business Integration and Content Syndication which meet the evolving needs of our customers. Our power to connect different applications and processes of our customer with those of your external trading partners makes TIE unique. With the addition of our latest MamboFive eCommerce Platform, we can provide our customers with complete, state of the art solutions for al their Business-to-Business integration and operational needs.

With more than 2 decades of experience, stretching involvement in the European Projects and the Standardization Committee of the United Nations, we are a key contributor to the development and implementation of global eCommerce standards. Connecting businesses, remaining at the forefront of technology, providing quality, superior value, a clear Return on Investment (ROI) and usability to our customers and transparency constitute TIE’s core values.

TIE Holding N.V. is a public company incorporated in the Netherlands with its registered address at Antareslaan 22-24, Hoofddorp. Subsidiaries are located in France, the Netherlands and the U.S.A. TIE is listed on the NYSE EuroNext Stock Exchange of Amsterdam.

The unaudited condensed consolidated financial statements for the year ended December 31, 2008 are authorized for issue through a resolution of the Management Board dated February 17, 2009.

Basis of Preparation

The unaudited condensed consolidated financial statements for the year ended December 31, 2008 have been prepared in accordance with the most recent annual financial statements. The unaudited 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 Company’s annual financial statements as at September 30, 2008.

The accounting policies adopted in preparation of the unaudited condensed consolidated financial statements are consistent with those applied in preparation of the Company’s annual financial statements for the year ended September 30, 2008.

Pending Litigations

Since December 2007 the Company has been involved in discussions and consequently in legal proceedings with SAMAR B.V. All claims in the summary proceedings have been instantly dismissed at the court hearing of February 15, 2008. Currently, the standard procedure is in the phase of replication and reply by rejoinder. The Management Board is confident in the outcome of the legal procedure and does not expect any further costs, except legal costs.

Two former employees of TIE, Mr. Mors and Mr. Vegter have initiated legal proceedings against TIE in 2003. All claims were dismissed in April 2005. In June 2005 Mr. Mors and Mr. Vegter took their case to a higher court. The oral pleading in the appeal took place in October 2008. Currently the Company awaits the outcome of the appeal, which is currently scheduled for March 3, 2009 (but may be postponed). The Management Board is confident in the outcome of the appeal and subsequently does not expect any additional costs other than legal costs.

Subsequent Events

One of the Company's customers, Lekker van der Laan Dekker B.V. has filed for a moratorium on February 5, 2009 and subsequently has been declared bankrupt on February 9, 2009. Based on the Company's policy the Company has set up a provision for uncollectability. The provision for uncollectability for the potential loss on the remaining outstanding balance of Lekker van der Laan Dekker B.V. per December 31, 2008 is considered to be adequate. As a result of the banktruptcy of Lekker van der Laan Dekker B.V. the Company has again reassessed the other debtors outstanding and there is no requirement for additional provisioning. Though there is an impact on the Company's cash flow, management does not expect that the bankruptcy of Lekker van der Laan Dekker B.V. leads to cash problems.