TIE HOLDING N.V.

Annual Report 2010

◄ Table of Contents

◄ Table of Contents

Total Integrated E-commerce

◀ Table of Contents

STL Group

With the roll-out of the EDI project in Belgium, it was a fine benefit that TIE Kinetix has a very good knowledge of the European EDI-standards. As a matter of speech they had the belgilux EDI-standard on their shelf and within a few days, the project was delivered.
Peter Derks, ICT Manager at STL Group B.V., The Netherlands.
User of the TIE Kinetix Business Integration Solution since 2006.

Profile TIE

Electronic business collaboration without limitations

TIE bridges the gap between online and traditional business, helping industry and supply chain partners to achieve electronic business collaboration without limitations.

For over 20 years, we have been providing customers with solutions for Business Interoperability and the power to connect applications and processes with those of their external trading partners. To that end, TIE solutions address our customers' most pressing issues in Business-to-Business Integration, Data Synchronization, Trading Partner Collaboration, Content Syndication and Web Centric E-commerce Communications. This combined offering is called the TIE Kinetix Total Integrated E-commerce solution. Our products have proven to lower costs, increase sales, optimize business processes, and improve efficiency, while removing the barriers to E-business information exchange for thousands of customers in multiple worldwide case studies.

TIE provides its software as either a license, or service (SaaS). Our services are designed to enhance the value of our software and deliver essential productivity benefits. Our expert consultancy resources and carefully selected partners ensure that we can provide all our customers with quality service and superior value. With decades of experience to share, TIE remains a key contributor to the development and implementation of global E-commerce standards. Today, we are the partner that industry leaders and prestige international commissions, such as the European Union turn to for technological excellence.

Founded in 1987, we continually strive to meet the expectations of all our stakeholders, such as customers, business partners, resellers, employees and shareholders. We serve our customers and handle our relationships from our offices in the United States, France, The Netherlands and Australia. TIE's headquarters is located in Hoofddorp, The Netherlands.

TIE's shares are listed on the stock exchange of Amsterdam (NYSE Euronext), as of March 2000.

◀ Table of Contents

Organization chart

TIE's organizational structure as of October 1, 2010

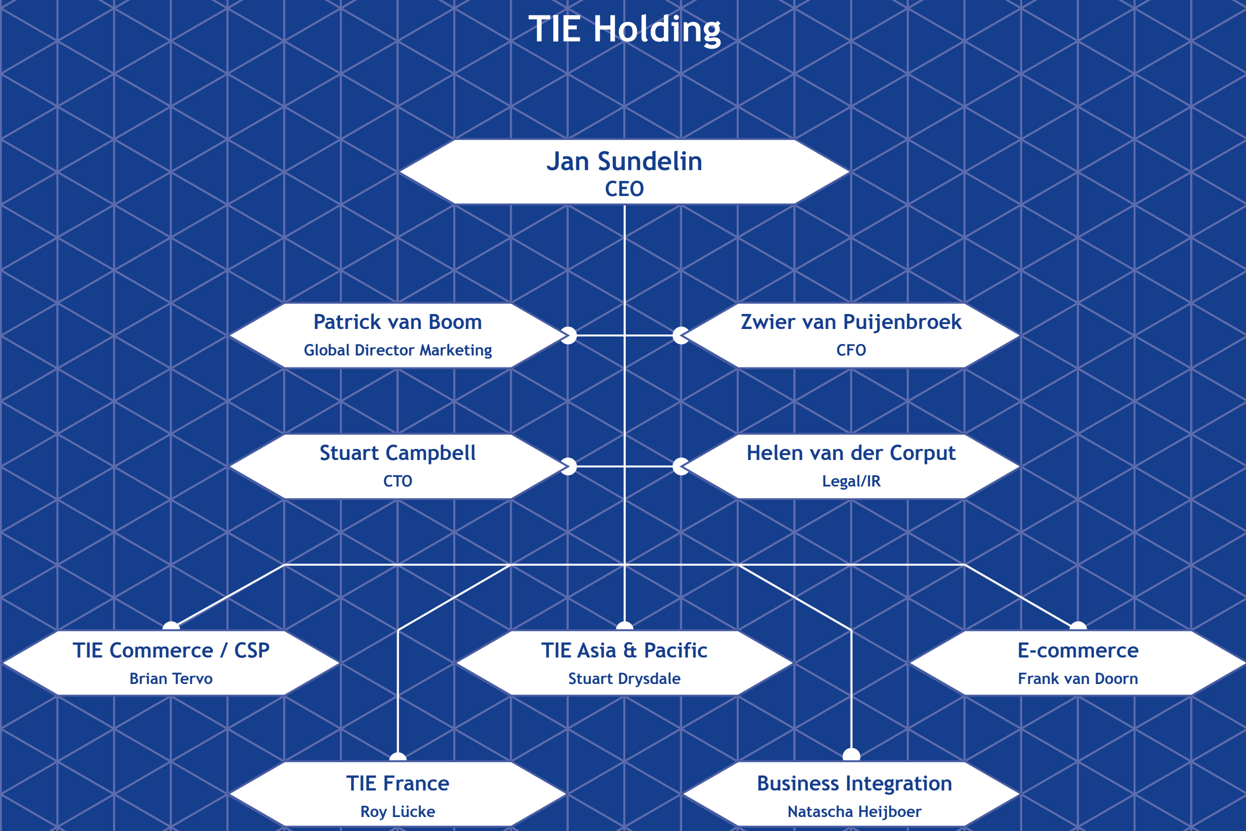


Table of Contents

5 Profile TIE
6 Organization Chart
7 Table Of Contents
8 Key Financial Highlights
10 Highlights Financial Year 2010
11 Portfolio TIE
- *11 Technology Leadership*
- *11 TIE Kinetix Solutions: Total Integrated E-Commerce*
- *12 Business Integration Solution*
- *14 Content Syndication Solution*
- *17 E-Commerce Solution*
- *18 Services*

19 Important Information
20 Management Board
21 Management Board's Letter
22 Report From The Supervisory Board
27 Report From The Management Board
- *27 Operating Expenses*
- *27 Strategic Long Term Investments*
- *27 Strategic Alliances*
- *28 Research & Development*
- *28 Cash Flow*
- *28 General Management*
- *28 Management Statement*
- *28 Outlook*
- *29 Management's Discussion And Analysis*
- *35 Targets For Financial Year 2011*
- *36 Risk Assesment*

39 Corporate Governance
- *39 Management Board*
- *39 In Control Statement*
- *40 Supervisory Board*
- *41 The Shareholders*
- *42 General*

43 Corporate Responsibility
46 Consolidated Financial Statements of TIE Holding N.V. for the year 2010
- *46 Consolidated Statement of Financial Position as at September 30, 2010*
- *48 Consolidated Statement of Comprehensive Income for the year ended September 30, 2010*
- *49 Consolidated Statement of Changes in Equity for the year ended September 30, 2010*
- *50 Consolidated Cash Flow Statement for the year ended September 30, 2010*
- *51 Notes to the Consolidated IFRS Financial Statements*
- *64 Notes to the Consolidated Statement of Financial Position*
- *76 Notes to the Consolidated Statement of Comprehensive Income*
- *84 Commitments and Contingent Liabilities*
- *85 Main Shareholders*
- *85 Related Party Transactions*
- *85 Pending Litigation*
- *85 Subsequent Events*
- *86 Dutch Gaap TIE Holding N.V. Balance Sheet as at September 30, 2010*
- *88 Dutch Gaap TIE Holding N.V. Income Statement for the year ended September 30, 2010*
- *88 Notes to the Company Financial Statements*
- *89 Notes to the Company Balance Sheet*
- *93 Notes to the Company Income Statement*
- *94 Other Information*

95 Auditors' Report
96 Where To Find TIE...

◄ Table of Contents

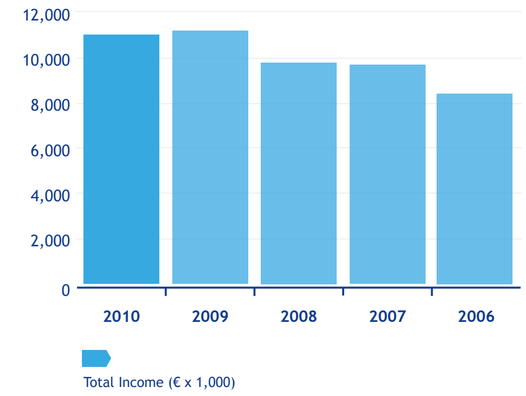
Key Financial Highlights

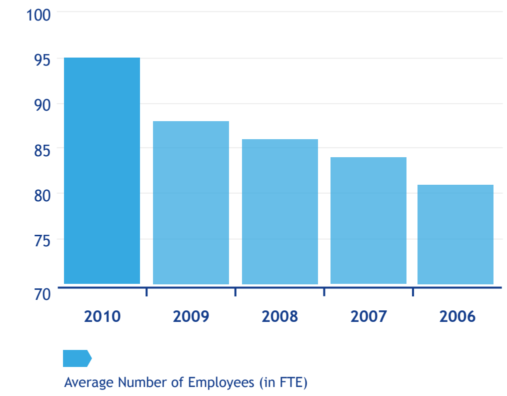
(EUR in thousands except number of employees and per share amounts)

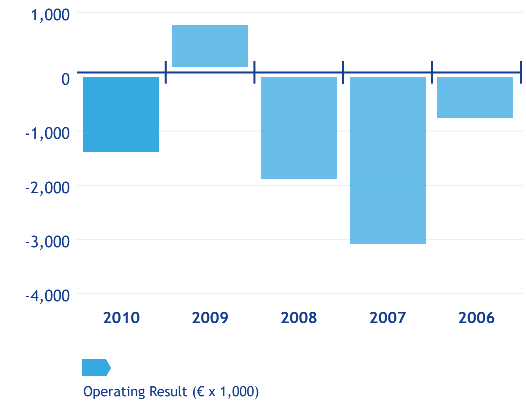
	2010	2009	2008	2007	2006
Financial Results					
Total Income	**11,013**	11,190	9,788	9,692	8,434
Depreciation and Amortization Expense	**(503)**	(360)	(269)	(613)	(662)
Divestment of Goodwill	**(171)**	-	-	-	-
Impairment Losses	**-**	-	(723)	(2,004)	-
Operating Result	**(1,386)**	759	(1,881)	(3,084)	(758)
Net Income	**(1,928)**	530	(2,098)	(3,368)	1,041
Cash Flow from operating activities	**(841)**	568	(359)	(838)	(238)
Net Cash Flow generated	**(147)**	(630)	873	(25)	102
Equity					
Total Shareholders' Equity	**2,663**	2,417	449	1,271	2,649
Total Equity Instruments	**1,365**	1,661	1,735	870	2,140
Total Equity	**4,028**	4,078	2,184	2,141	4,789
Employees (expressed as full time equivalents)					
Average Number of Employees	**95**	88	86	84	81
Per Share of Ordinary Shares					
Net Income	**(0.02)**	0.01	(0.04)	(0.07)	0.02
Shareholders' Equity	**0.03**	0.04	0.01	0.02	0.06
Number of Shares Outstanding at Year End (x 1.000)	**82,202**	64,977	54,755	50,870	43,821
Weighted Average Number of Shares Outstanding (x 1,000)	**77,486**	58,346	53,095	46,779	42,553
Weighted Average Number of Shares adjusted for dilluted earnings per share (x 1,000) calculation	**80,060**	72,397	54,664	47,028	43,531
Share Price					
Last Trading Day in reporting period	**0.12**	0.20	0.10	0.26	0.33
Highest	**0.25**	0.25	0.28	0.42	0.46
Lowest	**0.10**	0.07	0.09	0.25	0.30

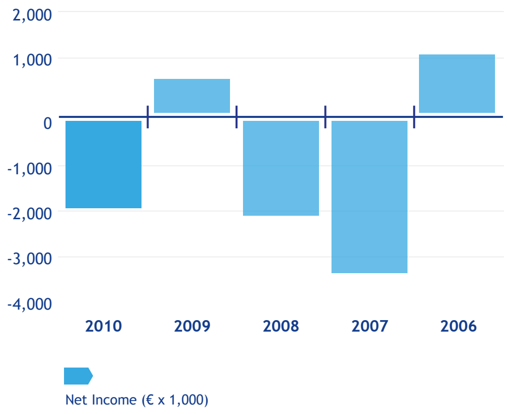
The Company's financial year runs from October 1st until September 30th. For example: financial year 2010, which covers the period October 1, 2009 through September 30, 2010, is referred to as 2010.

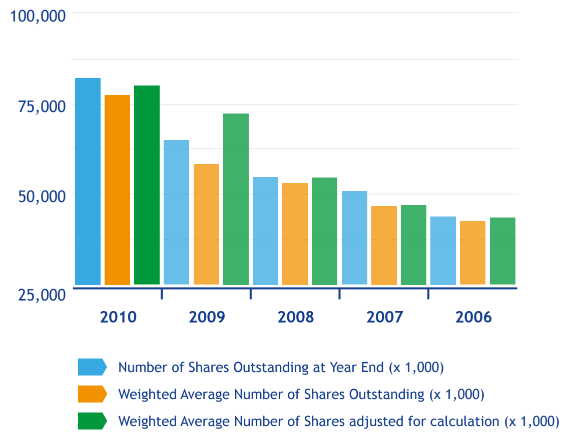
◄ Table of Contents

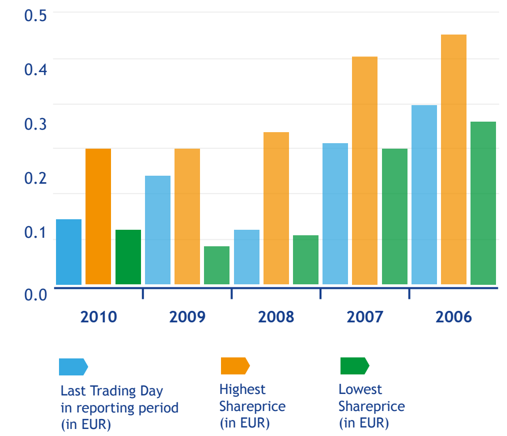


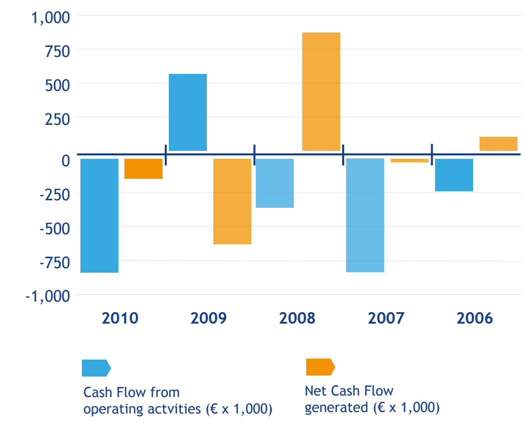












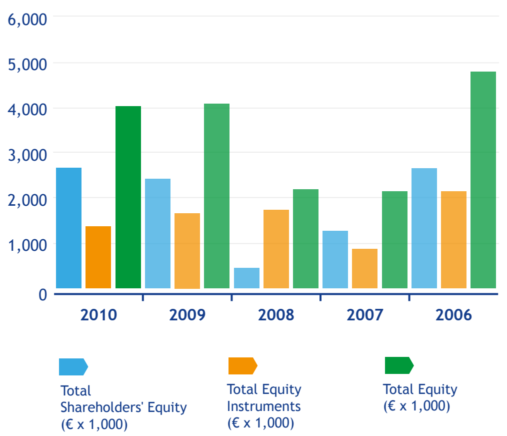


Table of Contents

Highlights Financial Year 2010

October '09

TIE reported that it entered into a partnership agreement with Intertrade Systems Inc. as well the sales of the Edge desktop business in the US to Intertrade Systems Inc.

TIE reported that it obtained a credit facility with Rabobank, who also becomes the new banker of the Company.

November '09

TIE reported that it investigates a potential infringement on the Content Syndication Platform.

December '09

January '10

TIE reported the launch of 1.62M options under the Annual Stock Option plan.

February '10

TIE reported the release of version 3.0 of the Content Syndication Platform.

March '10

TIE reported the conversion of Convertible Bonds into shares of the Company for an amount of € 476k, representing 4,760,000 ordinary shares.

TIE reported the independent value proposition of the Company as made by Investablish B.V.

April '10

TIE reported that it excercized the 24.5% option on the shares of MamboFive B.V., TIE hold 100% of the shares in MamboFive B.V.

May '10

June '10

TIE reported that Capgemini Retail Solutions has exclusively selected Freeconnect as part of TIE's Business Integration Platform.

TIE reported the first major deal of TIE Asia. The Royal Malaysian Customs in cooperation with TIE partner Edaran IT Services Sdn Bhd has selected the TIE Kinetix Business Integration Platform.

TIE reported that TIE's global strategic partner Cnet Content Solution, a division of CBS Interactive, have teamed up with Lenovo to syndicate the PC maker's content worldwide through ContentCast™ using the TIE Content Syndication Platform.

July '10

TIE reported that Microsoft was able to increase the online conversion rate of their office products with selected retailers by using the TIE Kinetix Content Syndication Platform.

TIE reported that the court has come to a ruling in the Samar case. All claims by Samar have been granted and TIE is ordered to pay full damages.

August '10

TIE reported that Siemens Enterprise Communications GmbH (SEN) introduced their worldwide Digital Channel partner program, powered by the TIE Kinetix Content Syndication Platform, in China.

TIE reported the launch of the first online specialty shop for daily fresh food: Culinaireversmarkt.nl

TIE reported the issue of Convertible Bonds amounting to € 870k. The proceeds have been reserved for the outcome of current legal proceedings of the Samar case.

September '10

TIE reported that T-Mobile has implemented the TIE Kinetix E-commerce Platform for its new online phone shop.

For any additional information of events which have taken place in 2010, please consult the Company's website and the press releases issued by the Company.

Table of Contents

Portfolio TIE

TIE minimize the energy needed for a transaction lifecycle throughout the supply chain

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 costs and maximize revenue and profit.

TIE provides its software as either a license or service (SaaS). Our services are designed to enhance the value of our software and deliver essential business benefits. Our expert resources and carefully selected partners ensure that we can provide all of our customers with quality service and superior value. TIE has more than two decades of experience in developing and implementing E-commerce standards. Today, we are the partner that industry leaders turn to for business-to-business success.

Technology Leadership

Not only do we offer our customers state-of-the-art products, we also ensure technology leadership for the future.

The Global Economy is changing through the adoption of Services Orientated Architectures (SOA), through Software as a Service (SaaS), Cloud Computing, Social networks and Mobile ubiquity. Current and future generations of software applications will be developed and validated by TIE in such a way that the technologies and ideas are integrated into our products and services which will in turn ensures that the products are state-of-the art and our customers will benefit thereof. TIE is well positioned in the SOA field as core partner, SME Board member, and steering committee vice chair of the European Technical Platform on Software and Services NESSI (www.nessi-europe.eu). NESSI is supported by the European Commission, chaired by Siemens, whose Board contains the likes of Telefonica, Thales, IBM, HP, AtosOrigin, etc., and represents over 400 members from SMEs, such as TIE, through to Large Industrials and Academics. NESSI also forms a focal point for the EUs activity with the 'Future Internet' concept.

Recognizing the importance of EDI/XML and semantics for business integration, TIE continues to actively support the maintenance of the UN/EDIFACT standard with a seat in the technical assessment groups in Europe (CEN/ISSS eBES) and globally (UN/CEFACT forum) in the United Nations.

Furthermore, TIE is a key player, selected for its expertise, in a number of European co-funded projects, such as SOA4ALL (Semantic web) NetChallenge (SME Business Networks), and newly awarded Omelette (Services and Mobile) as well as TIEs first National Project in the Netherlands ODPM (Catalogue Categorization). These are all highly relevant to the business area in which the Company operates.

TIE Kinetix Solutions: Total Integrated E-commerce

TIE Kinetix is the total electronic concept for sharing and exchanging business information in the most virtual and rapid ways possible. Critical information needs to flow continuously and accurately through the supply chain, through a variety of channels, in order to effectively create demand for products and services. Signals from the consumer must be consolidated, interpreted, and acted upon to ensure that our customer business can outlast and out-perform competitors. Once the demand becomes an order, it must be efficiently processed and communicated to the suppliers and logistics providers who can fulfill the demand. TIE Kinetix is the Platform for connecting businesses and merging supply and demand in the most technologically efficient ways, saving our customers millions of dollars in productivity and higher sales performance.

Business Integration Solution

Every business requires the power to connect applications and processes with the systems of their supply chain partners

Regardless of whether a company operates in the traditional business world or online, every business requires the power to connect applications and processes with the systems of their supply chain partners. This connection ensures that any action in the supply chain results in an immediate and accurate response from your partners, suppliers and logistics providers, irrespective of the ERP systems in use.

B2B Managed Services, EDI, VAN & Business Integration Solutions

Simplify and automate the users' business document exchange with trading partners.
For organizations of every size, the pressures to comply and implement electronic document standards are intense, especially for key customer or supplier relationships. There are serious demands for real-time business collaboration that often call for highly skilled resources with the most up-to-date experience on integration process and technology. In fact, doing business electronically with today's global business standards requires the ability to exchange information with unprecedented speed, flexibility, and processing power.

Electronic Data Interchange (EDI), E-invoicing, extensible markup language (XML) and secure communication standards have helped to make it possible to for businesses to automate the way companies order, bill and ship their goods and services over the internet. That's why TIE Kinetix offers three very flexible XML/EDI compliant integration solutions, each one designed to meet the needs of small, medium-sized, and enterprise organizations. By enabling seamless collaboration between trading partners, our powerful integration technology and expertise make it easy for customers to increase efficiencies, reduce costs, and simplify data sharing with their whole trading partner community.

With TIE's XML/EDI integration solutions, its user can:

- Completely manage and automate the XML, EDI and electronic business document exchange (E-invoicing) with partners without complex software, infrastructure or integration expertise;
- Integrate with any back office applications, including but not limited to Epicor, SAP, Oracle, Exact and Microsoft applications;
- Easily expand integrated relationships and manage trading partner demands as the business requirements grow;
- Stay connected to the system's performance through automated notifications and reporting;
- Prioritize critical trading partner transactions and document handling for Just-In-time (JIT) scenarios;
- For customers wishing to manage their own internal integration processes, TIE Kinetix solutions can be also fully licensed and installed locally.

TIE Kinetix has over twenty years of experience working closely with customers and partners to make the process easy, secure and reliable providing all the essential tools and training to be entirely self-sufficient.

Jollein / Smits Assen

The ambition is, to have all our customers and suppliers, using the EDI system of TIE Kinetix, as this will deliver the highest efficiency for our organization.
Wim Smits owner of Jollein / Smits Assen, The Netherlands.
User of the TIE Kinetix Business Integration Solution since 2010.

◄ Table of Contents

Content Syndication Solution

The Content Syndication Solution provides tools to manage rich digital marketing materials and distribute them online from a common source

The TIE Kinetix Content Syndication Solution provides on-line control, collaboration and customization needed to increase web traffic, optimize marketing costs and reduce costly content syndication. The Content Syndication Solution provides businesses with the tools to manage their rich digital marketing materials and distribute them online from a common source. Manufacturers are able to assist their partners by updating any reseller's or distributor's website with the latest content updates, marketing campaigns and product information. This enables resellers and distributors to attract, educate and deliver the critical product information that end users demand. As a result, the manufacturer's investment in product marketing is protected, due to consistent and controllable product information, throughout delivery and partner use - all while maximizing the resellers' and distributors' online sales and branding efforts.

5 Steps to Content Syndication for the Channel

TIE Kinetix Content Syndication Platform offers comprehensive content syndication to companies in a vast array of industries through an unique web syndication platform. The TIE Kinetix Content Syndication Platform holds a simple five step process: the collection of content, the management of digital assets, the syndication of rich digital marketing materials, the activation of the channel and reporting. By following these steps, the content owner not only strengthens and extents its reach throughout the distribution channel, but also gains hard analytical data about how its content is performing.

5 Key Steps: Collect, Manage, Syndicate, Activate & Analyze

Collection of Content:
During the "Collection" phase all information is gathered and structured in a way that allows it to be most successfully syndicated and pushed out onto subscribing partner websites. The manufacturer may choose to split the content during this phase, enabling him to change different "pieces" without changing the whole. Subscribing partners will be given the ability to choose different options for the campaign based on how the manufacturer chooses to split content up during this phase. The manufacturer may also choose to re-publish parts without re-publishing the whole campaign previously launched.

Management of Digital Assets:
During the "Management" phase of the web syndication process manufacturers can manage content from inside the system. Providing the manufacturer with absolute, "spur of the moment" control, TIE Kinetix Content Syndication Platform allows manufacturers to schedule campaigns or

◀ Table of Contents

content pieces (split up during the Collect phase) to launch on different future dates. The manufacturer may make edits to any of its campaigns without re-creating new campaigns – a truly unique feature. The manufacturer will benefit from complete alignment of the channel – once a partner subscribes and places the line of code in their site, content is automatically updated based on options chosen by the partner.

Syndication of rich Digital Marketing Materials:
The "Syndication" step enables marketers to make digital assets accessible by pushing content onto partner websites. Partners that have subscribed to manufacturers' syndicated content will automatically receive updates to current campaigns as well as the launch of new campaigns without having to manage the content themselves in any way. Syndicated content pushed onto partners' sites is customized using the options provided by the manufacturers, allowing the syndicated content to reflect the partner's product portfolio while also fitting seamlessly with the look and feel of the partner's website.

Activation:
The "Activation" phase of the web syndication process refers to TIE Kinetix CSP's Email software – called ChannelMailer – which allows the manufacturer to send business partners a customizable email template for the partners' own email efforts. Partners may then send out the customized email campaign to consumers, activating or stimulating the space between the manufacturer and end consumer (partner, re-seller or VAR) to increase traffic to the syndicated content which has now been pushed to partner sites.

Real-time Reporting:
During the "Reporting" phase vendors are able to identify how effective their syndicated campaign is performing. The line of code that partners place on their sites not only pushes syndicated content onto their sites, but creates a window through which analytics are pulled. End consumers interact directly with syndicated content through partner sites, allowing TIE Kinetix CSP to report those analytics in real-time.

Siemens

"For me, the TIE Kinetix solution is a marketing department substitute for the smaller partners within our Global program. TIE's Syndications have become an absolutely critical vehicle for launching Siemens' campaigns and new solutions. We've had a fantastic working relationship with TIE, from the beginning right through."
Adrian Honey, Director of Global Indirect Channel Marketing at Siemens Enterprise Communications GmbH & Co. KG
User of the TIE Kinetix Content Syndication Solution since 2008.

◀ Table of Contents

T-Mobile

We were looking for an easy-to use webshop for our customers. The TIE Kinetix E-commerce Platform has enabled us to minimize the number of steps related to placing an order. In addition, we are now able to offer richer content: customer reviews, upsell opportunities, stock information, and detailed product descriptions. As a result thereof we are able to increase the conversion and generate more revenue from our webshop.

Tessel Jarigsma, Director of Internet & New Media at T-Mobile Netherlands B.V., The Netherlands. User of the TIE Kinetix E-commerce Solution since 2010.

◄ Table of Contents

E-commerce Solution

A comprehensive scalable and proven E-commerce Platform to get every business online, whether you are doing B2B or B2C

The TIE MamboFive Commerce Suite, TIE Kinetix's E-commerce Solution, is a complete, scalable and proven solution for E-commerce that enables a company's online business in a simple and professional manner. Whether a company is in the B2B, B2C, or a combination of both, our platform allows the transition of doing business via the Internet without any complications. With this solution, our customers become the owner of a webshop over which they have total control, while allowing seamless integration with existing ERP systems (Exact, Unit4, BaaN, Oracle, SAP WMS and many others).

Control over the entire process, a full ERP system

TIE Kinetix has developed the TIE MamboFive Commerce Suite to enable SMEs to achieve high sales on the Internet quickly and without having to take any drastic measures. It also enables large organizations with the E-commerce Platform to have more control over the total E-commerce process. TIE supplies all the basic ingredients for an Internet shop, such as the product catalogue and payment facilities. SMEs will be able to handle it right away. The package is flexible and fits easily into existing operational management. Because of its smart functionality, the TIE Kinetix E-commerce Solution can grow into a full ERP system for finance, logistics, etc., making it an attractive solution for large organizations.

Cost-effective while retaining existing investments and entirely future-proof

It's all about time-to-market – quickly implementing a complete, professional Internet shop and doing business on the web straight away. It also offers the appropriate flexibility and scalability. We can achieve all of that cost-effectively while retaining the customer's existing investments. With 24/7 support, so any problems are quickly resolved. Furthermore, the TIE Kinetix E-commerce Solution is future-proof and retains its value, because it can grow as the customer's business grows. Excellent customer interfaces means that products can be easily added, deleted, changed, re-priced, etc., so that the customer's website is always up to date. The TIE MamboFive Commerce Suite makes the customer more competitive and helps increase his profit margin.

The major reasons why companies purchase our software solutions:

- Flexibility and scalability
- Achieving cost-efficiency
- Short implementation time
- No operational reorganization needed after implementation

The customer will have the best technology – with SLAs – for running an Internet shop: Fully manageable, flexible and scalable.

Services

Customer Care: TIE is committed to providing our customers with quality product support. We strive to provide the most effective and efficient solution for our customers. To accomplish this, we offer a range of services designed to maximize the benefits of the software selection.

Implementation: TIE takes a holistic approach to implementation of projects for our customers. Not every approach fits all businesses. TIE creates an individualized E-commerce plan to adopt a B2B strategy that fits the company. That might be a traditional integrated approach for some; a web services strategy for others or a combination of the two.

Project Management: Over twenty years, TIE applies the knowledge, skills, tools and techniques to project activities to meet customer businesses requirements. This understanding of how companies connect, distribute and share critical information helps our team collaboratively initiate, plan, execute and monitor project activities so that all stakeholders and participants can complete the project on time and within budget.

Training: The TIE Training Services mission is to provide our customers with a learning experience that enables them to continue to reap the benefits of our customers' technology investment. We offer monthly in-house trainings at our offices throughout the globe. These comprehensive seminars are hands-on, and are led by skilled instructors with years of in-the-field experience.

Important Information

Investors in the Ordinary Shares are reminded that their investment carries financial risks. Investors should therefore take careful notice of the entire contents of and disclosures contained within this report and the Financial Statements 2010 (October 1, 2009-September 30, 2010).

Cautionary Statement on Forward-Looking Information

Certain statements contained in this report are "forward-looking statements". Such statements may be identified by, among others:

- The use of forward-looking wording such as "believes", "expects", "may", "anticipates" or similar expressions;
- By discussions of strategy that involve risks and uncertainties;
- By discussions of future developments with respect to the business of TIE Holding N.V..

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

Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied in such statements.

Important factors which could cause actual results to differ materially from the information set forth in any forward-looking statements include, but are not limited to:

- General economic conditions;
- Performance of financial markets;
- Levels of interest rates;
- Currency exchange rates;
- Changes in laws and regulations;
- Changes in policies of Dutch and foreign governments, and;
- Competitive factors, on a national and/or global scale;
- TIE's ability to attract and retain qualified management and personnel;
- TIE's ability to successfully complete ongoing research & development efforts;
- TIE's ability to integrate acquisitions and manage the continuous growth of the company;
- TIE's ability to anticipate and react to rapid changes in the market.

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

◄ Table of Contents

Management Board

The Management Board currently consists of one person.
Jan brings over 15 years of executive management to TIE. Most recently, he served as CEO and president of TallyGenicom EMEA, where he was responsible for more than € 170 million revenue. He helped the organization return to profitability by rationalizing operations and restructuring their sales channels, and was responsible for sales and marketing in more than 60 countries. Previously, Jan served as senior vice president of strategic planning and global sales and marketing for Minolta-QMS Mobile, a company he joined in 1989 as a sales manager and later served as EMEA president. During his tenure as senior vice president of global sales and marketing, Jan was instrumental in increasing worldwide sales from € 250 million to € 300 million.

Jan Sundelin is not a member of the Supervisory Board of another listed Company.

J.B. Sundelin

(Jan)

Chief Executive Officer

(as of June 2008)

Date of birth: **October 21, 1960**

Nationality: **Swedish**

Date of initial appointment member of the Management Board: **February 14, 2007**.

Current term of office: **4 years**

Number of shares in the Company: **2,130,000**

Number of options in the Company: **1,614,845**

Convertible Bond, relating to number of shares: **300,000**

Management Board's letter

To the shareholders,

Please find enclosed our 2010 annual report for TIE Holding N.V. This report highlights our financial results, major activities and accomplishments.

Our results for 2010 were not up to our expectations. The management has analyzed carefully this gap and has taken urgent new steps to ensure growth in 2011 and beyond. Our traditional Business Integration Platform business was soft. On the other hand, the implementation of our Software as a Service (SaaS) business has increased. Our management team is focused on this new approach to selling our solutions. Our major partner Epicor has agreed to sell not only our licensed products, but to include a SaaS version in their product portfolio. This up-sell is expected to provide more long term quality revenue.

During the year we've invested (development and sales power) in our Content Syndication and E-commerce businesses. Our major Content Syndication partner (CNET/CBS Interactive) did not ramp up its business as expected. This created a disappointing shortfall in the year. Our TIE Kinetix E-commerce Platform won a major contract with T-Mobile and renewed the contract with KPN, while our partner in the Content Syndication business began filling the pipeline line with orders from Lenovo, Intel, Cisco and Hitachi. During the spring and summer of 2010 these SaaS contract were realized and delivered; as these are all SaaS contracts, a significant part of the continuing income will be in 2011 and beyond, for both the Content Syndication and E-commerce businesses.

The management team is focused worldwide on our strategy of moving from a traditional license business to SaaS, packaging our Content Syndication Platform to be sold via our partner CNET/CBS, and others, and developing further our E-commerce business into worldwide markets. We understand our customers' requirements, and our development activities are geared to provide solutions to their needs.

Sincerely,

J.B. Sundelin,
CEO, TIE Holding N.V.

◄ Table of Contents

Report from the Supervisory Board

To the shareholders,

After the restructuring process in 2008, the Company proved to be on the right track for the year 2009. Therefore the expectations for the year 2010 were high. Unfortunately these expectations were not met. Even though the total costs were carefully controlled, the product portfolio further completed with finalization of the acquisition of MamboFive B.V., and the marketing and sales effort were strengthened, the results were below the long term business plan. Therefore the Supervisory Board spent extra effort in reviewing and adapting the strategy of the Company.

Organizational aspects

The Supervisory Board currently consists of three members. Two of these members are considered independent. The third member, Mr. Peter van Schaick, holds 20.7% of the shares in TIE (excluding potential interest), through Alto Imaging Group N.V. Therefore Mr. van Schaick cannot be considered independent according to best practice provisions III.2.2 of the Code. The number of shares held by Mr. Honée does not exceed the 10% limit as set in provision III.2.2 of the Code. Therefore Mr. Honée is considered independent according to best practice provisions III.2.2 of the Code. Notwithstanding the forgoing, the Supervisory Board is construed in line with best practice provision III.2.1 of the Code.

The Supervisory Board notes that its composition is in line with the profile of the Supervisory Board. Each board member has his specific field of complementary expertise.

General Business

The Supervisory Board supervised and monitored the following:

› ***The achievement of the objectives of the Company and its management***
The Supervisory Board discussed the objectives of the Company and monitored the development of the results and the actual results versus the targets set in the annual operating plan. The Company aims at growing the business substantially in order to reach the scale, required for a public company, to cover the costs of being "public" and to realize a healthy profit level. First of all the Company has shown to be able to grow autonomously. TIE became cash flow positive (from operating activities) in the last quarter of the year 2008, and was also cash positive in the year 2009. Since it appeared during the year that this trend was not continued, measures were discussed and taken by the Management Board to improve the results of the Company on a regular base. Additionally, the Supervisory Board monitored the cost structure of the Company and advised the Management Board on all aspects.

The financial structure has been improved further by the emission of shares and by issuing Convertible Bonds to third party investors and to the Management Board and Supervisory Board of the company. The Supervisory Board acknowledges the commitment to these members.

› ***The corporate risk profile and the internal risk management and control system***
The Supervisory Board discusses the Company's risk profile with the Management Board. The Supervisory Board recognizes that the risk profile of TIE is adequately understood, monitored and acted upon by the Management Board. The Supervisory Board insists to continue to monitor the consequences of the financial crisis very closely. The Supervisory Board is satisfied with the structure and operation of the internal risk management and control system and is convinced that its (financial) consequences have been adequately reflected in the Company's processes and accounting principles.

› ***The merger and acquisition strategy.***
The acquisition of MamboFive B.V. was finalized by acquiring the last 24,5% of the shares. The Supervisory Board monitored the integration of TIE MamboFive on a regular base. As part of the corporate strategy a valuation of TIE was carried out by Investablish B.V.. The Supervisory Board evaluated the content of this independent report in view of its acquisition strategy.

- ***Audit Committee***
  The Supervisory Board as a whole monitored the accounting and reporting processes in its function as audit committee. In order to ensure the quality of the financial reporting process and to discuss the findings on the financial statements, the Supervisory Board has met with the Company's external auditors Ernst & Young with the Management Board being present. The Supervisory Board did consider whether the Company should have an internal audit function. Given the current size of the Company there is no need for an internal audit function.

Meetings of the Supervisory Board

During the year 2010, the Supervisory Board convened once a quarter. Additionally a number of special sessions were held to discuss specific subjects. All members of the Supervisory Board were heavily involved in all the meetings, no members were absent.

During the course of these meetings, the Supervisory Board evaluated its own performance and the performance of the Management Board, without the Management Board being present.

Compensation Policy

This Compensation Policy outlines the terms and conditions of employment of members of the Management Board of the Company. The objective of this Compensation Policy is to provide a structure that attracts, retains and motivates qualified and expert members of the Management Board by providing a well balanced and incentive based compensation.

According to article 135 of book 2 of the Dutch Civil Code, the Compensation Policy will be determined by the General Meeting of Shareholders. On February 13, 2008, the General Meeting of Shareholders adopted the Compensation Policy for 2008. As a result of a change in the Articles of Association effective as of March 27, 2008, the remuneration of members of the Management Board will be determined by the Supervisory Board within the limits of the Compensation Policy.

Term of appointment:

- All members of the Management Board will be appointed for a maximum period of four (4) years. On expiry of the four-year term, a member of the Management Board may be reappointed for successive terms of four years each.

Termination of employment:

- Termination of the (employment) contract requires the statutory notice period, unless otherwise determined in the (employment) contract with a member of the Management Board.
- The (employment) contract with a member of the Management Board will terminate if he reaches the age of retirement, on the date as provided in the relevant pension scheme.
- Upon termination of the (employment) contract by the Company (or by a competent court on request of the Company) and unless the contract is terminated for a cause specified in article 7:678 or 7:685 juncto 7:678 of the Dutch Civil Code, the member of the Management Board will be entitled to a severance payment.
- Taking into account the relevant article in his (employment) contract, a member of the Management Board may be entitled to a specified amount of severance, if TIE terminates his (employment) contract as a result of a specified event and gives notice of termination within the specified period. These events may include a material change of the role and responsibilities of the member of the Management Board as a result of the acquisition of more than 50% of the shares in the Company by a third party (change of ownership).

Severance Package:

- Members of the Management Board are offered a severance package with a maximum of one (1) year's salary, unless this would be manifestly unreasonable.

Remuneration

- The remuneration of a member of the Management Board may comprise the following components: salary, variable compensation in the form of a cash bonus based on the realization of short term targets and variable compensation in the form of options based on the realization of long term targets. The salary includes base salary, holiday allowance, pension arrangements and lease vehicles. Members of the Management do not participate in the annual stock option plan (as of February 13, 2008).
- The remuneration levels are set to reflect the requirements, performance and responsibilities regarding a position in the Board of Management and the targets of the Company.
- The Supervisory Board will review the salary level regularly, considering circumstances that would justify adjustments, such as changes in the individual's responsibilities, the individual as well as collective performance, developments in the business environment and

developments in the salary level of personnel in the Company. The Supervisory Board shall evaluate the remuneration structure regularly in order to ensure that it meets the objective of the Compensation Policy.

› The (employment) contract with a member of the Management Board includes an arrangement for the reimbursement of all reasonable expenses incurred in the performance of its duties.
› The variable part of the remuneration is designed to strengthen the Management Board member's commitment to the Company and its objectives. The bonus level may vary between the members of the Management Board due to differences in their responsibilities, specific objectives, and contributions to the Company as a whole and base salary.
› An annual bonus is linked to previously determined and objectively measurable performance targets. The Supervisory Board determined the performance targets for the sole member of the Management Board, based on a long term operating plan. These performance targets reflect the individual responsibilities of the member of the Management Board, such as, but not limited to, financial results and/or operational results per focus area. The performance targets are based on the Company's strategic agenda, which includes financial targets. Since these targets contain commercially sensitive information, the exact targets are not being disclosed. However the information is available for the external auditor of TIE.
› The (Chairman of the) Management Board updates the Supervisory Board on the achievement against the individual performance criteria on a quarterly basis. After the end of a financial year, the Management Board prepared an evaluation of the past financial year. The evaluation includes the extent to which the individual performance targets have been met. On the basis of this evaluation and its own investigation, the Supervisory Board reviewed the performance of the members of the Management Board and decides whether the performance targets are met and therefore a member of the Management Board should receive his bonus. The Supervisory Board may take special circumstance into consideration in determining the achievement of the targets.

Shares

› The members of the Management Board will not be offered any TIE-shares without financial consideration, unless the specific approval of the Supervisory Board has been obtained (i.c. the shares are offered (as part of) an annual bonus). Shares in the Company, held by a member of the Management Board, are long-term investments.

Loans

› The Company does not grant its Management Board members any personal loans, guarantees or the like, unless in the normal course of business and on terms applicable to the personnel as a whole, and after approval of the Supervisory Board. No remission of loans shall be granted.

Remuneration Report

In this report, the Supervisory Board provides an overview of the remuneration received by the Management Board in financial year 2010.

Remuneration report J.B. Sundelin

At the annual shareholders meeting held on March 10, 2010, the General Meeting of Shareholders agreed to a remuneration amounting to € 216k for Jan Sundelin and to a detailed bonus arrangement. The remuneration (€ 228k including expenses, net of option expense) was paid to CAPTA Management B.V., Jan's consultancy Company.

The Supervisory Board evaluated the performance of the CEO along the references laid down in the bonus arrangement. The results for the year 2010 provide no grounds to award a bonus.

The remuneration of the Management Board is disclosed in detail on page 79.

A.F.L. Veth
Chairman, Supervisory Board TIE Holding N.V.

◄ Table of Contents

Supervisory Board

Ton Veth
Gender **Male**, *Age* **64**
Nationality **Dutch**
Principal position **CEO & President, Cebra B.V.**
Other relevant positions **None**
Date of initial appointment **May 2003**
Current term of office ends **May 2012**
Supervisory Board memberships of other public companies **None**

Peter van Schaick
Gender **Male**, *Age* **56**
Nationality **Dutch**
Principal position **CEO Alto Imaging Group N.V.**
Other relevant positions **None**
Date of initial appointment **May 2007**
Current term of office ends **May 2011**
Supervisory Board memberships of other public companies **None**

Erik Honée
Gender **Male**, *Age* **53**
Nationality **Dutch**
Principal position **Consultant M&A Diligence Services B.V.**
Other relevant positions **None**
Date of initial appointment **May 2008**
Current term of office ends **May 2012**
Supervisory Board memberships of other public companies **None**

◄ Table of Contents

Bare Necessities

“We’re really excited about the eVision Optimization Utility! TIE’s custom report and analysis really lays out where we can improve upon and gain quick wins within the EDI part of the organization.”

TIE eVision Net/Server - 10 Partners
CLEO Lexicom Support
Rick Diaz, IT Technology Support Specialist at Bare Necessities Inc, USA.
User of the TIE Kinetix Business Integration Solution since 2004

◄ Table of Contents

Report from the Management Board

During 2010 the Company made major steps to focus more clearly on the growing E-commerce, Content Syndication and SaaS for Business Integration. Despite the investment in sales, marketing development and support staff in the E-commerce and the emerging Content Syndication businesses, the Company needs more time to generate profit, to show that the increasing component of Software as a Service (SaaS) generates an ongoing growing revenue stream as an annuity. The economical situation in 2010 for IT companies continued to be though. The combination with large onetime expenses impeded TIE to benefit from the steps made and work done during the last 2 years. The Company achieved the following results in 2010:

- Completed the sale of the Edge desktop software;
- The release of the new Translator 4.0;
- The release of version 3.0 of the Content Syndication Platform;
- TIE Asia signed its first major contract;
- The first joined deal for Content Syndication with CBS/CNET and TIE was signed and delivered to Lenovo;
- Continuous focus on SaaS revenue for all the 3 platforms.

Our staff, Sales, R&D, Consultancy, Support, Finance & Legal, have been aptly challenged, and therefore, fully devoted in reaching the tough targets we established. The Management Board appreciates the contributions to success made by all employees and managers worldwide.

Operating and Onetime Expenses

During 2010 the operating expenses are € 2,028k higher in comparison to 2009.

The 2010 expenses were heavily influenced by onetime expenses, amounting to € 1,237k. The major impact was the result of 2 legal cases, costing the Company almost € 1m; the preliminary termination of a project costing € 150k and redundancy costs of € 100k.

The divestment of Nspyre Goodwill as a result of an end of life cycle amounted to € 171k.
At the same time, we invested in sales, marketing, development and support staff in the emerging E-commerce and Content Syndication businesses.

Strategic Long Term Investments by TIE

TIE has appointed during late 2009 two sales directors for the EMEA and Asian-Pacific market in order to look for geographical expansion into new markets, as well as further development of our global alliances with CBS/CNET and Epicor and other potential partners.

Strategic Alliances

The Company continued the global partnership with EPICOR in relation to our Business Integration Platform. In October 2010 the partnership was strengthened by offering TIE's Business Integration solution as an EDI Managed Service (SaaS) on Demand for Epicor Customers.

TIE maintains relationships with the following leading software and technology vendors: Microsoft (Gold Level Partner), Microsoft Navision, EPICOR, SAP, Oracle, Exact, Unit 4 Agresso, and other global system integrators. TIE believes that these relationships better enable the Company to sell additional products to its existing customer base, while acquiring new customers and enhancing its market presence.

In October 2009, a partnership was announced with Intertrade Systems in Canada, which supports our long-term strategy to focus our efforts on the medium and enterprise market for our Business Integration Solution by providing additional network capacity within the North American market.

The Company booked its first success, during the summer 2010, resulting from its partnership with

Report from the Management Board

CBS/CNET for its Content Syndication Platform, Lenovo was the first customer that signed and was successfully delivered under this partnership. The Content Syndication partnerships with Microsoft UK and a global partnership with Siemens Enterprise Communications GmbH were continued.

TIE MamboFive was successful with its partnership with The Online Company for our E-commerce Platform, which resulted in the delivery of a new webshop to T-Mobile. The technological partnership between TIE MamboFive and Progress was continued and will be strengthened on an international sales level.

Research and Development

In October 2009, the Translator 4.0 was released, allowing users to transform their electronic business documents from one format into another, thus opening up their ERP and other business software for integration with that of their partners in a controlled manner.

In February 2010, version 3.0 of our Content Syndication Platform was delivered. Version 3.0 offers additional functionality like:

- Comprehensive module for Channel Reporting & Analytics;
- Cross and up sell module for integration of context specific syndicated content in existing websites and online stores;
- Content Connect module to make it possible to integrate seamlessly to any existing content management system our customers already use;
- Major functional improvements based on input from customers and users;
- Further optimization of the automated Channel Enrollment module.

Cash flow

On September 30, 2009, TIE obtained a credit facility from Rabobank, amounting to € 350k for the Netherlands operations.

The € 100k loan from Jalak Investments B.V. was repaid on November 30, 2009 and the € 200k loan from Alto Imaging Group N.V. was repaid on December 31, 2009.

On August 31, 2010, TIE raised additional funding by the issue of Convertible Bonds, amounting to € 870k, predominantly used to satisfy the obligation of the ruling on the Samar legal case.

On August 31, 2010 the Company received a € 100k loan of Alto Imaging Group N.V. repayable in 6 months.

On November 10, 2010 TIE announced that the credit facility with Rabobank will not be continued and reduced in steps to zero by February 28, 2010. TIE's management is in contact with various parties to facilitate TIE with a credit line. For further details we refer to page 51 (going concern) and page 61 (liquidity risk).

General Management

On November 26, 2007, Jan Sundelin, former Chief Sales Officer, commenced his task of Interim CEO. After the finalization of the financial restructuring (during the summer 2008), the Supervisory Board appointed him as Chief Executive Officer of the Company. As CEO, Jan Sundelin was offered the opportunity to implement the new strategy for the coming years.

Since May 1, 2008, Zwier van Puijenbroek is hired as Chief Financial Officer of the Company. Zwier is currently not a member of the Management Board of the Company.

Management Statement

Pursuant to the implementation of the Transparency Directive 2004/109/EC into Dutch legislation per December 24, 2008, the Management Board states that to its knowledge a) the accounts in this Annual Report give a true and fair view of the assets, liabilities and financial position and profit and loss of TIE Holding N.V. and its subsidiaries; b) the management report in this Annual Report gives a true and fair view of TIE Holding N.V. as per September 30, 2010 and the state of affairs during the financial year to which this report relates and c) the annual management report describes the material risks the Company is facing.

Outlook

For 2011 TIE Management is confident to further grow the E-commerce and Content Syndication businesses via SaaS and Consultancy Revenue, we expect limited growth of our Business Integration revenue. TIE's competitive advantage is the ability to merge its three Platforms, offering a Total Integrated E-commerce solution.

TIE will benefit from its partnership with Epicor as the EDI managed services (SaaS) on demand is now available for Epicor's customers. The partnership with CBS/CNET on Content Syndication is starting to find its way into the market with new customers like Lenovo, Intel, Cisco and Hitachi.

In 2011 TIE will focus on reducing its costs back to normal levels again and increase its efficiency. The Company will keep its ongoing focus on new

◀ Table of Contents

technologies; continue to focus on expanding its partnerships to grow its existing and new markets. Part of the future growth will involve new acquisitions.

Management's Discussion and Analysis

The following section contains a discussion and analysis of financial position and results of the Company. In comparing the operations over the respective years, TIE MamboFive B.V. is consolidated and fully integrated in the Netherlands segment as per December 1, 2008. All amounts are in € x 1,000 unless stated otherwise.

Annual Result of Operations and Financial Position

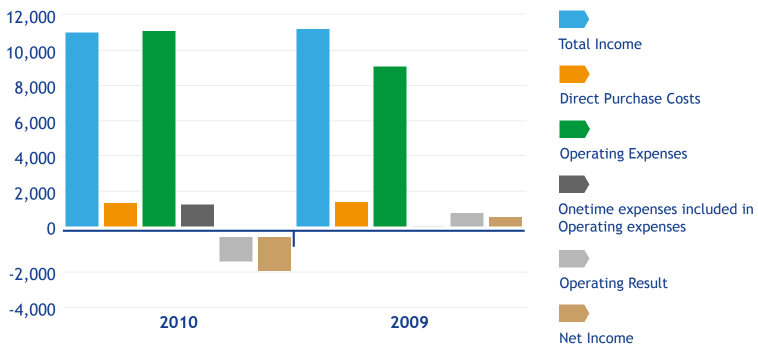
The table below (Annual Result of Operations and Financial Position) sets forth the main items in the Company's Statement of (Comprehensive) Income for the respective financial years:

The net result for 2010 totaled a loss of € 1,928k, compared to a profit of € 530k in 2009. Total Income 2010 declined little by 1.6% compared by 2009. Operating expenses 2010 increased by € 2,028k compared to 2009, predominantly caused by onetime expenses amounting to € 1,237k and divestment of Goodwill amounting to € 171k.

Cash Flow from operating activities is € -841k (2009: € 568k), the normalized Net Cash Flow from operating activities is € 396k.

Annual Result of Operations and Financial Position	2010	2009
Total Income	11,013	11,190
Direct Purchase Costs	(1,307)	(1,367)
Operating Expenses	(11,092)	(9,064)
Onetime expenses included in Operating expenses	(1,237)	-
Operating Result	(1,386)	759
Net Income	(1,928)	530
Shareholders'Equity	2,663	2,417
Equity	4,028	4,078
Cash flow from operating activities	(841)	568
Normalized Net Cash Flow from operating actvities	396	568

Annual Result of Operations and Financial Position (€ x 1,000)



◄ Table of Contents

Shareholders' equity increased by € 246k predominantly caused by the conversion of Convertible Bonds, exchange differences on translating of foreign operations, and excersizing options, which did exceed the loss for the year. At year end of 2010, Shareholders' equity amounts to € 2,663k (2009: € 2,417k). Equity decreased to € 4,028k at 2010 year end from € 4,078k at 2009 year end. Additional funding was attracted by the Company by the issue of Convertible Bonds to third party investors, related party investors, and Management Board. Equity includes Convertible Bonds amounting to € 1,365k (2009: € 1,661k).

The development of Total Income and Operating Expenses is discussed in detail below.

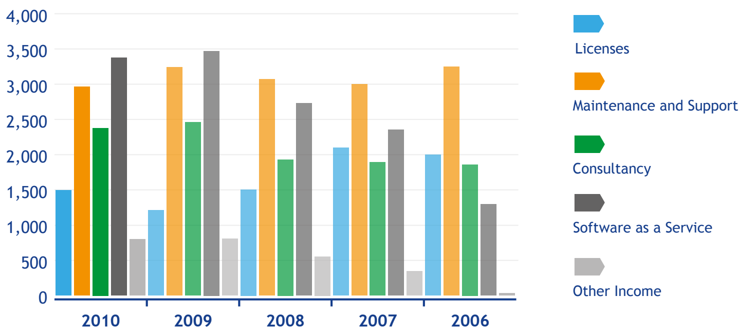
Total Income

The table below provides the breakdown of total income by category and region (and the percentage of total net revenues represented by each category) for 2010 and comparative 2009.

SaaS pertains to all hosting, webEDI (TiedByTIE), EDI managed services and Value Added Network services. These services are generally provided on the basis of a 12, 24 or 36 months contract whereby fees are based on actual use of the service or a subscription fee or a combination of thereof. SaaS revenue also includes revenue from marketing channel management; these services are provided on a subscription basis with a fixed contract period, generally 12 months. Revenues are accounted for on a percentage of completion bases. This means increasing sales in this category will result into income with a delay.

Total Income and Income net of Direct Purchase Costs		2010		2009
Licenses	1,497	13%	1,212	11%
Maintenance and Support	2,963	27%	3,243	29%
Consultancy	2,378	22%	2,458	22%
Software as a Service	3,377	31%	3,472	31%
Total Revenues	**10,215**	93%	**10,385**	93%
Other Income	798	7%	805	7%
Total Income	**11,013**	100%	**11,190**	100%
Direct Purchase Costs	(1,307)	(12%)	(1,367)	(12%)
Income Net of Direct Purchase Costs	**9,706**	88%	**9,823**	88%

5 year development of revenue by category for the period 2006-2010:
(€ x 1,000)



◄ Table of Contents

SaaS, Maintenance and Support and Other Income (excl. onetime Edge sale) generate what may be considered as recurring revenues, while 45% of consultancy revenue is considered as recurring generated from installed base.

Licenses and the remaining 55% of consultancy revenues are classified as non recurring revenue. Recurring revenues are a more stable basis of growth for the Company. The last years, management continued its focus on building a recurring revenue stream.

Development of recurring revenues versus non-recurring revenues is shown on the right side.

Recurring revenue declined comparing 2010 to 2009, caused by the sale of the low end Edge software (the onetime sale is reported as other Income) which generated mainly maintenance and SaaS revenues, the loss of a few SaaS contracts and the upgrade to the new Smart Start causing a temporary decline in maintenance resulting from the shift from the old product to the new product.

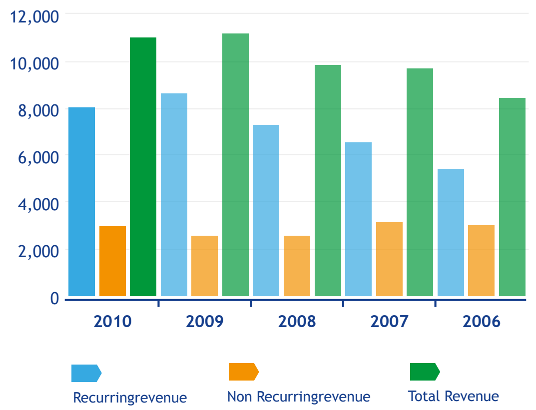
Development of Income by region over the last 5 years is shown on the right side.

Total Income overall decreased by € 177k, representing a decrease of 1.6%.The decline in 2010 compared to 2009 was predominantly caused by a decline of income realized in the Netherlands by € 577k, while the North American income increased by € 176k (4.5%) and the Rest of World income increased by € 224k (12.2%).

Total Income in North America measured in US $ increased by US $ 264k, predominantly caused by the onetime sale of Edge amounting (net) to US $ 243k.

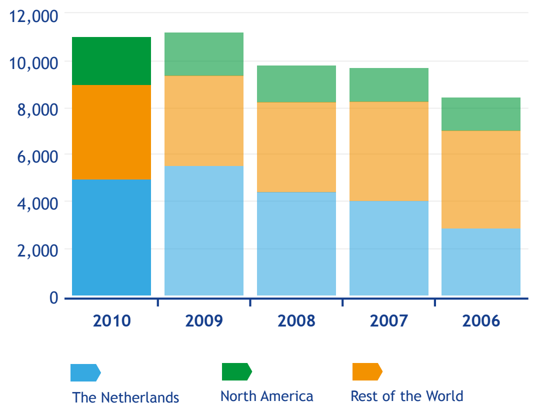
Recurring vs Non-Recurring Revenue

(€ x 1,000)



Income by Region

(€ x 1,000)



Income by Region		2010		2009
The Netherlands	4,932	45%	5,509	49%
North America	4,022	36%	3,846	35%
Rest of World	2,059	19%	1,835	16%
Total Income	**11,013**	**100%**	11,190	100%

Report from the Management Board

The Netherlands

The Netherlands 2010 income decreased by 10% compared to 2009. In 2010 the Dutch market remained hesitant towards ICT investments and expenditure. Further the Company did execute in 2010 a reorganization and repositioned its sales force in the Dutch territory, resulting in a more long term focus on Consultancy and SaaS activities especially for the continuously growing E-commerce market.

License income decreased by € 90k. SaaS income decreased, by € 269k predominantly resulting from a lower level of hosting activity. Other Income decreased by € 168k as a result of the completion of the STASIS, NESSI2010 and NEXOF-RA projects during the year 2010. The 5 years development of Total Income in The Netherlands is shown below.

North America

Total Income 2010 in the North American territory increased in US $ 264k and in Euro by € 176k compared to 2009. The increase was predominantly caused by the onetime sale of the Edge software, reported as Other Income which does not fit anymore in the Company's product portfolio as low end product. The sale of the Edge product locked down the income of Maintenance by approximately € 165k and on SaaS by approximately € 115k. Business Integration license Income increased by € 266k predominantly as a result of our partnership with Epicor. The loss of SaaS income resulting from the Edge divestment was nearly compensated by the SaaS Income generated from the Content Syndication platform resulting from our partnership with CBS/CNET. The 5 years development of Total Income in North America is shown below.

Total Income by region	2010	2009	2008	2007	2006
The Netherlands					
Licenses	486	576	559	562	569
Maintenance and Support	872	898	881	750	676
Consultancy	1,360	1,384	759	917	731
Software as a Service	1,580	1,849	1,639	1,463	848
Other Income	634	802	552	328	20
Total Income	**4,932**	**5,509**	**4,390**	**4,020**	**2,844**
North America					
Licenses	676	410	711	1,349	1,102
Maintenance and Support	1,657	1,895	1,791	1,789	2,087
Consultancy	613	609	730	712	883
Software as a Service	913	931	603	371	88
Other Income	163	-	1	6	10
Total Income	**4,022**	**3,846**	**3,836**	**4,227**	**4,170**
Rest of World					
Licenses	335	227	235	188	328
Maintenance and Support	434	449	396	459	486
Consultancy	405	465	442	265	246
Software as a Service	884	691	488	521	359
Other Income	1	3	1	12	1
Total Income	**2,059**	**1,835**	**1,562**	**1,445**	**1,420**
Total TIE					
Licenses	1,497	1,212	1,505	2,099	1,999
Maintenance and Support	2,963	3,243	3,068	2,998	3,249
Consultancy	2,378	2,458	1,931	1,894	1,860
Software as a Service	3,377	3,472	2,730	2,355	1,295
Other Income	798	805	554	346	31
Total Income	**11,013**	**11,190**	**9,788**	**9,692**	**8,434**

◄ Table of Contents

Rest of World

Rest of World revenues reflects a 12.2% growth. TIE France showed an overall growth of € 84k (7.9%), including 41% growth in SaaS revenues, while License, Maintenance and Support and Consultancy were down by respectively 45%, 6% and 8%. The international revenues driven from the Netherlands showed an overall growth of € 139k (18%). License income is up by € 151k (115%), while SaaS showed a growth of € 24k (8%), and Consultancy an increase of € 31k (38%). While Maintenance and Support decreased by € 3k (1%). The 5 years development of Total Income in the Rest of World is shown in the table on the previous page.

Direct purchase costs

The Direct purchase costs stabilized on 12% of Total Income in 2010 (2009: 12%), resulting from cost cuts on hosting services and lower volume of third party licenses sold.

Operating Expenses and Onetime Expenses

The table below provides a breakdown of the total operating expenses for the financial years 2009 and 2010.

Total Operating Expenses have increased in total by € 2,028k.

The employee costs increased by € 273k compared to 2009 caused by the investment in additional staff for our International development for both the International business out of the Netherlands as well as our start in the Asian-Pacific region to support our sales through our partnerships with both Epicor and CBS/CNET. Employee Benefits include Stock Option Expenses, amounting to approximately € 292k (2009: € 292k).

Onetime expenses result predominantly from 2 law suits. The Company unexpectedly was ordered to pay all damages to Samar, the old caterer, reception and cleaning service provider of TIE in the Netherlands amounting to a cash out of € 804k and onetime costs of € 697k, consisting of the claim, legal interest and legal costs of Samar, as well as the legal costs of the case regarding infringement on the IP rights of TIE amounting to € 70k, as well as the legal costs by TIE adhered thereto around € 220k. The Company further paid redundancy costs of approximately € 100k and preliminary termination of a project costing approximately € 150k.

2010 Depreciation expense increased by € 143k resulting from the fact that 2009 depreciation was relatively low resulting from the 2007 and 2008 impairments in the CGU of the Netherlands. The impairment test performed for each of the Cash Generating Unit (CGU) per 2010 year end revealed that there was no need for impairment.
The goodwill on the acquisition of Nspyre B.V.in 2005 has been amortized in 2010; resulting from the decision to stop sales and development of the Nspyre products. The divestment of goodwill amounted to € 171k.

The 2010 Other Operating expenses increased by € 204k compared to 2009. Mainly caused by higher accommodation expenses € 78k (new office TIE MamboFive, TIE France and a costs windfall in 2009), infrastructure expenses € 90k, marketing and travel € 110k compensated partially by lower professional services € 52k and other costs of € 22k.

Operating Expenses	2010		2009	
Employee Benefits	6,769	61%	6,496	72%
Onetime Expenses	1,237	11%	-	-
Depreciation and Amortization Expense	503	4%	360	4%
Divestment of Goodwill	171	2%	-	-
Other Operating Expenses	2,412	22%	2,208	24%
Total Operating Expenses	**11,092**	**100%**	**9,064**	**100%**

Financial income and/or Expense

Interest Income relates to received interest on the bank accounts; The Interest expense consist of interest paid for using the credit facility (2010 only), loans and deferred interest on the Mambo-Five B.V. acquisition.

Financial Income and/or Expense	2010	2009
Interest Income	2	15
Interest Expenses	(47)	(46)
Exchange gains/(losses)	(26)	(2)
Total	(71)	(33)

Income Taxes

Based on the improving economic outlook and results of the fiscal unity in The Netherlands, TIE has recognized a tax asset per 2010 year end of € 232k (2009: € 243k), based upon the AOP 2011 and the business plans. More details are discussed on page 68.

Based on the improving economic outlook for TIE Commerce Inc in the North American territory, management has recognized an additional Tax Asset in 2006, amounting to € 1.8m (USD 2.3m) to account for temporary differences, resulting in a total Deferred Tax Asset of € 2.6m (USD 3.3m) per 2006 year end. Per 2010 year end, the Deferred Tax Assets on temporary differences amounts to € 1.2m (USD 1.7m).

Each year proceeding 2006 sees a partial reversal of the Deferred Tax Asset set up in 2006. This reversal is mainly the result of a reduction in temporary differences between the tax basis of assets and their carrying value, and not a result of change in the economic outlook for the North American activities to which the Deferred Tax Asset pertains. The reversal of the temporary differences is predominantly caused by the amortization of US-based Goodwill to income for tax purposes, whereas this item has already been expensed for commercial purposes. The annual fiscal amortization charge amounting to approximately USD 750k is the main driver of this reversal.

Cash Position

On September 30, 2010, the Company held positive cash and cash equivalents of € 326k (2009: € 457k); the Rabobank credit facility was used for an amount of € 316k per September 30, 2010 (2009: nil). The net cash position amounted to € 10k (2009: 457k).

The Credit Facility of € 350k with Rabobank is not extended and will be reduced in steps and ends on February 28, 2011.

The Company issued various Convertible Bonds against cash for an amount of € 870k, predominantly used to pay for the Samar claim.

Alto Imaging Group N.V., a related party, provided 2 loans: one loan amounts to € 200k and was repaid on December 31, 2009, and the other loan, amounting to € 100k, was issued on August 31, 2010 and is repayable in 6 months.

Jalak Investments B.V., a related party provided a loan € 100k, which has been paid back on November 30, 2009.

In 2010, the Company had a negative cash flow from its operations of € -841k (2009: € 568k). We expect that the future cash flow will be sufficient to cover the negative working capital per September 30, 2010. The 2010 Cash Flow normalized from onetime expenses amounts to € 396k (2009: € 568k).

Development (R&D)

During 2010, the Company capitalized R&D (including purchased software) for the amount of € 540k (2009: € 551k). Technological feasibility for development goals set for these development projects was established, and management believes the finished product will improve the Company's potential in the marketplace.

Significant R&D effort is being invested in the EC supported projects. During 2010 the projects NESSI2010, NEXOF-RA and STASIS projects are completed. While SOA4ALL and NetChallenge continue in 2011 together with 2 new acquired projects called Omelette and ODPM. These projects have not been capitalized but are expensed through the Statement of (Comprehensive) Income, since it is uncertain that they generate future benefits.

Targets for Financial Year 2011

TIE's focus for the coming years is to consist of the three Platform solutions, together Total Integrated E-commerce. The Platforms will be further developed and integrated, and intensified marketing and sales efforts will take place.

TIE aims to grow geographically by entering new markets worldwide, especially in EMEA and Asia-Pacific area, while improving synergy between existing markets. On a national level, TIE focuses on entering new sectors and vertical markets. Financially, TIE's objective is to accomplish a significant revenue growth, while reporting an operational positive cash flow quarter over quarter.

Internal business processes have been improved since 2009. We will continue to focus on additional improvement where necessary. Furthermore, TIE will focus on product development. This does not only imply development of new products, but also in further improving and integrating our existing products.

TIE Kinetix Platforms

TIE's mission is to provide our customers with solid, future-proof software that is of the highest level of usability, both now and in the future, and to assist our customers with in-depth expertise. Throughout the Company's history, TIE has been among the first providers of new concepts and technology. The TIE Kinetix Platforms constitute a unique Master Data Management proposition. The TIE Kinetix Business Integration Platform, the TIE Kinetix Content Syndication Platform and the TIE Kinetix E-commerce Platform are the basis for the future, by offering together the Total Integrated E-commerce solution.

Growth

In the coming financial year, our target is to realize sustainable and profitable growth. TIE's aim is to achieve long-term autonomous revenue growth of 10%-15% per year. We will focus on selling our Platforms in a Software as a Service (SaaS) model, creating a continuous recurring revenue stream for the Company. As a result the Company will become less sensitive for Revenue fluctuations in comparison to a license model. With our unique proposition, we intend to enter new worldwide markets that offer prospects for profitable and long-term growth in order to strengthen our international presence. On a national level, we intend to enter new sectors and vertical markets. Our solutions have proven that we can support customers of all sizes in multiple countries. By offering our customers a clear Return on Investments and offering products that can be used by our customers without having to change the entire infrastructure, we can convince them of the value of our solutions. We shall provide our existing customers with updated products and new releases, while providing new customers with our total solution for Total Integrated E-commerce.

Furthermore, growth is not limited to autonomous growth and the growth through our strategic partners like Epicor, CBS/CNET and Progress, but we will also explore opportunities for strategic acquisitions. Companies in new geographical worldwide markets, where TIE currently does not have a strong customer base, and others that are active in sectors and markets in the Netherlands, USA and France are all considered valuable additions to the Company. The Company has the financial, legal and technical knowledge to smoothly perform acquisitions.

Costs and Capital Expenditure

Management continuously focuses on improving efficiency in order to control or reduce costs. This includes the flexibility and ability to increase/decrease staff, based on business plans and developments. It also includes efficiency benefits to be obtained through improving the cooperation between divisions and countries. The Company does not expect large capital expenditure on investments in fixed assets or the replacement thereof.

Product development

TIE has a history of technology leadership and dedication to continuous product improvement. TIE provides comprehensive product suites that enable customers to rapidly and efficiently streamline business processes with the help of E-commerce, both internally and externally. TIE will continue to promote and embrace existing and emerging industry standards and participate in the research necessary to provide a future proof product and services suite. With its participation in European Projects as well as being part of the standardization committee in the United Nations, TIE continuously monitors new standards and developments in E-commerce worldwide. The knowledge obtained through the participations of these projects safeguard the development of our own software.

Concrete targets for the coming financial year:

› Continue focusing on the three Platforms, which collectively present our Total Integrated E-commerce solution as a total product offering for our existing and new customers;
› The launch of EDI Managed Services On

demand of our Business Integration solution offering a SaaS product to the Epicor Customers. Also strengthening our relationship with Epicor resulting in opening new markets and new countries for our products;
- Build out our relationship with CBS/CNET in further growing the Content Syndication revenues for both partners;
- Launch of the Eddie website, www.3stappenedi.nl enabling SME businesses to save with invoicing through by using WEBedi software;
- Expand our relationship and find new customers with The Online Company;
- Expand our strategic alliance with Progress in order to grow our E-commerce internationally and find strategic partners thereto;
- Introduction of a new messaging portal in 2011;
- Build out our network in the Emea and AsianPacific region together with Epicor, CBS/CNET and Progress.

The success of these initiatives is highly dependent on a number of factors. An important element is the general economic development and the effects of the financial crisis on the sales. Should the current general economic trend continue, this may put many investments by customers on hold, not only in the United States but also in Europe. These risks as well as the risks connected with financial instruments are discussed extensively in the Company financial statements from page 46 onwards.

Another factor is the manner in which the Company is able to market the three Platforms worldwide and deliver the solutions to its customers. It is very important to communicate effectively and cost efficiently, but we must also keep in mind that every sale is accompanied by an implementation, and TIE must guarantee sufficient and adequate resources to successfully implement solutions. An important factor is the motivation of the staff. Management is well aware of the fact that the ultimate success of the Company lies with its staff members. Motivation bonuses and training to sales, technical, legal and administrative staff are scheduled for 2011.

Risk Assessment

Today's unstable geo-political and monetary environment is a key risk that is largely beyond TIE's control. Further risks of this type include the entry of more and larger players into the Business Integration and B2Bi market, creating more confusion amongst users leading to inertia in the market place. The positioning of the Company providing an unique perspective on these markets assists in mitigating this risk. Competitors, however, are likely to catch up at some time in the future.

Other risks may be influenced by TIE, including the unwillingness of existing B2Bi players to cooperate rather than compete on a new generation of products, the possible inability to retain staff members and qualified management, and the unwillingness of investors to raise additional funding to invest in TIE's growth. Additionally, the Company's activities expose it to a variety of risks, including market risks (currency risk and interest rate risk) credit risk, and liquidity risk. Financial instruments held are accounted for under Assets (Loans and Receivables) and Equity (Convertible Bonds). The risks are monitored on a recurring basis at a Management Board level, applying input received from Management in the individual geographical areas, with whom the Management Board has contact on regular basis. The risk analysis focuses predominantly on business risks that result in managerial decisions on investing in Research and Development and entering new markets. Financing and funding decisions are made at Management Board level, guaranteeing that management is aware of any changes and developments. Individual debtors with collectability issues are discussed on an item by item basis.

The Company neither holds nor issues financial instruments for trading or hedging purposes.

Fair value

The Company does not hold any financial assets or liabilities accounted for at fair value through the Profit and Loss Account. Fair values disclosed are calculated based on current interest rates, taking into account the terms and conditions of the financial asset or liability. In most cases, fair values will equal the carrying value of the item.

Currency Risk

The Currency Risk is discussed on page 60 of this report.

Credit Risk

The Credit risk is discussed on page 60 of this report.

Liquidity Risk

The Liquidity Risk is discussed on page 61 of this report.

Interest Rate Risk

The Interest Rate Risk is discussed on page 62 of this report.

◀ Table of Contents

Les Brasérades

Nous avons pris la décision de nous doter d'une solution EDI afin de répondre aux sollicitations de nos clients de la Grande Distribution. Suite au départ à la retraite de notre prestataire, nous étions à la recherche d'une SSII qui serait opérationnelle rapidement et à l'écoute de nos besoins. TIE nous a accompagnés durant toute la phase de migration. Grâce à la solution proposée par TIE, nous avons simplifié les tâches de nos employés et nous gagnons beaucoup de temps, et donc de l'argent.
Jean Luc Moliné, Informaticien Les Braserades SA, France.
User of the TIE Kinetix Business Integration Solution since 2007.

◀ Table of Contents

Zippo

"You have an edge over your competition, and it's in having that outstanding support team. With other service providers you don't receive the same level of support that TIE brings. When I send an email or call, it's responded to quickly, and well before anything sticky comes up. It doesn't disappear into a hole like some other support calls. That's a real value to Zippo."

Russel Safran, Sr. Systems Analyst, at Zippo Manufacturing Co., USA.
User of the TIE Kinetix Business Integration Solution since 2004

Corporate Governance

Every year, the Company provides a broad outline on the corporate governance structure of the Company as well as an overview of the measures it has taken to apply the Dutch corporate governance code, or as the case may be, an explanation for deviations from the principles and/or provisions of the Code. In order to obtain a full understanding of the corporate governance structure of the Company, this chapter, the other chapters of this annual report, and all regulations and documents regarding corporate governance (available on the website and subject to further review) should be read together.

The Dutch corporate governance code regulates the relations between the Management Board, the Supervisory Board and the shareholders and contains (a) principles, which are general concepts of proper corporate governance and (b) best practice provisions, which are detailed standards governing the conduct of aforementioned entities, resulting from the principles of the Code.

Corporate governance is not limited to a set of regulations; it must be tailored to the specific situation of the Company. A deviation may therefore be justified by the specific circumstances of the Company. A company may deviate from the principles and the best practice provisions contained in the Code, provided that it shall give a sound reason in the annual report, as to why such deviation has been made ("apply or explain").

The strength of corporate governance is based on the extent to which the Company, the Management Board, the Supervisory Board and the shareholders endorse it. The Company emphasizes its commitment to transparency and corporate governance; shareholders are able to contact the Secretary of the Company for questions regarding corporate governance at any time.

In this annual report, the Company does not take other corporate governance codes into account. TIE considers the Dutch corporate governance code as the leading code in the Netherlands. The corporate governance code can be found on the website of the Monitoring Committee (www.commissiecorporategovernance.nl).

Management Board

The role of the Management Board is to manage the Company. Under the Code, this means that it is responsible for achieving the Company's targets, the strategy and associated risk profile, the (development of) results, compliance with regulations, financing the Company and relevant corporate social responsibility issues. The Management Board is accountable for this to both the Supervisory Board and General Meeting of Shareholders. In discharging its role, the Management Board shall be guided by the interests of the Company and its affiliated enterprises. The Management Board shall take into account the relevant interests of all stakeholders rather than the interests of any particular stakeholder.

The Management Board shall provide the Supervisory Board in a timely fashion with a report on developments and all information necessary for the exercise of the duties of the Supervisory Board.

The current sole member of the Management Board, Jan Sundelin, has been appointed in the General Meeting of Shareholders of February 14, 2007, for a period of four years. The severance package of Jan Sundelin is in line with best practice provision II.2.8 of the Dutch corporate governance code. More information on the composition of the Management Board can be found on page 20 of the annual report.

Any (apparent) conflict of interest between the Company and a member of the Management Board shall be avoided. All transactions in which a conflict of interest exists or is deemed to exist must be concluded on terms at least customary in the sector concerned. Resolutions for entering into such transaction must be approved by the Supervisory Board.

In Control Statement

In order to ensure adequate and effective internal risk management and control systems, all internal business processes are aligned according to the internal instrument called My-TIE. This system gives the Management Board complete visibility on all transactions that have taken place anywhere within the Company and provides detailed reports on revenue costs. It also provides for strong procedures to control purchasing, order fulfillment and support. To all TIE employees worldwide, it provides information on policies and procedures, customers and prospects, human resources, assets, documentation and pricing of products and services and it is the Platform to collaborate with other employees, customers and resellers. The system has been outsourced in order to ensure 24/7 global availability and free up internal resources.

Operating since 2004, the My-TIE functionality and design are continuously developed to further improve supporting business processes. My-TIE has also proven to be a very effective instrument of the internal risk management and control system. Any shortcomings that come to light as the Management Board continues to evaluate processes and procedures, also in light of changing circumstances and business processes, are addressed and resolved as soon as possible. In financial year 2010, no material changes have been made to My-TIE.

In view of the above, the Management Board believes that with the implementation of My-TIE as a system of monitoring and reporting, it has taken adequate steps to implement an appropriate risk management and internal control system. This system provides, with reasonable certainty, reliable internal and external reports, adequate information to determine in how far the Company is achieving the strategic goals it has set and assurance that the Company is operating within the boundaries of the law.

My-TIE significantly reduces, but cannot fully eliminate the possibility of poor judgment in decision-making, human errors, abuse and control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of other unforeseeable circumstances. Another limiting factor is the need to consider the relative costs and benefits of risk responses. A properly designed and implemented risk management and internal control system will therefore provide reasonable but not absolute assurance that a company will not be hindered in achieving its business objectives, in orderly and legitimate conduct of its business, nor can it provide absolute insurance that a misstatement in the financial reporting would be prevented or detected. In this context, reasonable assurance refers to a degree of assurance that would be satisfactory for a prudent manager in the management of his affairs in the given circumstances. Notwithstanding the forgoing and in view of the above, the Management Board makes the following statement:

- The Management Board is of the opinion that it has implemented an internal risk management and control system that is adequate and effective, suitable for the Company's business;
- The internal risk management and control system provide a reasonable assurance that the financial reporting does not contain any errors of material importance; the financial statements therefore provide as far as the Management Board is aware, a fair view of the financial position, the assets and liabilities and the financial results of the Company and consolidated enterprises as at September 30, 2010;
- The internal risk management and control system has worked properly in financial year 2010 and there are no indications to believe that the internal risk management and control system will not continue to function properly in financial year 2011.

The Management Board has discussed the internal risk management and control system with the Supervisory Board.

Supervisory Board

The role of the Supervisory Board is to supervise the policies of the Management Board and the general affairs of the Company and its affiliated enterprise as well as to assist the Management Board by providing advice. In discharging its role, the Supervisory Board shall be guided by the interests of the Company and its affiliated enterprise, and shall take into account the relevant interests of the Company's stakeholders. The Supervisory Board shall have due regard for the corporate social responsibility issues that are relevant to the Company. The Supervisory Board is responsible for the quality of its own performance.

The composition of the Supervisory Board is such that the members are able to act critically and independently of one another and of the Management Board and any particular vested interests. Each member of the Supervisory Board shall be capable of assessing a broad outline of the overall strategy of the Company and its business. As a whole, the composition shall be such that it enables the Supervisory Board to best carry out the variety of its responsibilities and duties to the Company and others stakeholders. The Supervisory Board shall be constituted in a balanced manner as to reflect the nature and variety of the Company's businesses and the desirability to have available expertise in different fields, thus covering the areas of finance, management, legal and the Company's business, the national and international B2B Integration market. More information on the composition of the Supervisory Board can be found in the report from the Supervisory Board on page 22-24 of the annual report.

Since the Supervisory Board comprises only three members, no separate remuneration committee and selection and appointment committee have been appointed. The activities of the audit committee are performed by the Supervisory Board as a whole.

Any (apparent) conflict of interest between the Company and a member of the Supervisory Board or a member of the Management Board shall be avoided. In Financial Year 2010, several conflicts of interest were reported to the Supervisory Board.

On March 1, 2010, Peter van Schaick, member of the Supervisory Board and current owner of 20.7% (excluding potential interests) of the outstanding shares of TIE through Alto Imaging Group N.V., converted a € 69.5k convertible bond into ordinary shares. On the same day, Jan Sundelin, member of the Management Board converted a € 26.5k convertible bond into ordinary shares. The 265,000 options provided to Jan Sundelin in connection with the convertible bond and investment, were executed on April 1, 2010.

On March 10, 2010, Jan Sundelin was granted 750,000 options, based on his personal bonus policy 2009-2013.

On August 31, 2010, several members of the Supervisory Board and the Management Board performed an investment in the Company. Jan Sundelin performed an investment amounting to € 30k. Erik Honée, member of the Supervisory Board of the Company invested € 100k. Additionally, Peter van Schaick, through Alto Imaging Group N.V, participated with € 400k. The ten-year Convertible Bonds issued in return have a conversion price amounting to € 0.10 and an one-year lock-up. In connection with the investment Jan Sundelin received 30,000 conditional options with a vesting period of one year and a full term of ten years. Members of the Supervisory Board did not receive any options. All agreements are in line with the agreements made with third party investors and prior investment agreements.

On the same day Peter van Schaick, through Alto Imaging Group N.V. provided the Company with a € 100k loan, for a term of a half year.

The agreements with Mr. Peter van Schaick have been concluded on terms at least customary in this sector and the resolutions regarding both the loan and the Convertible Bond have been approved by the Supervisory Board; Mr. Peter van Schaick did not participate in the decision-making process. The agreement with Mr. Erik Honee has been concluded on terms at least customary in this sector and the resolution regarding the Convertible Bond has been approved by the Supervisory Board; Mr. Erik Honée did not participate in the decision-making process. Therefore, the Company complied with the rules of procedure and provision III.6.1 - III.6.4 of the Code.

The agreement with Jan Sundelin regarding the investment has been concluded on terms at least customary in this sector and the resolutions have been approved and signed by the Supervisory Board; Jan Sundelin did not participate in the decision-making process. Therefore, the Company complied with the rules of procedure and provision II.3.2 to II.3.4 of the Code.

The Shareholders

Responsible corporate governance requires the fully-fledged participation of shareholders in the decision-making in the General Meeting of Shareholders. It is in the interest of the Company that as many shareholders as possible take part in the decision-making in the General Meeting of Shareholders. In order to increase the participation of the shareholders, the Company regularly issues press releases and maintains a mailing list of interested shareholders.

As of January 1, 2007 the Dutch legislator provides the possibility to make use of electronic communication devices with regard to the decision-making process in the General Meeting of Shareholders. The Company continues to review these possibilities to vote and to allow shareholders to attend meetings through the Internet. Given the size of the Company, the Management Board is of the opinion that such measures, in the short term, will not add to the transparency or the decision-making process.

The Company's authorized share capital amounts to € 20 million, consisting of 200 million ordinary shares, with a nominal value of € 0.10. As per October 1, 2010, the number of outstanding shares amounts to 82,201,804. Currently the two main shareholders are P.P van Schaick (through Alto Imaging Group N.V., 20.7%, excluding potential interests) and C.J.W.A. Komen (through DW Vastgoed Beleggingen B.V., 10.42%, excluding potential interests).

The Company has adopted the rules for large Companies ("structuurregeling"). As a result

Corporate Governance

thereof, the Supervisory Board appoints new members of the Management Board. The General Meeting of Shareholders appoints members of the Supervisory Board. The General Meeting of Shareholders may amend the Articles of Association.

The General Meeting of Shareholders provided the Management Board on March 10, 2010 with the authorization to issue new shares and rights to acquire shares (options, warrants, convertibles) and to restrict or exclude any pre-emptive rights for a period of 18 months.

General

Currently, the Company deviates from one best practice provision. On August 31, 2010, Jan Sundelin received 30,000 options in connection with his investment in the Company, with a lock-up amounting to one year. Additionally, the 750,000 options provided under the bonus policy, have a lock-up amounting to one year. Due to the fact that granting the options are related to the results of the Company and/or the investment made and not to the achievement of specified targets, the Company currently deviates from best practice provision II.2.4 of the Code.

Improving the corporate governance structure of the Company and following all developments on corporate governance is a continuous process, which can count on the perpetual commitment of both the Supervisory Board and the Management Board of the Company.

Corporate Responsibility

It is the role of the Management Board to manage the corporate responsibility issues that are relevant to the Company. As such the Company focuses on several subjects and the corporate responsibility aspects thereof. In this chapter we shall provide an overview of the subjects, such as Human Resources, the environment, compliance, worldwide and local initiatives. As a whole, TIE is committed to achieve a correct balance between growing as a company and our corporate responsibility.

Human Resources

Without a doubt, TIE considers Human Resources as a major aspect of corporate responsibility. The staff of TIE is the driving force behind the ultimate success of the Company, due to its expertise and know-how. TIE is driven to attract, develop, reward and retain a highly competent staff.

In 2010 the Company sets new HR policies for all employees in the Netherlands. As a result thereof each and every staff member receives targets for its activities per financial year. Additionally a general bonus arrangement was set, awarding a bonus to a staff member who has performed exceptionally during a specific quarter. As of the second quarter of financial year 2010, this bonus arrangement applies to all staff members of TIE worldwide.

TIE emphasizes that personal growth of the staff is of great value to the Company. This can be obtained through setting challenging targets, guidance by the management and education. The personal growth of the staff members is closely monitored and recurring evaluations and assessment meetings take place.

The workforce of TIE is highly diverse and multicultural. In official announcements and communication TIE uses English as the main international business language. As a result thereof the French staff members have received training in the English language. In order to improve the integration, TIE has additionally offered the foreign staff members in the Netherlands, Dutch lessons.

In general TIE aims to provide its staff members with safe and healthy working conditions. As a result thereof the absence due to illness is very low (1.2% for calendar year 2009 and 2.7% for calendar year 2010; compared to the 3.6% average for the commercial services sector for calendar year 2009). Extra encouragement is provided by offering employees in the Netherlands an extra vacation day if they have not been ill during a certain period.

TIE endorses "Het Nieuwe werken" in The Netherlands, by providing its employees the possibility to balance their private life with their business responsibilities. TIE offers flexible working hours and an extensive special leave arrangement.

Environment

The subject environment is split into two separate points of attention, first focusing on the Company itself and its staff members and second focusing on our products. As a software company, TIE's operation has minimal effect on the environment. Nonetheless, TIE seeks ways to reduce the negative impact on the environment. For instance, TIE offers flexible working hours to its employees and has multiple offices in order to avoid traffic jams and the impending effects on the environment. Internal meetings are held with the use of Skype or GoToMeeting, thus limiting travelling time and expenses. TIE pursuits to replace polluting lease vehicles by more environment friendly ones. Additionally, TIE endorses a paperless office, through extensive and efficient use of My-TIE and E-invoicing.

Our products provide our customers with ways to reduce the negative impact on the environment. For example, TIE offers its customers with the ability to exchange EDI messages with each other over the TIE Kinetix Business Network. This Free Connect service provides our customers with transparency and benefits whilst having positive environmental effects. One other example is the E-invoicing solution TIE offers, with leads to less use of paper.

Compliance with laws and regulations

TIE will abide by all human rights and supports the development of them wherever it operates within the legitimate role of business. TIE rejects any restrictions to free trade other than duly-enacted national and international laws.

TIE offers its employees and applicant's equal opportunities, and does not tolerate any form of harassment or unfair or unlawful discrimination based on race, age, gender, sexual orientation,

◄ Table of Contents

Nicols

Imposé initialement par nos clients, nous nous sommes aperçus que cela nous permettait d'être plus professionnels. Par la suite, nous avons étendu l'EDI avec nos partenaires logistiques. Nous gagnons beaucoup de temps et faisons de réelles économies. Nous savons que nous pouvons compter sur TIE pour nous accompagner dans toutes les démarches liées à l'EDI. Il s'agit d'une équipe motivée et compétente.

Fabrice Denoual, Directeur IT Nicols, Belgique.

User of the TIE Kinetix Business Integration Solution since 2006.

Corporate Responsibility

disability or national origin. TIE has a policy in place for dealing with complaints regarding harassment or discrimination. Additionally, TIE has a whistle-blower's policy in place, allowing employees to report suspected irregularities without jeopardizing their positions.

TIE recognizes the employees' right to organize themselves in order to protect their own rights. As of 1999, TIE has a Worker's Council (Ondernemingsraad) in the Netherlands. As of 2005, this Worker's Council has continued on a voluntary basis, due to the number of employees in the Netherlands.

Also, TIE has regulations on insider knowledge in place, preventing trading with insider knowledge. Every employee, executive, specified person, Management Board member and Supervisory Board member is to inform the Compliance Officer of its intention to trade in TIE shares prior to any transaction. The Compliance Officer is the legal specialist of the Company, ensuring that every employee, executive, specified person, Management Board member and Supervisory Board member abides by the applicable laws and restrictions. The closed period, the period in which every employee, executive, specified person, Management Board member and Supervisory Board member is prohibited from trying to execute and/or executing a transaction TIE shares, irrespective of whether or not he or she possesses insider knowledge, is communicated at the start of every closed period.

As of October 1, 2007, personal liability insurance is in place for members of the Supervisory Board and the Management Board.

More information on compliance with laws and regulations can be found in the code of conduct, published on the corporate website, section investor relations, corporate governance.

Worldwide initiatives

In financial year 2010, TIE supported the initiative for the victims or the earthquake in Haiti. On January 21, 2010, TIE published a press release on the support action, consisting of donating EUR 5 per every single customer contact on that day. The initiative was supported by the entire organization, from reception and support to the sales staff.
In financial year 2010, TIE also supported BuyAid. This Foundation helps children to achieve a better future and a better life.

Local initiatives

In financial year 2010, TIE donated to the Foundation Make A Wish. This foundation fulfills the dearest wish of children between 3 and 18 years with a life threatening illness. Achieving their dream can make a world of difference for these children.

In Financial year 2011, TIE supports the Foundation Food provision Haarlemmermeer. This foundation is committed to assist households which are unable to get the daily food on the plate. Target of the Foundation is that their assistance will be kept to a minimum. With advice and guidance, social workers are trying to get these people back on track as fast as possible. Currently, the Haarlemmermeer Food provision Foundation has 90 customers, consisting of 270 persons. More than half of these are children.

During financial year 2011, TIE will launch several initiatives which contribute to the Foundation. These initiatives include requests for donations of our staff members and customers consisting of cash donations or sustainable groceries. These initiatives are supported by the company as well as our relations. More information on the Foundation, our initiatives and the proceeds thereof can be found on our website, section investor relations, corporate governance.

◄ Table of Contents

Consolidated Financial Statements of TIE Holding N.V. for the year 2010

Consolidated Statement of Financial Position as at September 30, 2010

(Notes to the Consolidated Statement of Financial Position from page 51 onwards)

Assets (€ x 1,000)	Notes	September 30, 2010		September 30, 2009	
Non Current Assets					
Intangible fixed assets	1)				
Goodwill		2,402		2,546	
Other intangible fixed assets		1,492		1,334	
			3,894		3,880
Tangible fixed assets	2)				
Property, Plant and Equipment		164		180	
			164		180
Financial fixed assets	3)				
Deferred Tax Asset		1,476		1,780	
Loans and Receivables		38		40	
			1,514		1,820
Total Non Current Assets			**5,572**		**5,880**
Current Assets	4)				
Non Current Assets hold for sale			-		198
Trade Debtors and Other Receivables:					
Trade Debtors		1,539		1,817	
Taxation and Social Security		4		10	
Other Receivables and Prepayments		795		714	
			2,338		2,541
Cash and Cash Equivalents			326		457
Total Current Assets			**2,664**		**3,196**
Total Assets			**8,236**		**9,076**

◄ Table of Contents

Equity and Liabilities (€ x 1,000)	Notes	September 30, 2010		September 30, 2009	
Equity	5)				
Shareholders' Equity		2,663		2,417	
Convertible Bonds		1,365		1,661	
Total Equity			**4,028**		4,078
Non Current Liabilities	6)				
Provisions		11		8	
Total Non Current Liabilities			**11**		8
Current Liabilities	7)				
Provisions Short Term		47		113	
Credit Facility		316		-	
Short Term Debt		100		805	
Trade Creditors		435		494	
Deferred Revenue		1,609		1,981	
Affiliated Companies		-		4	
Taxation and Social Security		216		149	
Income tax		12		52	
Other Payables and Accruals		1,462		1,392	
Total Current Liabilities			**4,197**		4,990
Total Equity and Liabilities			**8,236**		9,076

The Company's financial year runs from October 1st until September 30th. The 2010, financial year 2010, which covers the period October 1, 2009 through September 30, 2010, is referred to as 2010. The comparative pertaining to the period of October 1, 2008 through September 30, 2009 is referred as 2009.

◄ Table of Contents

Consolidated Financial Statements of TIE Holding N.V. for the year 2010

Consolidated Statement of Comprehensive Income for the year ended September 30, 2010

(Notes to the Consolidated Statement of Comprehensive Income from page 76 onwards)

(€ x 1,000)	Notes	2010		2009	
Revenues					
Licenses		1,497		1,212	
Maintenance and Support		2,963		3,243	
Consultancy		2,378		2,458	
Software as a Service		3,377		3,472	
Total Revenues			**10,215**		**10,385**
Other Income			798		805
Total Income			**11,013**		**11,190**
Direct Purchase Costs			1,307		1,367
Income Net of Direct Purchase Costs			**9,706**		**9,823**
Operating Expenses	8)				
Employee Benefits		6,769		6,496	
Onetime expenses		1,237		-	
Depreciation and Amortization Expense		503		360	
Divestment of Goodwill		171		-	
Other Operating Expenses		2,412		2,208	
Total Operating Expenses			**11,092**		**9,064**
Operating Income			**(1,386)**		**759**
Interest and other Financial Income	9)		2		15
Interest and other Financial Expense			(73)		(48)
Income before Tax			**(1,457)**		**726**
Corporate Income Tax	10)		(471)		(196)
Net Income			**(1,928)**		**530**
Other Comprehensive Income					
Exchange differences on translating of foreign operations			163		10
Total Comprehensive Income net of tax			**(1,765)**		**540**
Attributable to Shareholders of TIE:					
Income after Tax			(1,928)		530
Comprehensive Income net of tax			(1,765)		540
Net result per share - basic	11)		(0.02)		0.01
Weighted average shares outstanding - basic (thousands)			77,486		58,346
Net result per share - diluted			(0.02)		0.01
Weighted average number of shares fully diluted (thousands)			80,060		72,397

◄ Table of Contents

Consolidated Statement of Changes in Equity for the year ended September 30, 2010

(€ x 1,000)	Share Capital (Incl. Surplus)	Retained Earnings	Foreign Currency translation Reserve	Share-holders Equity	Convertible bonds	Equity attributable to equity-holders of TIE
Balance per September 30, 2008	**52,530**	**(51,608)**	**(473)**	**449**	**1,735**	**2,184**
Total Comprehensive Income (loss)	**-**	**530**	**10**	**540**	**-**	**540**
Shares Issued and Share premium	1,115	-	-	1,115	-	1,115
Issued Convertible Bonds	-	-	-	-	961	961
Converted Convertible Bonds	-	-	-	-	(1,035)	(1,035)
Share based payments	-	292	-	292	-	292
Other movements	(6)	(16)	43	21	-	21
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)**
Shares Issued and Share premium	1,723	-	-	1,723	-	1,723
Issued Convertible Bonds	-	-	-	-	1,320	1,320
Converted Convertible Bonds	-	-	-	-	(1,616)	(1,616)
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**

Consolidated Financial Statements of TIE Holding N.V. for the year 2010

Consolidated Statement of Cash Flows
for the year ended September 30, 2010

(€ x 1,000)	Notes	2010		2009	
Income before tax			(1,457)		726
Adjustments:					
Share based payments expense	8	292		292	
Depreciation and amortization	8	503		360	
Divestment of Goodwill	8	171		-	
Disinvestments in intangible fixed assets	4	(163)		-	
Increase (decrease) provisions for redundancy, legal and rent building	7	(47)		(635)	
Increase (decrease) provisions		(23)		24	
Other movements		(4)		2	
			729		43
Working Capital Movements					
(Increase) decrease in debtors and other receivables		257		(281)	
(Decrease) increase in deferred revenue		(458)		147	
(Decrease) increase in current liabilities		93		(69)	
			(108)		(203)
Cash generated (applied) in operations			(836)		566
Interest paid			(47)		(13)
Interest received			2		15
Income taxes paid			40		-
Net Cash flow from operating activities			**(841)**		**568**
Disinvestments in intangible fixed assets		361		-	
Disinvestment in financial fixed assets		2		(18)	
Investments in intangible fixed assets		(608)		(572)	
Investments in tangible fixed assets		(88)		(87)	
Acquisition of a subsidiary net of cash acquired		-		(332)	
Dividend paid MamboFive to old shareholders		-		(191)	
Net Cash flow generated / (used) in investing activities			**(333)**		(1,200)
Increase (decrease) bank overdrafts/loans short term		50		(439)	
Issue of Convertible bonds		870		361	
Shares issued and share premium		107		80	
Net Cash flow generated / (used) by financing activities			**1,027**		2
Net increase (decrease) in Cash and Cash Equivalents			(147)		(630)
Currency Exchange Rate Difference on opening balance Cash and Cash Equivalents			16		(1)
Opening balance Cash and Cash Equivalents			457		1,088
Closing balance Cash and Cash Equivalents			**326**		457
Net Cash flow from operating activities			**(841)**		568
Onetime expenses		1,237		-	
Cash Flow from onetime expenses			**1,237**		-
Normalized Net Cash Flow from operating activities			**396**		568

◄ Table of Contents

Notes to the Consolidated IFRS Financial Statements

General information and summary of significant accounting policies.

Corporate Information

TIE Holding N.V. and its subsidiaries (together, the Company) develops, sells, and distributes software and services in the B2B Integration sector around the world through a network of subsidiaries and resellers. The Company has been active not only in the software development but in the standardization process as well. TIE Holding N.V. is a public company incorporated in the Netherlands with its registered address of Antareslaan 22-24 Hoofddorp. Subsidiaries are located in Asia-Pacific, France, The Netherlands and the US. TIE is listed on the NYSE EuroNext in Amsterdam.

The consolidated financial statements for the year ending September 30, 2010 are authorized for issuing through a resolution of the Management Board dated January 28, 2011.

The General Meeting of Shareholders, to be held on March 16, 2011, will be requested to decide on the Consolidated Financial Statements.

Statement of Compliance

The consolidated financial statements of the Company, included on pages 46 to 85, have been prepared in accordance with the International Financial Reporting Standards and its interpretations, as adopted by the European Union ("IFRS").

Basis of Preparation

The principal accounting policies applied in the preparation of these consolidated financial statements are detailed below and have been prepared on a historical costs basis, unless stated otherwise. These policies have been consistently applied to all the presented years, unless stated otherwise.
The consolidated financial statements are presented in Euros, and all values are rounded to the nearest thousand (€ x 1,000), unless indicated otherwise.

The Company has opted to prepare a condensed profit and loss account in accordance with the exemptions provided by article 2:402 of the Dutch Civil Code in the Company Only Financial Statements.

Going Concern Considerations

Based on the 2011 operating plan, the Company expects further improvement of its cash inflow, resulting from increased sales and tight cost control. Management believes it will have adequate cash to run its operations for the next year, despite the reduction of the Credit Facility in steps to zero per February 28, 2011.

During 2010, all important financial obligations were paid on time. The Company acquired additional funding (issue of Convertible Bonds) through management, Supervisory Board and third party parties. The additional funding was mainly used to pay the damages of the Samar claim.

It is the intention of the Company to find another financial institution to provide the Company with a credit line or loan. The Company further has the option to attract additional funding, if required, by the issue of either Convertible Bonds or additional shares.

It is Management Board's intention to repay or convert into Equity Instruments the full amount of debt in accordance to the underlying agreements.

Based on all items discussed above, Management concludes that the accompanying financial statements have been prepared on a 'going concern' basis.

Basis of Consolidation

The consolidated financial statements include the financial statements of TIE Holding N.V. and its subsidiaries.

Subsidiaries are all entities over which the Company has direct or indirect power to determine financial and operating policies ('control'), allowing it to obtain economic benefits from its activities. The assessment of control is based on the substance of the relationship between the Company and the entity and, among other things, considers existing and potential voting rights that are presently exercisable and convertible. Subsidiaries are fully consolidated from the date of acquisition, which is the date on which the Company obtains control. It will continue to be consolidated until the date in which such control ceases.

All intra-company balances, transactions, and income and expenses resulting from intra-company transactions are eliminated in full.

Basis of consolidation **after** October, 1 2009:
During the financial year 2010 no acquisitions occurred, however the Company will follow the

new standards IFRS 3R and IAS27R as soon as applicable for the Company.

Basis of consolidation **prior** to October 1, 2009: The purchase method of accounting is applied to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of transfer, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values on the acquisition date. The excess of the cost of an acquisition over the fair value of the Company's share of the identifiable net assets acquired is recognized as goodwill. Minority interests are presented separately in both the consolidated Statement of Financial Position and Statement of Comprehensive Income. Where losses attributable to the minority in a consolidated subsidiary exceed the minority interest in the subsidiary's equity, both the excess and any additional losses applicable to the minority are allocated to the Company, except to the extent that the minority shareholder has a binding obligation and can make an additional investment to cover the losses.

Segment Information

The Company operates mainly in one business segment (Totally Integrated E-commerce)) but operates in different countries through subsidiaries. All subsidiaries provide similar products and services. Consequently, the segment-reporting is based on the economic environment in which these products and services are provided based upon the major markets of TIE:

- The Netherlands;
- North America;
- The Rest of the World.

This breakdown is consistent with the Company's organizational structure and internal reporting structure based on the requirements of the Management Board. The geographical segments are based on the location of the TIE markets and customers.

Assets, liabilities, revenues and expenses include all items directly attributable to the segment. Those are revenues and expenses that can be allocated on a reasonable basis to that segment. Holding expenses are disclosed separately.

Foreign Currency Translation

Foreign operations prepare their financial statements in the currency of the primary environment in which they operate (functional currency). For consolidation purposes, foreign operations are translated into EURO, the functional currency of TIE Holding N.V. and the designated presentation currency. Assets and liabilities are translated using the closing rate at September 30, 2010. Income and expenses are translated using weighted average exchange rates or the actual rate at the date of the transaction, if more appropriate. All resulting exchange rate differences are recognized in a special component of equity. In the event of a sale of a foreign operation, the relevant component of the special component of equity pertaining to the entity sold will be released from Equity and included in the realized gain or loss on the sale.

Per September 30, 2010, monetary assets and liabilities are translated against the closing rate. Non-monetary items carried at a cost are translated by using the exchange rate at the date of the transaction. Exchange rate differences on monetary items are recognized in income whenever they arise.

Inter-company monetary items, which in substance form part of an enterprise net investment, are translated against the closing rate per September 30, 2010. An inter-company current account between TIE Holding N.V. and the US subsidiary, TIE Commerce is denominated in USD. All transactions are accounted for at the transaction rate at TIE Holding N.V. Currency Exchange Rate Differences are taken to the special component of Equity.

Significant Accounting Judgments and Estimates

Application of the Company's accounting policies in preparation of these financial statements requires management to apply judgment that involves assumptions and estimates concerning future events, including assessing likelihood, timing, and the amounts of these future events. There can be no assurance that actual results will not differ materially from these estimates. Accounting policies that are critical to the financial statements presentation and require complex estimates or significant judgment are discussed below.

Impairment of Assets

Impairment of assets (intangible and tangible) is tested on a CGU level. In assessing whether there are indications for impairment, management considers changes in the economic and technological environment, sales trends and other indicative data. When testing for impairment, a model is applied to determine net present values of future cash flows for CGU's in order to compare with asset-carrying values.

The models applied to determine the net present value of these future cash flows encompasses management's judgment and estimates with respect to the following elements:

- Discount rate;
- Reasonable reliably estimable future cash flows;
- Estimated business growth rates.

Intangible Fixed Assets

Development Costs

Product development costs are eligible for capitalization only when a projected outcome is determined technically feasible and deemed probable that future economic benefits will flow from the released product. Also, these economic benefits must be expected to exceed capitalized development cost.

In determining both technical and economic feasibility of a project, management exercises judgment with respect to the current economic and technical environment, as well as expected developments therein. This not only establishes a potential market for the product under development, but also estimates potential sales volumes.

Digital Channel Intangible Asset

The concept Digital Channel ('DC') has been identified as a separate intangible asset against fair value upon acquisition. The Digital Channel concept has been fully merged into the TIE Kinetix Content Syndication Platform. As no active market for this asset exists, a valuation model was used to determine the fair value of this asset. This valuation model encompasses management's judgment and estimates with respect to the following elements:

- Renewal rate customer contracts;
- Discount rate;
- Net Cash Flow starting point;
- 10 years of CF discounted;
- No new business.

Customer Base

The Customer Base of recent acquisitions has been identified as a separate intangible asset upon acquisition. The asset has been recognized at fair value. Since there is no direct active market for the Customer Base to use for valuation, a valuation model has been used to determine the fair value of the asset. This valuation model encompasses management's judgment and estimate with respect to the following elements:

- Renewal rate customer contracts;
- Discount rate;
- Net Cash Flow starting point;
- 10 years of CF discounted;
- No new business.

Deferred Tax Asset

In establishing deferred tax assets, management's judgment is required in assessing probability and the extent of future taxable profits.

Detailed Description of Accounting Principles

Intangible Fixed Assets

Goodwill

Goodwill is recognized as an intangible asset for interests in subsidiaries and joint ventures and is measured as the positive difference between the cost of the business combination and the Company's interest in the net fair value of the entity's identifiable assets, liabilities and contingent liabilities. Subsequently, goodwill is carried at a cost without accumulated impairment charges.

Upon disposal of an entity in relation to which a goodwill balance is held, the remaining goodwill balance will be taken to income as part of the gain or loss on disposal of the entity.

Digital Channel Concept

Upon initial recognition of the assets and liabilities and activities during 2006, a separate intangible fixed asset representing the Digital Channel Concept (€ 800k) was recognized. The fair value has been determined as described on page 65 under Digital Channel Intangible Asset. Based on the expectation that the Digital Channel Concept can be successfully managed by current and future TIE management, the current level of competition, the international potential for the concept, and the high technology standard, it is management's opinion that the period over which this asset will generate net cash inflow is indeterminate. Therefore, the useful life of the assets is indefinite, and no amortization will be applied. The useful life of this asset is reassessed periodically and adjusted when circumstances give rise to such action. The Digital Channel Concept is fully integrated in the TIE Kinetix Content Syndication Platform.

Development Costs

Projects for the development of software are broken down into a research phase and development phase. The costs pertaining to research are expensed immediately. The development costs are recognized as an intangible asset after establishing the technical feasibility of the project. Future economic benefits from the project are deemed probable and sufficient resources are available and devoted to the project to facilitate successful completion.

Development costs are carried at a cost minus amortization and accumulated impairments. Development costs are amortized based on an expected useful life of three years. The useful life assessment is based on the current experience and the present economic and technological environment. The useful life of this asset is reassessed periodically and adjusted when circumstances give rise to such action.

Software

Software purchased from third parties, as well as the related development and implementation costs, are recognized at a cost without accumulated amortization and impairment charges and are amortized based upon a straight-line method over an estimated useful life of three years. The useful life of these assets is reassessed periodically and adjusted when circumstances give rise to such action.

Tangible Fixed Assets

Property, Plant and Equipment

Office equipment (including Furniture, Fixtures and Office Machinery), Hardware and Leasehold Improvements are recognized as Property, Plant and Equipment and measured at cost without accumulated depreciation and impairments. Costs include expenses directly attributable to the acquisition of the asset and the expense of replacing a part of the Property, Plant and Equipment when that cost is incurred and the recognition criteria are met. Each component of an item of Property, Plant and Equipment with an initial carrying value (cost) significant in relation to the total cost of the item is separately depreciated.

Property, Plant and Equipment is depreciated against income on a straight-line basis over its estimated useful life to its estimated residual value (generally nil). Depreciation periods are as follows:

- Leasehold Improvements – 10 years or the term of the lease;
- Hardware - 3 years;
- Office equipment - 4 years.

Useful life estimates are based on management's best estimate of the amount of time over which economic benefits from these assets will flow to the Company. For Leasehold improvements, this period has been limited to the term of the rental agreements of the respective office buildings. Computer hardware is generally replaced after a maximum of three years of service.

An annual assessment is performed to establish whether circumstances exist to call for an impairment of an individual asset. Residual values and useful lives are reviewed annually and are adjusted when appropriate. Assets are impaired to recoverable value when carrying values are found to be in excess of the recoverable amount of the individual or as part of a CGU for assets that do not generate an independent cash flow. Impairment losses for CGU's as a whole are first charged against the Goodwill balances of the CGU. Any remaining impairments are allocated to the assets of the CGU as a whole. Any reversal of an impairment loss is immediately recognized in income.

The carrying amount of an asset is derecognized in the event that no future economic benefit is expected to arise from its use or disposal. Gains and/or losses on derecognition are the differences between the net disposal proceeds and the carrying value of the asset. Gains and/or losses on de-recognition are accounted for in income.

Financial Fixed Assets

Deferred Tax Assets

Deferred Tax Assets reflect the net tax effect of losses carried forward and temporary timing differences between the carrying amounts of assets for financial reporting purposes and the amounts used for income tax purposes. Deferred Tax Assets are recognized when they are considered to be realizable in the future, which is reassessed each year end. Deferred Income Tax Assets are measured at the tax rates that are expected to apply to the year when the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted per year end.

Loans and Receivables

Loans and receivables are measured at amortized cost, using the effective interest method net of

impairments. This involves calculating the net present value of future cash flows using the current market rate at the time of initial recognition of the asset. Interest is accounted for in the Statement of Comprehensive Income at the effective interest rate at the time of the initial recognition of the asset. Impairments are only considered when there are indications of impairment.
The difference between the effective interest rate and the (notional) interest receivable is allocated to the asset balance changing its carrying value.

Current Assets

Trade Receivables

Trade Receivables are recognized at amortized cost price. The provision for uncollectability is established on an item-by- item basis when there is evidence of uncollectability. The provision represents the difference between the carrying value of the trade receivable and management's best estimate of the future cash flow resulting from the item.

All strengthening and releases from the provision are accounted for in income.

Non-Current Assets held for sale

Non-Current Assets are classified as assets held for sale and stated at the lower of the carrying amount (purchase price less amortized costs) and fair value minus the costs to sell.

Other Receivables and Prepayments

Other receivables and prepayments are recognized at the amounts at which they are incurred or receivable.

Cash & Cash Equivalents

Cash and Cash Equivalents include cash in hand, deposits, and other short-term highly liquid investments with original maturities of three months or less.

Equity

Shareholders' Equity

Financial instruments issued by the Company to the extent that they indicate a residual interest in the assets of the Company are classified as Equity.

All proceeds from the issue of equity instruments, or considerations paid for the purchase of equity instruments, are recognized in Equity. Incremental external costs that are directly attributable to the issuing of TIE equity instruments are also recognized in Equity, net of tax.

Dividends and other distributions to holders of equity instruments are recognized in Equity net of tax. A liability for dividends payable is not recognized until the dividends have been declared and approved by the General Meeting of Shareholders.

Convertible Bonds

Convertible Bonds issued by the Company have been classified as Equity, based on the fact that under the terms and conditions of these bonds, there is evidence of a residual interest in the Company's assets after deducting all of its liabilities. If applicable, split accounting has been applied for. Distributions to holders of equity instruments are recognized directly in Equity net of tax.

For Convertible Bonds in which a liability component has been identified with respect to interest payments in cash, a liability is established against Equity.

Non Employee Stock Options

Stock Options issued to non-employees are Gross Settled Stock Options under the terms of the respective contracts, and, therefore, qualify as Equity Instruments. Any considerations received for such options will be accounted for in Equity. Any cash flows at settlement are accounted for in Equity as well.

Non Current Liabilities

Loans

Loans, due after more than 12 months following the balance sheet date, are stated at the initial carrying value.

Provisions

The Company recognizes a provision in cases in which a present obligation resulting from a past event, with a probable future outflow of resources, settles the obligation at an amount that can be reliably estimated.

Provisions are measured at the present value of the future outflow required to settle the obligation, using a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The change in the time value of future outflows is recognized under expenses. The time value is considered a material component.

To the extent that future events are likely to occur and are expected to have an effect on the amount required to settle a recognized liability, these future events are taken into consideration in determining the appropriate provision level. Provisions are reviewed at each balance sheet date and will be adjusted to reflect the current best estimate.

Current Liabilities

Credit Facility

For the purpose of the consolidated cash flow statement, cash and cash equivalents are defined above, net of outstanding bank overdrafts.

Loans

Loans, due within 12 months after the balance sheet date, are stated at their initial carrying value.

Other Debts

Other Debts are stated at their present value of the expected future obligation. The change in the time value of the future obligation is recognized under financial expenses.

Other Liabilities

Other liabilities are stated at the amounts at which they were incurred.

Revenues

Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and be reliably measured. Revenue is measured at the fair value of the consideration received, excluding taxes and following the deduction of discounts and rebates as well as the transferring of all significant risks and rewards. The Company generates income from the following sources:

- Software license fees;
- Maintenance and Support;
- Consultancy Services;
- Software as a Service;
- Other income.

Licenses

Revenues from software licenses are recognized when the purchase agreement has been reached with the customer and the software has been shipped to the client. At that point:

- A non-revocable agreement has been reached;
- The delivery of the software has been made;
- The fee is determinable;
- The collection of the receivable outstanding is deemed probable by management.

Maintenance and Support

Maintenance subscriptions include relevant updates of TIE products and (telephone) support. The related revenues are generally invoiced in advance for a twelve-month period, and therefore, deferred and recognized over the contract period.

Consultancy Services

While consultancy services are generally provided over a short period of time, the outcome of the transaction can be reliably estimated. Revenues are recognized in the period in which the service is provided on a percentage of completion.

Software as a Service (SaaS)

SaaS pertains to all hosting, webEDI (TiedByTIE), Managed Services, Marketing Channel Management and Value Added Network services. These Services are generally provided on the basis of a 12, 24 or 36 month contract whereby fees are based on actual use of either the service or a subscription fee or a combination of both.

Other SaaS revenues consist of revenues from marketing campaigns, which are invoiced on a "pay as you go" basis. Revenues are accounted for on a percentage of completion.

Other Income

EU grants are accounted for under other incomes. EU grants pertaining to the SOA4ALL, NESSI2010, NEXOF-RA, Stasis and Net-Challenge projects are recognized only when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. These EU grants are recognized as income over the periods necessary to match them with the related costs, which they are intended to compensate.

The onetime revenue of the divested Edge product is accounted for under other income. The revenue consists of the proceeds less the divested goodwill.

Deferred Revenues

Deferred Revenues consist of the unearned portion of revenues pertaining to maintenance and subscriptions as well as amounts invoiced in advance on software design, installation, and consultancy projects.

Direct Purchase Costs

Direct Purchase Costs represent the cost directly associated with revenue. This includes hosting costs, third party consultants, and costs of third-party software.

Employee Benefits

Short term Employee Benefits

Short-term Employee Benefits entail salaries payable over past service, short-term compensated absences in which they are expected to occur within twelve months after the end of the period in which the employee renders the related service, profit sharing, or bonus arrangements. A liability is set up to the extent that amounts are due based on rendered services. WBSO received as a grant on wage tax has been deducted upon the employee benefits expenses.

Termination Benefits

Termination Benefits are the result of the Company's decision to terminate an employee's employment before normal retirement date. Termination benefits are expensed immediately when the Company is demonstrably committed to terminate employment prior to normal retirement date. The termination benefits include all termination of employment related expenses.

Post Employment Benefits

The Company operates with insured defined contribution pension plans in the Netherlands. Under the terms and conditions of this plan, the Company has no obligation towards the employees covered under the plan, other than to pay a fixed contribution. The contributions payable are recognized as an expense in income. To the extent that the paid amount exceeds the amount due for services rendered, an asset is recognized. Plan contributions payable to a third-party insurer are recognized as a liability.

There are no collective or individual pension plans in the foreign subsidiaries. TIE France has an arrangement resulting in a retirement bonus, which qualifies as a post-employment arrangement under IFRS. While the present value of this retirement bonus liability is recognized on the face of the Statement of Financial Position, movements in this liability are accounted for in income. In the US, the Company staff participates in a corporate 401(k) savings plan with its discretionary contributions. These discretionary payments are recognized in income if and when they are paid into the plan.

Share Based Payments

The Company has launched Stock Options Plans for the TIE staff that entitles staff members to receive equity instruments it has issued. These Stock Options Plans are classified as Equity Settled Instruments. Stock Options granted under the annual Stock Options Plan have a vesting period of three years after issuance. Stock Options granted under another Stock Options Plan contain a vesting period amounting to one to three years. The expense resulting from the options is based on the fair value of the options at grant date. The expense is recognized in income, with the offsetting entry in Equity over the term in which the services are rendered, i.e. the vesting period of the options. The expense reflects management's best estimate of the number of Stock Options expected to vest.

Any considerations received net of any directly attributable transaction costs are accounted for in Equity upon exercise of the options.
When a Stock Option is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognized for the Stock Option is recognized immediately. However, if a new Stock Option is awarded in substitution of the cancelled Stock Option, the substitution is treated as if it is a modification of the original.

An additional expense is recognized to the extent the modification results in an increased fair value of the modified Stock Options, compared to the original ones.

Leases

Arrangements have been assessed to determine the extent in which the fulfillment is dependent on the use of a specific asset, and secondly, whether the arrangement conveyed the right of use of that specific asset. Arrangements satisfying both criteria have been classified Leases. Reassessment of these arrangements will take place under the following circumstances:

- change in the terms of the contract;
- exercise of a renewal option;
- a change in determination of the arrangement;
- the asset subject to the arrangement undergoes substantial physical change.

To the extent that an arrangement contains, among other components, a lease, the lease element is accounted for separately from other components.

Classified as operating leases are ones in which a significant portion of the risks and reward of ownership are retained by the lessor. Payments made under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

◄ Table of Contents

Earnings per Share

Basic Earnings per Share are calculated by dividing net income attributable to equity holders of TIE after deduction of interest on Convertible Bonds, by the weighted average number of outstanding shares.

Diluted Earnings per Share take into effect the dilutive effect of convertible instruments and stock options upon exercise or conversion. The dilutive effect of these instruments equals the number of shares issuable under the terms and conditions of these arrangements for no consideration. Stock Options are considered non-dilutive when the exercise price of the Stock Options is in excess of the average market price of the shares during the period. Convertible Bonds are considered non-dilutive when the related interest net of tax and other changes to income and expense, per ordinary share obtainable upon conversion, exceed the basic earnings per share.

Adoption of New and Revised International Financial Reporting Standards

The accounting policies are consistent with the accounting policies applied in prior year's consolidated financial statements with the exception of the following:

- IFRS 1: First-time adoption of IFRS, as TIE is not a first-time adopter of IFRS, the revised standard and amendment are not applicable to the company.
- IFRS 2: Share based payment, Vesting Conditions and Cancellations; amendments issued in January 2008, effective for financial years beginning on or after January 1, 2009. The amendment does not have a material impact the group or company's financial statements.
- IFRS3R Business Combinations and IAS 27R Consolidated and Separate Financial Statements, issued in January 2008, effective for financial years beginning on or after July 1, 2009. The changes mainly impact loss-making subsidiaries, acquisitions/disposal of non-controlling interests (minority interest), deferred tax assets linked to unrecognized tax benefits, capitalization of acquisitions expenses and contingent considerations. The amendment does not have a material impact the group or company's financial statements, but it will affect future business combinations or loss of control of subsidiaries and transactions with non-controlling interests.
- IFRS 7: Financial Instruments: Disclosures on Fair Value and Liquidity Risk, effective for financial years beginning on or after January 1, 2009. The fair value measurement disclosures are presented on pages 36 and 60 and the liquidity disclosures are not significantly impacted by these amendments and are represented on page 61.
- IAS1R: Revised presentation of Financial Statements, effective for financial years beginning on or after January 1, 2009. The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statements of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. TIE applies the single statement presentation. Comparative information has been re-presented so that it also is in conformity with the revised standard. IAS1R also requires the presentation of financial position at the beginning of the first comparative period presented if an entity has changed its accounting policy retrospectively or made retrospective restatements. Furthermore new terminology has been introduced: 'statement of comprehensive income' (previously 'income statement'); 'statement of financial position' (previously: 'Balance Sheet') and 'statement of cash flows' (previously 'cash flow statement'). The change in accounting policy only impacts presentation aspects.
- IAS23: Capitalization of Borrowing Costs, effective for financial years beginning on or after January 1, 2009. The amendment does not have a material impact given the insignificance of qualifying assets.
- IAS32: Puttable financial instruments and obligations arising on liquidation, effective for financial years beginning on or after January, 2009. The amendment does not have a material impact the group or company's financial statements.
- IAS 39: Financial Instruments: Recognition and Measurement; Eligible Hedged items, effective for financial years beginning on or after July 1, 2009. The amendment does not have a material impact the group or company's financial statements.
- IFRIC 12: Service Concession Arrangements, effective for financial year beginning on or after April 1, 2009. The adoption of this interpretation will have no impact on the financial position or the performance of the Company.
- IFRIC 13 Customer Loyalty Programs, effective for financial year beginning on or after January 1, 2009. TIE will apply to this amendment as soon as a Customer Loyalty Program will be enforced.

- IFRIC 14/IAS 19: The limited on a Defined Benefit Asset, Minimum Funding requirements and their Interaction, effective for financial years beginning on or after January 1, 2009. The interpretation does not apply to TIE and therefore has no impact on the financial position or performance of TIE.
- IFRIC 16: Hedges of a Net Investment in a Foreign Operation, effective for financial years beginning on or after July 1, 2009. The adoption of this interpretation will have no impact on the financial position or performance of TIE.

Amendments resulting from Improvements (issued May 2008 and April 2009, effective January 1, 2010) to IFRSs to the following standards did not have any impact on the accounting policies, financial position or the performance of the Company:

- IFRS 2 Share-based payment;
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- IFRS 8 Operating segments;
- IAS 1 Presentation of Financial Statements;
- IAS 7 Statement of Cash Flow;
- IAS16 Property, Plant and Equipment;
- IAS 17 Leases;
- IAS 18 Revenue;
- IAS 19 Employee Benefits;
- IAS 20 Accounting for Government Grants and Disclosures of Government Assistance;
- IAS 23 Borrowing Costs;
- IAS 27 Consolidated and Separate Financial Statements;
- IAS 28 Investments in Associates;
- IAS 29 Financial Reporting in Hyperinflationary Economics;
- IAS 31 Interests in Joint Ventures;
- IAS 36 Impairment of Assets;
- IAS 38 Intangible Assets;
- IAS 39 Financial Instruments: Recognition and Measurement;
- IAS 40 Investment Property;
- IAS 41 Agriculture;
- IFRIC 9 Reassessment of Embedded Derivatives;
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation.

Future Changes in Accounting Policies and Disclosures

A number of standards and/or interpretation which have been issued, but are not yet effective, may impact future financial statements. These standards and interpretations are:

- 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.
- 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.
- 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 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.
- 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 Company intends to adopt these standards as per the required date of adoption, subject to EU endorsement of these standards.

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;

◀ Table of Contents

- 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.

Post Balance Sheet Events

These financial statements include the effects of events occurring between balance sheet date and the date these financial statements are authorized for issue, to the extent that these events provide evidence of conditions that existed at the balance sheet date. While effects of events that arise post-balance sheet date are disclosed, they have not resulted in an adjustment of the financial statements.

Financial Risk Management

The Company's activities expose it to a variety of risks, including market (currency risk and interest rate risk), credit, and liquidity risks. Financial instruments are accounted for under Assets (Loans and Receivables) and Equity (Convertible Bonds). The Company neither holds nor issues financial instruments for trading or hedging purposes.

Fair value

The Company does not hold any financial assets or liabilities accounted for at fair value through the Profit and Loss Account. Fair values disclosed are calculated based upon current interest rates, taking into account the terms and conditions of the financial asset or liability. In most cases, fair values will equal the carrying value of the item.

Reclassification of Financial Assets

No Reclassification of Financial Assets has been applied in 2010 (2009 none).

Derecognition of Financial Assets

All items derecognized during this financial year have been taken from the face of the Statement of Financial Position if and when, substantially, all risks and rewards of ownership have been transferred.

Currency Risk

The Company operates across the globe in various currency environments and is exposed to foreign exchange risks, mainly with respect to the US dollar. To minimize the exposure, it is the intention to balance assets and liabilities in dollars as much as possible.

The Company's consolidated net income, however, is affected directly by changes in the currency exchange rates affecting the weighted average rate applied for translating the USD-denominated profits to Euro. The Company does not hedge this risk.

Based on actual net income from the US for 2010, sensitivity of the consolidated net income to the weighted average €/USD exchange rate and Shareholders Equity to the €/USD exchange rate can be quantified as shown in the table below.

Reference rates include 1.36330 (2009: 1.46550) for the year-end closing rate, USD against the Euro. For net income, the average rate of USD against the Euro was 1.6252 (2009:1.54998). Management has provided an analysis of the effects of multiple scenarios, all within a range that may be considered likely to occur, rather than limiting the analysis to a single scenario. The currency exchange rate development of the USD against the Euro has been especially volatile and unpredictable in the recent past.

Credit Risk

The Company has assessed its credit risk. The Company has no significant concentrations of credit risk, outside of the fact that a significant proportion of its clients in the Netherlands are Food Industry-related. This risk has been reduced with the acquisition of MamboFive B.V.. This positively affected the relative share of these clients in both revenue and outstanding debtor balances.

Management, however, closely monitors the developments of the credit crisis, especially in US industries like the automotive and home products.

Management has policies in place to ensure that sales of products are made to customers with an appropriate credit history. In relevant situations,

€/USD	effect in € on Income with an 5%		effect in € on Equity with an 5%	
	increase of	decrease of	increase of	decrease of
2009	(1)	1	117	(105)
2010	7	(8)	119	(131)

Loans and Receivables and Trade Receivables	2010 Carrying Value	2010 Fair Value	2009 Carrying Value	2009 Fair Value
Loans and Receivables	38	38	40	40
Trade Receivables	1,539	1,539	1,817	1,817

credit risk is mitigated through collateralizing outstanding balances.
In the event of collectability issues, the Company takes an impairment charge to cover the potential loss.
The table above reflects the outstanding balances for loans and receivables and Trade Debtors with current balances (to be received within 12 months).

The table below (Trade Receivables by region) reflects the gross outstanding Trade Debtor balance as per September 30, broken down into balances that 1) have not passed their due dates, and 2) balances that have passed their due dates. The latter category is further broken down into categories detailing the extent to which they have passed their due dates. The "less than 30 day" outstanding category represents receivables that have not yet passed their respective due dates. The Loans and Receivables are not passed due.

The movements in the provision for doubtful debt (excluding recoverable VAT) can be detailed as follows:

Movements in the provision of doubtful debt	2010	2009
Balance as at **October 1**	315	555
additions	179	260
utilized	(153)	(500)
Currency exchange rate differences	(3)	-
Balance as at September 30	**338**	**315**

Liquidity Risk

The Company has a history of temporary cash crunches, which have been resolved either through issuing additional shares and/or Convertible Bonds to fund operations. These cash crunches usually occur in a period in which the debtor balance reduces, also due to seasonal effects, and thereby reducing the incoming cash to pay for the operation. The cash position of the Company is monitored closely by management. Management is investigating the possibilities to obtain a new credit facility as it was decided not to extend the Rabobank credit facility. This facility will be reduced in steps and ends on February 28, 2011.

The remaining liquidity risk exposure of the Company originating from financial instruments is limited, due to the fact that the majority of the financial instruments outstanding have no mandatory cash settlement option. This means repayment of debt will take place through conversion into common shares TIE Holding N.V. The outstanding financial instruments are non-interest bearing. Again, this limits the exposure to liquidity risk. Management regularly assesses the outstanding debt position as well as the outstanding equity instruments. It also evaluates funding opportunities, like issuing new shares and/or Convertible Bonds and obtaining a new credit facility, further limiting the liquidity risk.

The summary of financial liabilities based on contractual undiscounted payments per year end 2010 and comparatives 2009 is shown in the table on the next page.

Trade Receivables by region	Less than 30 days	31 to 60 days	61 to 90 days	In excess of 90 days	Total 2010
The Netherlands	709	23	7	81	820
The Americas	311	52	9	22	394
Rest of World	250	23	14	38	325
Total	**1,270**	**98**	**30**	**141**	**1,539**

Trade Receivables by region	Less than 30 days	31 to 60 days	61 to 90 days	In excess of 90 days	Total 2009
The Netherlands	512	130	18	180	840
The Americas	469	34	42	36	581
Rest of World	267	76	14	39	396
Total	1,248	240	74	255	1,817

◄ Table of Contents

Summary of Financial Liabilities	Less than 12 months	> 1 year < 5 years	> 5 years	Total 2010
Loans	100	-	-	100
Provisions and Indemnity Claims	47	11	-	58
Rabobank Credit Facility	316	-	-	316
Taxation and Social Security	228	-	-	228
Trade and other Payables	1,685	-	-	1,685
Total	2,376	11	-	2,387

Summary of Financial Liabilities	Less than 12 months	> 1 year < 5 years	> 5 years	Total 2009
Loans	366	-	-	366
Provisions and Indemnity Claims	113	8	-	121
Rabobank Credit Facility	-	-	-	-
Taxation and Social Security	201	-	-	201
Trade and other Payables	1,671	-	-	1,671
Total	2,351	8	-	2,359

Interest Rate Risk

Interest Rate Risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The exposure of the Company to this risk is limited, due to the nature of the financial instruments it holds as well as the fact that assets are held to maturity and the Convertible Bonds are expected to be converted into common shares, either on or prior to maturity date. The Convertible Bonds outstanding at 2010 year end are non-interest bearing. Management regularly assesses the outstanding debt position and evaluates funding opportunities.

At 2010 year end, the Company held € 416k (2009: € 739k) short term interest bearing debt. The average outstanding balance during 2010 equaled € 578k. The weighted average interest rate totals 8%. The interest rate on the outstanding loans totals 7% (fixed).

The interest risk on the credit facility totals maximal € 3.5k (up or down) upon each percent change (higher respectively lower) in the interest rate by use of the full credit facility. Interest rate per year-end equals 8.45%.

Business Combinations

Acquisitions 2010

During 2010 no acquisitions occurred.

Acquisitions 2009

MamboFive B.V.

On December 19, 2008 TIE completed the acquisition of MamboFive B.V. With the acquisition of MamboFive B.V., TIE obtained access to an E-commerce Platform based on the MamboFive Commerce Suite. The purchase schedule, as agreed in the Sales Purchase Agreement (SPA), is as follows:

- 51% on December 19, 2008, cash paid € 200k on December 19, 2008 and € 300k on February 27, 2009;
- 24.5% on April 1, 2009, by issue of a Convertible Bond of € 450k;
- 24.5% on or after April 1, 2010, call option for TIE, by the issue of a Convertible Bond of € 450k.

As TIE obtained control with the intention acquiring the full 100%, the former shareholders will not be entitled to the results of MamboFive B.V., as of the effective purchase date. TIE is the only party entitled to call the last tranche. MamboFive B.V. has been 100% consolidated since the effective purchase date per December 1, 2008; The Convertible Bond that had not yet been issued is disclosed as debt against its fair value.

As of September 30, 2010, TIE holds 100% of the shares in MamboFive B.V., based on completion of the first, second and third tranches, as described above.

◄ Table of Contents

Assets and Liabilities acquired	Book value	Fair value
Customer Base	-	262
Tangible Fixed Assets	50	50
Trade receivables	180	209
Other Current Assets	23	18
Cash and Cash Equivalents	243	243
Trade Creditors	(35)	(35)
Deferred Revenues	-	(23)
Other Current Liabilities	(108)	(166)
Dividend to former shareholders	(191)	(191)
Net Assets	**161**	**367**

Purchase consideration settled in cash	(500)
Dividend out of MamboFive to former shareholders (years prior to acquisition)	(191)
Cash and Cash equivalents acquired	243
Cash outflow on acquisition	**(448)**

Purchase consideration

The Purchase consideration is shown in the table below. The intangible assets are attributable to the significant synergies expected to be realized after the acquisition of MamboFive B.V. by TIE. As sales of MamboFive B.V. are predominantly handled in the Netherlands, MamboFive B.V. revenues have been fully integrated in the Netherlands. The contribution of MamboFive B.V. in 2009 to Total Income totals € 723k and a result of € 210k (10 months), as determined before allocation of head office expenses and income tax.

The assets and liabilities acquired through this acquisition are shown in the table above.

TIE France S.A.S.

The acquisition of the remaining 49.75% of the shares in TIE France SAS does not form a separate business combination in accordance to IFRS 3; the details of the transaction are disclosed below, based on IAS8.

On October 29, 2008, TIE completed the purchase of the remaining 49.75% of the shares in the TIE France S.A.S., effective per October 1, 2008. The purchase price equaled € 291k; € 75k was paid in cash, € 150k as Convertible Bond and the remaining € 66k is paid on December 16, 2009. Goodwill amounts to € 278k and the net asset value to € 13k.

Purchase consideration		
Cash Paid	500	
Convertible Bond Issued	450	
Convertible Bond to issue at fair value	421	
Purchase Price		**1,371**
Direct costs relating to the acquisition		6
Total Purchase price consideration		**1,377**
Net fair value of acquired assets and liabilities		367
Goodwill excluding Customer base		**1,010**
Customer Base		262
Total Intangible Assets resulting from Business Combination		**1,272**

◄ Table of Contents

Notes to the Consolidated Statement of Financial Position

(Accounts on page 46)

1) Intangible Fixed Assets

The movements in Intangible Assets are summarized below:

Intangible Fixed Assets	Goodwill	CSP Trade-mark	Customer Base	Software develop-ment costs	Purchased Software	Total
Accumulated investments per September 30, 2008	2,668	800	181	2,515	975	7,139
Accumulated amortization per September 30, 2008	-	-	-	(1,628)	(698)	(2,326)
Accumulated impairments per September 30, 2008	(1,211)	(480)	(181)	(469)	(227)	(2,568)
Carrying value as per September 30, 2008	**1,457**	**320**	**-**	**418**	**50**	**2,245**
Movements 2009:						
Additions	-	-	-	548	3	551
Acquired through Business Combinations	1,288	-	262	-	-	1,550
Amortization	-	-	(20)	(226)	(27)	(273)
Divestments	(198)	-	-	-	(3)	(201)
Translation adjustments	(1)	-	-	8	1	8
Carrying value as per September 30, 2009	**2,546**	**320**	**242**	**748**	**24**	**3,880**
Accumulated investments per September 30, 2009	3,757	800	443	3,058	974	9,032
Accumulated amortization per September 30, 2009	-	-	(20)	(1,841)	(723)	(2,584)
Accumulated impairments per September 30, 2009	(1,211)	(480)	(181)	(469)	(227)	(2,568)
Carrying value as per September 30, 2009	**2,546**	**320**	**242**	**748**	**24**	**3,880**
Movements 2010:						
Additions	-	-	-	490	50	540
Amortization	-	-	(26)	(349)	(29)	(404)
Divestments	(171)	-	-	-	(1)	(172)
Translation adjustments investments	27	-	-	21	2	50
Translation adjustments amortization	-	-	-		-	-
Carrying value as per September 30, 2010	**2,402**	**320**	**216**	**910**	**46**	**3,894**
Accumulated investments per September 30, 2010	3,613	800	443	3,124	760	8,740
Accumulated amortization per September 30, 2010	-	-	(46)	(1,857)	(493)	(2,396)
Accumulated impairments per September 30, 2010	(1,211)	(480)	(181)	(357)	(221)	(2,450)
Carrying value as per September 30, 2010	**2,402**	**320**	**216**	**910**	**46**	**3,894**
Useful life	Indefinite	Indefinite	10 years	3 years	3 years	

Other Intangible Assets	2010	2009
CSP Trademark	320	320
Customer Base	216	242
Software Development Costs	910	748
Purchased software	46	24
Total Other Intangible Assets	**1,492**	1,334

Allocation of Intangible Fixed Assets	The Netherlands	North America	Rest of World	Total 2010
Goodwill	2,221	687	705	3,613
Digital Channel Concept	480	160	160	800
Customer Base	443	-	-	443
Software Development Cost	1,030	325	-	1,355
Software	256	29	4	289
Total	**4,430**	**1,201**	**869**	**6,500**

Allocation of Intangible Fixed Assets	The Netherlands TIE	The Netherlands MamboFive	North America	Rest of World	Total 2009
Goodwill	1,211	1,010	660	876	3,757
Digital Channel Concept	480	-	160	160	800
Customer Base	181	262	-	-	443
Software Development Cost	959	-	246	-	1,205
Software	240	-	7	5	252
Total	**3,071**	**1,272**	**1,073**	**1,041**	**6,457**

The movement in goodwill relates to the divested goodwill initially paid for the acquisition of Nspyre B.V. in 2005. The divestment relates to the fact that the Nspyre products are no longer used for sale, as they reached the end of the life cycle.
The movement of the software development costs predominantly consists of the year's capitalized-developed software and the depreciation thereupon.

The divestments of software development costs and purchased software relates to products that have been replaced by new generation of products. The divestments were fully amortized and/or impaired in previous years.

Impairments

Allocation of Intangible Fixed Assets tested for impairment per September 30, 2010 and comparative number per September 30, 2009 are shown in the above tables.

Intangible assets carried on the face of the respective Statement of Financial Positions have been allocated to the Cash Generating Units (CGU) in a manner consistent with previous years. As of 2010 TIE MamboFive B.V. is fully operationally integrated, it is absorbed in the CGU Netherlands, in 2009 it was treated as a separate CGU within the Netherlands. Holding assets have been allocated consistently with previous years on a revenue distribution basis. Holding assets pertain to the investment in MY-TIE, the corporate ERP system.

Allocation is based on usage of the system derived from revenues earned by CGU's.

The Netherlands intangibles (prior to impairment) include the DC trademark (€ 800k) and DC related goodwill (€ 1,485k). Consistent with previous impairment tests, these assets have been allocated to the CGU Netherlands TIE, North America and ROW. The allocation applied is consistent with previous years and revenue based: NL 60%, US 20% and ROW 20% based on expected revenues.

The main movements in 2010 consist of:

- No longer use of the Nspyre products, as they reached the end of their life cycle, amounting to € 171k;
- The other movements consist of capitalized software development costs and purchased software, and amortization thereupon, as well as Foreign Currency movements for the North American CGU.

All CGU show an expected positive future cash flow, based on the Annual Operating Plan 2011 and business plan 2011-2014. Based on the outcome of the test, no further impairment is required.

Impairment tests are performed on a CGU level using a discounted cash flow model (value in use). The starting point for the tests is the Annual Operating Plan approved by Management Board and Supervisory Board for the next financial year.

Notes to the Consolidated Statement of Financial Position

Projected Cash Flows	The Netherlands	North America	Rest of World	Total 2010
Projected Cash Flows	5 years	5 years	5 years	5 years
Growth of Net Cash Flows per annum				
(EUR x 1,000)	200-300	70-100	125-200	400-600
Discount Rate	15%	15%	15%	15%

Projected Cash Flows	The Netherlands TIE	The Netherlands MamboFive	North America	Rest of World	Total 2009
Projected Cash Flows	5 years	5 years	5 years	5 years	5 years
Growth of Net Cash Flows per annum					
(EUR x 1,000)	135 - 375	0 - 230	40 - 235	0 -185	175 - 1,025
Discount Rate	15%	15%	15%	15%	15%

The projected cash flows, as shown in the tables above, from the Annual Operating Plan have been run through a variety of scenarios using the following assumptions for 2010 and comparative assumptions for 2009.

Running multiple scenarios resulted in a number of outcomes with varying balances of net cash inflow. Impairment decisions have been based on outcomes of these scenarios close to the average of the various outcomes.

The cash flow projection is calculated on a consistent basis as in 2009, and based on the Company's 5 year Business Plan, as well as AOP 2011.

The aforementioned assumptions have varying sensitivities. Using a 10% discount rate would significantly improve the Net Present Value of future cash flows by 15%. Applying a 20% discount rate would reduce the Net Present Value of future cash flows by 12%. The discount rate has been based on the Weighted Average Cost of Capital (WACC) of the Company. Sensitivity especially applicable to the North American Cash Generating Unit pertains to the development of the USD against the Euro. A significant detoriation of the USD against the Euro could potentially result in impairment. This is caused by the fact that some of the assets allocated to the North American Cash Generating Unit are denominated in Euro. Additional projected cash flow years can be expected to have limited effect under the applied discount rate. Additional years would add less than 50% of the Projected Net Cash Flow decreasing to nil.

◄ Table of Contents

2) Tangible Fixed Assets

Property, Plant and Equipment

Movements in Property, Plant and Equipment are shown below:

Tangible Fixed Assets	Fixtures & Fittings	Hardware	Total
Accumulated investments per September 30, 2008	2,080	1,111	3,191
Accumulated amortization per September 30, 2008	(1,904)	(1,005)	(2,909)
Accumulated impairments per September 30, 2008	(104)	(56)	(160)
Carrying value as per September 30, 2008	**72**	**50**	**122**
Movements 2009			
Additions	54	37	91
Acquired through Business Combinations	50	7	57
Depreciation in profit and loss	(64)	(23)	(87)
Translation adjustments	(6)	3	(3)
Carrying value as per September 30, 2009	**106**	**74**	**180**
Accumulated investments per September 30, 2009	2,152	1,090	3,242
Accumulated amortization per September 30, 2009	(1,942)	(960)	(2,902)
Accumulated impairments per September 30, 2009	(104)	(56)	(160)
Carrying value as per September 30, 2009	**106**	**74**	**180**
Movements 2010			
Additions	13	68	81
Depreciation in profit and loss	(54)	(45)	(99)
Translation adjustments investments	2	-	2
Carrying value as per September 30, 2010	**67**	**97**	**164**
Accumulated investments per September 30, 2010	1,457	397	1,854
Accumulated amortization per September 30, 2010	(1,286)	(244)	(1,530)
Accumulated impairments per September 30, 2010	(104)	(56)	(160)
Carrying value as per September 30, 2010	**67**	**97**	**164**
Useful life	**4 to 10 years**	**3 years**	

At balance sheet date there are no restrictions on title. No items of Property Plant and Equipment have been pledged as security against liabilities. The fair value of the Property, Plant and Equipment is deemed to be a close approximation of the carrying value.

Table of Contents

3) Financial Fixed assets

Deferred Taxes

Balance as at October 1,	2010	2009
From US operations	1,244	1,537
From Dutch operations	232	243
Balance as at September 30,	**1,476**	**1,780**

The deferred tax and movements thereupon are discussed below.

United States

A Deferred Tax Asset is recognized for temporary differences regarding, among other items, the amortization of goodwill, in the US. Goodwill is amortized for tax purposes over a 15-year period, but is not amortized under IFRS. Goodwill was, under previous GAAP, amortized in 5 years. Deferred Revenues have a tax basis of nil and are therefore causing the recognition of a tax asset.

The Deferred Tax Asset (DTA) pertains in full to the activities of the Company in the United States and represents these temporary differences to the extent management expects to recover these items from probable future taxable income. The recognized deferred tax asset represents the full deferred tax asset available for temporary differences in the United States.

Temporary Differences	2010	2009
Goodwill	1,966	2,344
Depreciation of fixed assets	58	206
Deferred Revenue	975	1,096
Bad debt impairments	38	44
Indemnity claim	-	94
Other items	73	60
Total Temporary Differences	**3,110**	**3,844**

Deferred Tax Asset at 40%	1,244	1,537
Deferred Tax Liability at 40%	-	-
Net deferred Tax Asset	**1,244**	**1,537**

A summary of the detailed breakdown of movements in the deferred tax amount is shown on this page below.

The amount debited to income (€ 409k) pertains to the temporary differences detailed above. The principle item included in this amount is the tax pertaining to the change in the temporary difference between the carrying value and the tax base of the Goodwill and deferred revenues.

In addition to the temporary differences, there is a Loss Carry Forward in the US amounting to €3.0m (USD 4.1m), which is not taken into consideration in the above deferred tax asset. Based on the current tax legislation in the United States, the federal loss carry forward potential has a remaining life of between 11 to 20 years, starting with the losses incurred in 2001. The potential tax benefit pertaining to these losses approximates € 1.0m (2009: € 0.9m) and USD 1.4m (2009: USD 1.3m) and remains unrecognized. The full Deferred Tax Asset potential in the United States amounts to € 2.2m (2009: € 2.4m) and USD 3.1m (2009: USD 3.5m).

The Netherlands

In the Netherlands, the available but substantially unrecognized loss carry forward totals € 36.0m (2009: € 34.5m), which is available to offset future taxable income for a maximum period of 9 years. The first year to expire under current tax law is the loss originating from 2002, which will expire in 2011. The gross amount of the Netherlands deferred tax asset amounts to € 9.0m (2009: € 8.8m).
For income tax purposes, the company considers a 2-year period as fair and reasonable for estimating the deferred tax asset, based on its business expectation for the next two years. The part pertaining to 2010 has been debited to income. The DTA has been reassessed at reporting to cover a new 2 year period.

The DTA movement for The Netherlands is shown in the table below.

Movements DTA United States	2010	2009
Balance as at October 1,	**1,537**	**1,918**
Debited to Income	(409)	(374)
Net Currency translation effect	116	(7)
Balance as at September 30,	**1,244**	**1,537**

Movements DTA The Netherlands	2010	2009
Balance as at October 1,	**243**	**-**
Capitalized	82	243
Debited to Income	(93)	-
Balance as at September 30,	**232**	**243**

Loans and Receivables

Loans and receivables (net of impairments):

Loans and Receivables	2010	2009
Balance as at October 1,	40	22
Issued	24	10
Acquired through Business Combinations	-	12
Redeemed	(20)	(4)
Impairment	(6)	-
Balance as at September 30	38	40

The balance consists of:

- the remaining balance amounting to € 14k of the 6% interest bearing employee loan on June 3, 2008 for 5 years;
- an amount of € 24k receivable as last part of the Edge deal;

The fair value of the five year loan per 2010 year end totals € 11k (2009: € 24k). Since none of these instruments are actively traded, this fair value has been determined by using a valuation model, taking into consideration the future cash flows emerging from these instruments discounted at the current market rate of 8.4% (2009: 8.4%).

Loans and receivables valuation allowance:

Loans and Receivables valuation allowance	2010	2009
Balance as at October 1,	122	306
Additions charged to Income	-	-
Released to Income	-	-
Bad debt charged to (used from) valuation allowance	(122)	(184)
Balance as at September 30	-	122

The movement is resulting from the Samar claim and the payments resulting from the Samar claim as described in detail on page 81.

4) Current Assets

Non-Current Assets Held for Sale

The 2009 comparatives relate to the sale of the EDGE software in the North American segment. The book value (consisting of Goodwill) of the EDGE software totals € 198k. TIE is continuing to integrate the EDI software into one program language. Strategically, the EDGE software does not fit in the Business Integration Platform. On October 7, 2009, TIE sold the EDGE Software to Intertrade Systems in Canada. The recognized profit in 2010 from this the sale totals € 163k.
The above transaction resulted in a partnership in which Intertrade Systems connects to the TIE Kinetix Business Integration Platform to provide additional network capacity in the North American market.

Trade Receivables and Other Receivables

The breakdown of Trade Receivables and Other Receivables is shown in the table below (Trade Receivables and Other Receivables).

Trade Debtors

As from October 1, 2009, and during the 2010 fiscal year, the receivables were collateralized in the Netherlands. Per 2010 year end, an amount of € 316k was collateralized under the Rabobank credit facility. During 2009 the receivables were not collateralized.

The fair value of these Trade Debtors totals € 1,539k (2009: € 1,817k).

Trade Receivables and Other Receivables	2010	2009
Trade Debtors	1,877	2,132
Less: valuation allowance	(338)	(315)
Trade debtors net of valuation allowance	1,539	1,817
Taxation and social security prepaid	4	10
Deferred Initial Set Up Costs	-	5
Security Deposits	97	116
Subsidized projects	392	382
Projects to be invoiced (WIP)	103	98
Employees	1	6
Prepayments	202	107
Other Receivables and Prepayments	795	714
Total	2,338	2,541

◄ Table of Contents

Other Receivables and Prepaid Expenses

Other Receivables predominantly consist of security deposits for rental agreements. Subsidized projects consist of EU projects completed and awaiting final approval and settlement.

Projects to be invoiced relate to work that has been performed, but not yet invoiced.

Prepayments include prepaid rent, car lease, and insurance premiums.

Cash and Cash Equivalents

Under this heading, the company only includes cash at banks, potentially short term deposits, and payments in transfer. The reported cash balance was available at balance sheet date; there were no restrictions with respect to availability.

The Fair Value of Cash and Cash Equivalents approximate the nominal value of these items.

5) Equity

Shareholders' Equity

Management policy with respect to managing Capital, consisting of all components of Equity, including the Convertible Bonds, is to maintain a positive Equity, while limiting funding through Debt as much as possible due to the liquidity risks attached to Debt. This implies that Business Combinations, Investments and Operations are funded primarily by issuing Equity Instruments, also in the event of a cash component payable arising from a Business Combination.

Share Capital

The company's authorized share capital amounts to € 20 million, consisting of 200 million (2009: 200 million) ordinary shares with a nominal value of € 0.10 each.

At the shareholders meeting held on March 10, 2010, the General Meeting of Shareholders of TIE authorized the TIE Management Board, for a period of 18 months, to issue shares, convertible bonds, options and warrants. The authorization is maximized to the authorized share capital of the company. Additionally, the General Meeting of Shareholders authorized the Management Board of TIE to restrict and/or exclude priority rights for a period totaling 18 months.

The Stichting Preferente Aandelen has been dissolved per February 18, 2009.

The movement in the number of Common Shares outstanding is shown in the table Number of Shares below.

During 2010 17,224,986 (2009: 10,221,428) shares were issued at an average price of € 0.10 (2009: € 0.11) per share. Movements in Issued Capital in nominal values and Share Premium Account are shown below in the table Movements in Issued Capital and Share Premium.

Equity Settled Share Based Payments

Annual Stock Options Plan

The General Meeting of Shareholders determined on March 10, 2010 that in each financial year, a maximum of 1.5 million Stock Options can be

(number of shares)	2010	2009
Balance as at October 1,	64,976,818	54,755,390
Issued	17,224,986	10,221,428
Redeemed	-	-
Balance as at September 30,	82,201,804	64,976,818
In € (x 1,000)	8,220	6,498

Movements in Issued Capital and Share Premium	Shares		Share Premium Account	
(€ x 1,000)	2010	2009	2010	2009
Balance as at October 1,	6,498	5,476	47,141	47,054
Shares Issued	1,722	1,022	-	93
Other Movements	(1)	-	(2)	(6)
Balance as at September 30,	8,220	6,498	47,139	47,141

◄ Table of Contents

Movement of Stock Options	Average strike price	2010	Average strike price	2009
Options outstanding October 1,	**0.182**	**10,097,020**	**0.205**	7,651,667
Options granted during the year	0.196	2,401,481	0.105	4,345,000
Options excercised during the year	0.100	(1,065,000)	0.100	(800,000)
Options Cancelled	0.266	(316,864)	0.169	(1,099,647)
Options outstanding September 30,	**0.190**	**11,116,637**	**0.182**	10,097,020

Fair Value of Stock Options	2010	2009
Balance as at October 1,	**249,964**	**283,438**
Fair value of stock option issued	301,748	272,843
Expense for the year	(292,587)	(291,531)
Changes in lapsing estimates	-	(14,786)
Balance at September 30,	**259,125**	**249,964**

issued under an Annual Stock Options Plan for staff members. All un-awarded Stock Options can be carried over to subsequent years.

The Stock Options granted under the Annual Stock Options Plan have a three-year vesting period and a subsequent exercise period of 7 years. Staff members leaving the Company within the vesting period lose their Stock Options, which then become available for re-issuance.

During 2010, a total of 1,621,481 (2009: 180,000) Stock Options have been issued under the Annual Stock Option Plan at an average strike price of € 0.216.

The weighted remaining average life time of all stock options is 9.24 years (2009: 8.37 years).

Movements in the number of Stock Options to staff members and management of the Company is shown in the table Movement of Stock Options.

Balance of Stock Option fair value (in Euro) at issue to be expensed, is shown in the table Fair Value of Stock Options above.

The aforementioned balance reflects the future expense of outstanding Stock Options at balance sheet date, based on management's current best estimate of the number of Stock Options that will actually vest. This balance is not reflected on the face of the Statement of Financial Position.
A Black & Scholes model was used to calculate the fair value of the Stock Option plans, for 2010, using an interest rate of 2.8% (2009: 3.55%), a calculated forfeiture of 9% (2009: 15%) and a calculated volatility of 64% (2009: 59%). Volatility was determined using the square root of share-price movements.

◄ Table of Contents

Stock Options outstanding to staff members and management of the Company, as per September 30, 2010, can be broken down as follows:

A total number of 2,401,481 (2009: 4,345,000) Stock Options have been awarded to the staff members and the Management Board in 2010. The movement in Stock Options of the Management Board in 2010 is discussed on page 80.

Stock Options Management Board and Personnel	Issue Date	Options Granted	Converted	Lapsed/ Forfeiture	Outstanding Options	Weighted average exercise price	Maturity Date
Management Board							
2005 Former Management Board	Feb 23, 2005	500,000	-	-	500,000	€ 0.41	Apr 01, 2015
2007 Management Board	Sep 30, 2007	218,171	-	133,326	84,845	€ 0.26	Oct 01, 2017
2009 Management Board	Feb 24, 2009	265,000	265,000	-	-	€ 0.10	Feb 24, 2019
2009 Management Board	Mar 11, 2009	750,000	-	-	750,000	€ 0.10	Mar 11, 2019
2010 Management Board	Mar 10, 2010	750,000	-	-	750,000	€ 0.16	Mar 10, 2020
2010 Management Board	Aug 31, 2010	30,000	-	-	30,000	€ 0.10	Aug 31, 2020
Sub Total Management Board		**2,513,171**	**265,000**	**133,326**	**2,114,845**		
Personnel							
2005 Netherlands (2001)	Apr 01, 2005	216,033	-	-	216,033	€ 0.46	Apr 01, 2012
2005 USA (2001)	Apr 01, 2005	57,000	-	-	57,000	€ 0.46	Apr 01, 2012
2005 Netherlands	Sep 30, 2005	556,965	-	345,707	211,258	€ 0.34	Oct 01, 2015
2005 USA	Sep 30, 2005	485,254	-	190,820	294,434	€ 0.34	Oct 01, 2015
2005 France	Sep 30, 2005	119,000	-	46,000	73,000	€ 0.34	Oct 01, 2015
2006 Netherlands	Sep 30, 2006	541,602	-	266,217	275,385	€ 0.33	Oct 01, 2016
2006 USA	Sep 30, 2006	574,650	-	212,575	362,075	€ 0.33	Oct 01, 2016
2006 France	Sep 30, 2006	133,200	-	67,032	66,168	€ 0.33	Oct 01, 2016
2007 Netherlands	Sep 30, 2007	513,832	-	140,562	373,270	€ 0.26	Oct 01, 2017
2007 USA	Sep 30, 2007	417,922	-	109,419	308,503	€ 0.26	Oct 01, 2017
2007 France	Sep 30, 2007	107,633	-	30,676	76,957	€ 0.26	Oct 01, 2017
2008 Netherlands	Jun 03, 2008	1,600,000	-	500,000	1,100,000	€ 0.10	Jun 03, 2018
2008 USA	Jun 03, 2008	250,000	-	-	250,000	€ 0.10	Jun 03, 2018
2008 Netherlands	Sep 30, 2008	1,005,000	-	127,000	878,000	€ 0.10	Sep 30, 2018
2008 USA	Sep 30, 2008	550,000	-	152,160	397,840	€ 0.10	Sep 30, 2018
2009 Netherlands	Feb 24, 2009	2,450,000	800,000	-	1,650,000	€ 0.10	Feb 24, 2019
2009 USA	Feb 24, 2009	250,000	-	-	250,000	€ 0.10	Feb 24, 2019
2009 France	Feb 24, 2009	50,000	-	14,000	36,000	€ 0.10	Feb 24, 2019
2009 International	Jun 01, 2009	100,000	-	-	100,000	€ 0.17	Jun 01, 2019
2009 Asia	Aug 04, 2009	450,000	-	-	450,000	€ 0.18	Aug 04, 2019
2009 International	Sep 30, 2009	30,000	-	-	30,000	€ 0.20	Sep 30, 2019
2010 Netherlands	Jan 05, 2010	740,000	-	40,000	700,000	€ 0.22	Jan 05, 2020
2010 USA	Jan 05, 2010	425,000	-	15,112	409,888	€ 0.22	Jun 19, 2019
2010 France	Jan 05, 2010	431,481	-	20,500	410,981	€ 0.22	Jan 05, 2020
2010 International	Jan 05, 2010	25,000	-	-	25,000	€ 0.22	Jan 05, 2020
Sub Total Personnel		**12,079,572**	**800,000**	**2,277,780**	**9,001,792**		
Total	**Sep 30, 2010**	**14,592,743**	**1,065,000**	**2,411,106**	**11,116,637**		

Stock Options Third Party Investors	Issue Date	Options Granted	exercise price	Maturity Date
Third Party Investors	Jun 03, 2008	500,000	€ 0.10	Jun 03, 2018
Third Party Investors	Jun 19, 2009	25,000	€ 0.18	Jun 19, 2019
Third Party Investors	Aug 31, 2010	340,000	€ 0.10	Aug 31, 2020
Total		**865,000**		

Movement Stock Options Third Party Investors	Weighted Average strike price	2010	Weighted Average strike price	2009
Options outstanding October 1,	**€ 0.104**	**525,000**	**€ 0.318**	**1,100,000**
Options granted during the year	€ 0.100	340,000	€ 0.180	25,000
Options Cancelled	-	-	€ 0.500	(600,000)
Options outstanding September 30,	**€ 0.102**	**865,000**	**€ 0.104**	**525,000**

Movement of Convertible Bonds	2010	2009
Balance as at October 1,	**1,661,000**	**1,735,000**
Issued	1,320,000	961,000
Converted in common shares	(1,616,000)	(1,035,000)
Balance at September 30,	**1,365,000**	**1,661,000**

Stock Options held by Third Party Investors:

Stock Options outstanding with non staff members as per September 30, 2010 are shown above in the table Stock Options Third Party Investors.

Movements in non-staff members Stock Options is shown in the table Movement Stock Options Third Party Investors.

The outstanding non-staff member Stock Options were issued in relation to credit facilities offered to the Company by the various lenders. It is the Company's policy and intention to issue new shares upon exercise of these Stock Options.

Outstanding non-staff member Stock Options do not have vesting periods, but do contain a one-year lock-up period and no requirement to be expensed. Considerations received for these Gross Equity Settled Instruments at issue were credited to equity.

The Stock Options that expired during the 2009 fiscal year have not been excercized.

Convertible Bonds

Convertible Bonds issued by the Company have been classified as Equity, based on the fact that under the terms and conditions of these bonds, there is evidence of a residual interest in the Company's assets after deducting all of its liabilities. The conversion rates are fixed, and all Convertible Bonds are non-interest bearing.

Distributions to holders of Equity Instruments are recognized directly in equity net of tax. Movements in the balance of outstanding Convertible Bonds is shown in the table Movements of Convertible Bonds above.

Notes to the Consolidated Statement of Financial Position

The Balance outstanding as per September 30, 2010 consists of the following Convertible Bonds:

Convertible Bonds	Issue date	Maturity date	Conversion rate in €	2010	2009
Related Party	November 11, 2008	November 11, 2013	€ 0.100	-	150,000
Related Party	February 24, 2009	February 24, 2019	€ 0.100	-	316,000
Related Party	April 1, 2009	April 1, 2014	€ 0.100	-	388,547
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	-
Related Party	August 31, 2010	August 31, 2020	€ 0.100	530,000	-
	Sub Total Related Party			**955,669**	**894,547**
Third Party Investors	September 30,2008	October 1, 2018	€ 0.10	-	700,000
Third Party Investors	April 1, 2009	April 1, 2014	€ 0.10	-	61,453
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	-
Third Party Investors	August 31, 2010	August 31, 2020	€ 0.100	340,000	-
	Sub Total Third Party Investors			**409,331**	**766,453**
	Total Convertible Bonds			**1,365,000**	**1,661,000**

The movement in Convertible Bonds in 2010 held by the Management Board is discussed on page 80.

6) Non Current Liabilities

Long Term Debt

The Company has no long term debts.

Provisions

The provision relates to a retirement provision in France as discussed on page 57.

Long Term Debt	2010	2009
Balance as at October 1,	**-**	**200**
Movements	-	(200)
Balance as at September 30	**-**	**-**

Provisions	2010	2009
Balance as at October 1,	**8**	**7**
Additions/strengthening	3	1
Balance as at September 30	**11**	**8**
Net effect on income () = gain	3	1

7) Current Liabilities

Provisions

Movement of Provisions	Redundancy claims	Risk Provisions	2010	2009
Balance as at October 1,	**94**	**19**	**113**	**635**
Additions/strengthening	125	-	125	32
Interest effects from discounting	-	-	-	4
Payments made against provision	(151)	-	(151)	(635)
Exchange difference	(2)	-	(2)	(14)
Release to income for the year	(19)	(19)	(38)	-
Other movements	-	-	-	91
Balance as at September 30	**47**	**-**	**47**	**113**

The redundancy claim consists of payments based upon the termination agreement of April 2008 with the former CEO of the Company and ended per March 2010. In 2010 the Company reached an agreement with a former sales manager of TIE Netherlands whose contract was ended per august 31, 2010. As per the termination agreement the payment of the last part was done in October 2010. The redundancy costs for the year include legal advisory fees.

The risk provision consists of a provision for the deposit amount and costs of the former rental building in France and recoverable vat on doubtful debts in France, all matters were cleared during the year.

Short Term Debt

An amount of € 316k was used, out of € 350k available, under a credit facility with Rabobank. The interest charged amounts to 8.4%. The Rabobank facility will not be extended; as a result of this the credit facility will be reduced in steps and ends on February 28, 2011.

The loan from Alto Imaging Group N.V. consists of a € 100k 7% interest bearing loan, issued on August 31, 2010 and is repayable within 6 months.

Deferred Revenue

Deferred Revenue represents the unearned portion of revenues earned over a specific period.

The maintenance and support agreement entitle the user to support and updates of the software. These maintenance contracts are deferred (100%) and recognized over the related contract period, usually 12 months.

Consulting fees are recognized upon the performance based on the completion method. The deferred revenue is the difference between the amount invoiced and revenue recognized. In the event of overspending, the outstanding amount is expensed through the P&L.

SaaS contracts consist of a subscription fee, which is deferred and recognized over the related contract period.

Short Term Debt	2010	2009
Credit Facility	**316**	-
Loan Alto Imaging Group N.V.	100	200
Loan Jalak Investments B.V.	-	100
Purchase TIE France S.A.S.	-	66
Purchase MamboFive B.V.	-	439
Short Term Debt	**100**	805

Notes to the Consolidated Statement of Financial Position

Taxation and Social Security

The Taxation and Social Security balance can be broken down as follows:

Taxation and Social Security	2010	2009
Payroll Tax	56	43
Social Security Contributions	38	40
VAT/Sales tax US	122	66
Total Taxes and Social Security	**216**	**149**
Income tax	**12**	**52**

Other Payables and Accruals

Other Payables and Accruals consist of:

Other Payables and Accruals	2010	2009
Accrued expenses	879	891
EC and other Grants	258	216
Pension Premiums	58	27
Interest Payable	6	27
Supervisory Board Compensation	16	16
Other accruals and payables	245	215
Total	**1,462**	**1,392**

Other Payables and Accruals include accrual for holiday allowance, holiday days not taken, pension accrual, prefunded amounts received on EU projects and accrued expenses.

Notes to the Consolidated Statement of Comprehensive Income

Segment Information

The Company operates mainly in one business segment, but also in different countries through subsidiaries. All subsidiaries provide similar products and services. For management purposes, the Company is divided into reporting segments. Net revenues by Segment are based primarily on the location of the customer. 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 below under Holding and Eliminations.

Segment items included in the Segment Statement of Financial Position as per September 30, 2010 (and 2009 comperatives) or further details of items in the segment Statement of Income account are shown on pages 77 and 78.

Segment Results for the year ending September 30, 2010:

Segment Results	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2010
Revenues					
Licenses	486	676	335	-	1,497
Maintenance and Support	872	1,657	434	-	2,963
Consultancy	1,360	613	405	-	2,378
Software as a Service	1,580	913	884	-	3,377
Total Revenue	**4,298**	**3,859**	**2,058**	**-**	**10,215**
Other Income	634	163	1	-	798
Total Income	**4,932**	**4,022**	**2,059**	**-**	**11,013**
Direct Purchase Costs	676	459	172	-	1,307
Income Net of Direct Purchase Costs	**4,256**	**3,563**	**1,887**	**-**	**9,706**
Operating Expenses					
Employee Benefits	2,717	2,329	1,030	693	6,769
Onetime expenses	947	-	-	290	1,237
Depreciation and Amortization Expense	314	151	22	16	503
Divestment of Goodwill	-	-	171	-	171
Other Operating Expenses	958	501	356	597	2,412
Total Operating expenses	**4,936**	**2,981**	**1,579**	**1,596**	**11,092**
Operating Income	**(680)**	**582**	**308**	**(1,596)**	**(1,386)**
Interest and Other Financial Income	(2)	1	1	2	2
Interest and other Financial Expense	(15)	(26)	-	(32)	(73)
Income before Tax	**(697)**	**557**	**309**	**(1,626)**	**(1,457)**
Corporate Income Tax	(8)	(420)	(33)	(10)	(471)
Income after tax	**(705)**	**137**	**276**	**(1,636)**	**(1,928)**

Summarized Assets and Liabilities	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2010
Assets					
Intangible Fixed Assets	1,931	1,093	870	-	3,894
Tangible Fixed Assets	94	25	45	-	164
Financial Fixed Assets (deferred tax)	-	1,244	-	232	1,476
Financial Fixed Assets (other)	-	38	-	-	38
Current Assets	1,358	788	462	56	2,664
Total Assets	**3,383**	**3,188**	**1,377**	**288**	**8,236**
Liabilities					
Non Current Liabilities	-	-	11	-	11
Current Liabilities	2,340	1,242	259	356	4,197
Total Liabilities	**2,340**	**1,242**	**270**	**356**	**4,208**

Other Selected Statement of (Comprehensive) Income Items	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2010
Capital Expenditure [1)]	505	92	24	-	621
Other Non Cash Expenses	242	32	18	-	292
FTE at year end	43	28	19	-	90

1) Capital expenditure consists of tangible and intangible assets.

Notes to the Consolidated Statement of Comprehensive Income

Segment Results for the year ending September 30, 2009:

Segment Results	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2009
Revenues					
Licenses	576	410	227	-	1,212
Maintenance and Support	898	1,895	449	-	3,243
Consultancy	1,384	609	465	-	2,458
Software as a Service	1,849	931	691	-	3,472
Total Revenue	**4,707**	**3,846**	**1,832**	**-**	**10,385**
Other Income	802	-	3	-	805
Total Income	**5,509**	**3,846**	**1,835**	**-**	**11,190**
Direct Purchase Costs	(967)	(377)	(23)	-	(1,367)
Income Net of Direct Purchase Costs	**4,542**	**3,469**	**1,812**	**-**	**9,823**
Operating Expenses					
Employee Benefits	2,834	2,264	824	574	6,496
Depreciation and Amortization Expense and Impairment Losses	136	193	13	18	360
Other Operating Expenses	896	650	214	448	2,208
Total Operating expenses	**3,866**	**3,107**	**1,051**	**1,040**	**9,064**
Operating Income	**676**	**362**	**761**	**(1,040)**	**759**
Interest and Other Financial Income	12	1	1	1	15
Interest and other Financial Expense	(13)	-	-	(35)	(48)
Income before Tax	**675**	**363**	**762**	**(1,074)**	**726**
Corporate Income Tax	(17)	(393)	(29)	243	(196)
Income after Tax	**658**	**(30)**	**733**	**(831)**	**530**

Summarized Assets and Liabilities	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2009
Assets					
Intangible Fixed Assets	1,774	1,064	1,042	-	3,880
Tangible Fixed Assets	97	39	44	-	180
Financial Fixed Assets (deferred tax)	-	1,537	-	243	1,780
Financial Fixed Assets (other)	12	28	-	-	40
Current Assets	1,519	1,094	523	60	3,196
Total Assets	**3,402**	**3,762**	**1,609**	**303**	**9,076**
Liabilities					
Non Current Liabilities	-	-	8	-	8
Current Liabilities	2,113	1,407	515	955	4,990
Total Liabilities	**2,113**	**1,407**	**523**	**955**	**4,998**

Other Selected Statement of (Comprehensive) Income Items	The Netherlands	North America	Rest of World	Holding and Eliminations	Total 2009
Capital Expenditure 1)	1,722	118	401	-	2,241
Other Non Cash Expenses	214	68	12	(2)	292
FTE at year end	47	28	16	-	91

1) Capital expenditure consists of tangible and intangible assets.

Table of Contents

Other non-cash expenses referred to above pertain to the Stock Option expense accounted for in 2010.

In addition to the primary segment disclosures above, the following provides an overview of the number of FTE per department within TIE. The breakdown shows the number of FTE per department at year-end:

FTE per department	2010	2009
Research and Development	14	18
Sales and Marketing	18	20
Consulting and Support	45	35
General and Administrative	13	18
Total	**90**	**91**

The actual geographical distribution of assets differs from the asset distribution displayed above as part of the segment information. The geographical distribution of assets is displayed below:

Geographical distribution of assets	2010	2009
The Netherlands	4,593	4,957
North America	2,725	3,123
Rest of World	918	996
Total	**8,236**	**9,076**

The assets in the Netherlands include 100% of the TIE Holding N.V. assets.

(Accounts on page 48)

8) Operating Expenses

The Consolidated Statement of Comprehensive Income has been prepared using a classification based upon the nature of the expenses. The expense categories identified have been included below for further disclosure.

Direct Purchase Costs consist of expenses directly associated with revenue. This includes third party software licenses, consultant fees and hosting costs.

Employee Benefits

Employee benefits can be broken down as follows:

Employee Benefits	2010	2009
Salaries	5,202	4,762
Salaries variable component	176	281
Social Security Charges	600	638
Contributions to Post Employment arrangements	230	198
Share based payments	292	292
Termination Benefits	-	6
Other Employe Benefits	269	320
Total	**6,769**	**6,497**

The WBSO grants received for 2010, amounting to € 169k (2009: € 163k) have been deducted from the social security charges.

The contributions to Post Employment Arrangements include premiums payable with respect to the Netherlands operations' Defined Contribution Post Employment Plan as well as the discretionary employer contributions to the tax facilitated retirement plan (401(k)) in the United States.

For 2010 the average number of employees was 95 (2009: 88).

Key Management Personnel Compensation

The total key management personnel compensation, including the remuneration of the Management Board, amounted to € 315k (2009: € 266k).

The CEO and only member of the Management Board received the following remuneration:

Management Board Remuneration	2010	2009
Remuneration	216	216
Expenses	12	8
Bonus	-	10
Stock Option Expense	87	32
Total	**315**	**266**

Remunerations and expenses of Jan Sundelin are paid to his personal management B.V., CAPTA Management B.V.

Based on the operational result 2010 of the company, Jan Sundelin will receive no options (2009: 750,000 options). For the year 2009 Jan Sundelin did receive a bonus of € 10,800.

Notes to the Consolidated Statement of Comprehensive Income

At year end, Jan Sundelin held the following number of shares, option and Convertible Bonds:

Shares, Stock Options and Covertible Bonds hely by the Management Board	No. of Shares	No. of Stock Options	Convertible Bonds
Opening balance October 1, 2009	**1,600,000**	**1,099,845**	**€ 26,500**
Acquired or granted	530,000	780,000	€ 30,000
Sold or cancelled	-	-	-
Excersized or converted	-	(265,000)	€ (26,500)
Closing balance September 30, 2010	**2,130,000**	**1,614,845**	**€ 30,000**

On April 6, 2010, TIE announced that Jan Sundelin exercised 265,000 options which he received on February 24, 2009 as part of the financing of the acquisition of MamboFive B.V.

On August 31, 2010, Jan Sundelin received 30,000 options as part of the Stock Option Plan for Management of TIE. The strike price is € 0.10 per share, based on the closing rate of TIE shares on August 30, 2010.

On August 31, 2010, TIE announced that Jan Sundelin invests € 30k in the company, as part of the financing of Samar claim.

Remuneration of the Supervisory Board

The General Meeting of Shareholders sets the remuneration of the members of the Supervisory Board. All members are entitled to a remuneration of € 10k per year, the Chairman € 20k per year. The total amount of compensation of the Supervisory Board for 2010 amounted to € 40k (2009: € 40k).

Depreciation and Amortization Expense, Divestment and Impairment Losses

Depreciation and Amortization charges have increased in 2010 due to increased amortization of capitalized R&D costs (in 2009 amortization was influenced by the impairments done in 2007 en 2008). The impairment test performed year-end determined that no additional impairments were required for any of the CGU’s.

Depreciation, Divestment and Amortization	2010	2009
Depreciation and Amortization Expense	503	360
Divestment of Goodwill	171	-
Total	**674**	**360**

Other Operating Expenses	2010	2009
Accomodation Expenses	531	453
Communications	454	331
Professional Services	454	506
Other	973	918
Total Other Operating Expenses	**2,412**	**2,208**

Onetime Expenses	2010	2009
Samar Claim	697	-
CMC Claim	70	-
Legal Costs	220	-
Redundancy claims	100	-
Rejected project	150	-
Total Onetime expenses	**1,237**	-

The goodwill acquired on the purchase of Nspyre B.V.in 2005 has been divested in 2010 resulting from the decision to stop sales and development of the Nspyre products.

Other Operating Expenses and Onetime Expenses

The breakdown of Other Operating Expenses and of Onetime Expenses is shown on page 80. Compared to previous years, accommodation expenses increased, resulting from the new offices of TIE France and TIE MamboFive as well as relocation from the marketing manager to the US. Communication expenses increased compared to last year mainly resulting from maintenance on our infrastructure. Professional services are lower compared to last year, resulting from lower legal costs (adjusted for onetime expenses and lower local audit and tax advisory fees in the US. Other costs increased mainly through higher expenses of office supplies € 213k (2009: € 183k), higher marketing and travel costs € 650k (2009: € 595k) and lower General and Administrative costs € 109k (2008: € 139k).

Based on the verdict of July 7, 2010 the Company had to pay compensation towards the Samar claim. The payment of damages including legal interest and the costs of the verdict amounted to € 804k. The difference between the payment of € 804k and the amount above of € 697k, consists of accrued expenses for Samar. The amount may be adjusted upwards or downwards in the procedure regarding damages. The Company has filed for appeal, for other costs an accrual has been made of € 45k.

On November 20, 2009 TIE initiated an investigation on a potential infringement on the Content Syndication Platform by CMC. On May 7, 2010 the judge pronounced a ruling in summary proceedings; dismissing TIE's claim and ruling payment of the costs of litigation of the defendants. These costs amounted to € 70k. TIE has lodged an appeal against the ruling and considers any counterclaims without merit.

The legal costs include the Companies legal costs and investigation costs of the Samar claim and CMC infringement as well as the legal costs involved to the termination of the contract with one of the Dutch sales managers.

The terminations benefits in 2010 include the terminations costs of a former employee of TIE Netherlands B.V. for details see page 75 under provisions.

The rejected project consists of credited invoices, unbilled hours and purchase costs made to a project stopped by one of the customers.

Research and Development Expenses

The breakdown of the Research and Developments costs is shown in the table below. A number of projects executed by the R&D team in the Netherlands have funding from the European Commission. The EU grants received have been accounted for under Other Income. The EU grants in 2010 amounted to € 634k (2009: € 787k).

9) Financial Income and/or Expense

The breakdown of Financial Income and/or Expense is shwon the in table on the bottom of the page. The interest expense in 2010 pertains predominantly to the credit facility, loans used to fund cash flow needs on a short-term basis and the interest accrued on the difference between the fair value and actual amount paid in Convertible Bonds for the remaining 24.5% of the TIE MamboFive shares, as discussed on page 62.

Research and Development Costst		2010	2009
Employee Benefits		942	1,112
Other R&D related expenses		199	132
Capitalized Development expenses		(491)	(557)
Amortization of Capitalized Development expenses		352	228
	Total	**1,002**	**915**

Financial Income and/or Expense		2010	2009
Interest Income		2	15
Interest Expenses		(47)	(46)
Exchange gains/(losses)		(26)	(2)
	Total	**(71)**	**(33)**

◄ Table of Contents

10) Corporate Income Tax

The company operates predominantly in the Netherlands and North America. Applicable tax rates are 25.5% (2009: 25.5%) for the Netherlands, France 40% (2009: 40%), and for the US 34% (2009: 34%) for federal tax and 6% (2009: 6%) for state tax. These rates represent a weighted average rate as income tax returns are filed on a calendar year basis, whereas these financial statements have been drawn up to reflect the Company's financial year, which runs from October 1 through September 30.

The effective tax rate based on income before taxes is -32.4% (2009: 27%); the weighted average tax rate amounts to 22.1% (2009: 32.4%). Recognition of deferred income tax assets, tax losses carried forward and non-deductable expenses are causing the difference.

Reconciliation between standard and effective income tax is shown in the table below.

The changes in the Deferred Tax Asset are discussed on page 68 in detail. The main item represented in the reversal of the Deferred Tax Asset in 2010 is the reduction of the temporary difference pertaining to Goodwill and both the deferred revenue in the USA and deferred tax asset for the Netherlands, based on loss carry forward. All Dutch subsidiaries of TIE Holding N.V., except Sinfox B.V and TIE MamboFive B.V. and the holding Company, form a tax unit and are jointly and severally liable for all tax liabilities originating within the tax unit.

Income Tax Reconciliation	2010	2009
Net Income (loss) before tax	**(1,457)**	**726**
Corporate Income Tax	(471)	(196)
Net Income (loss) after tax	**(1,928)**	**530**
Income tax calculated using statutory tax rate (25.5)	371	(185)
Effect of different local statutory rates	(50)	(50)
Adjustment items: -140		
Non Deductable Expenses	(81)	(77)
Capitalized deferred taxes on loss cary forward	(11)	243
Addition to/or utilization of Unrecognized tax losses	(700)	(127)
	(471)	**(196)**
Capitalized deferred taxes on loss cary forward	(11)	243
Changes in deferred tax assets as a result of recognition/write off of deductable temporary differences	(409)	(374)
Current Income tax charge	(40)	(47)
Other tax items	(11)	(18)
Income Tax reported in the Comprehensive Income Statement	**(471)**	**(196)**

◄ Table of Contents

11) Earnings per Share

Basic Earnings per Share

Basic Earnings per Share (see table below) are calculated by dividing net income attributable to equity holders of TIE after deduction of accrued interest on Convertible Bonds, by the weighted average number of shares outstanding.

Diluted Earnings per Share

Diluted Earnings per Share, as shown below in the table Diluted Earnings per Share, take into effect the dilutive effect of convertible instrument and Stock Options upon exercise or conversion. The dilutive effect of these instruments amounts to the number of shares issuable under the terms and conditions of these arrangements for no consideration. The fair value of future service for (partially) unvested Stock Options has been taken into consideration by adjusting the exercise price for these Stock Options.

Stock Options are considered non-dilutive when the exercise price of the options is in excess of the average market price of the shares during the period. Convertible Bonds are considered non-dilutive when the related interest net of tax and other changes to income and expense per ordinary share obtainable upon conversion exceeds the Basic Earnings per Share.

A total of 5,699,797 Stock Options have been excluded from the calculation of the Diluted Earnings per Share as the exercise price of these Stock Options exceeded the TIE Holding N.V. average share price over the period. The Convertible Bonds outstanding at year-end are considered dilutive and have been included from date of issue.

Basic Earnings per Share	2010	2009
Net income attributable to equity holders of TIE	**(1,928)**	530
Distributions on Convertible Bonds through income	-	-
Net Income adjusted for calculation of basic earnings per share	**(1,928)**	530
Weighted average number of shares outstanding	77,486	58,346
Basic Earnings per share (€ per share)	**(0.02)**	**0.01**

Dilluted Earnings per Share	2010	2009
Net Income adjusted for calculation of basic earnings per share	(1,928)	530
Weighted average number of shares outstanding	77,486	58,346
Dilutive effect of stock options outstanding at September 30,	2,574	1,560
Dilutive effect on Convertible Bonds	-	12,491
Weighted average number of shares adjusted for calculation of diluted earnings per share	**80,060**	**72,397**
Dilluted Earnings per share (€ per share)	**(0.02)**	**0.01**

◄ Table of Contents

Leases	2010		2009	
	< 1year	> 1 year < 5 years	< 1year	> 1 year < 5 years
Office Leases	333	603	342	448
Hosting Contracts	26	-	108	27
Operational leases company cars	173	341	149	329
Operational leases servers and photocopiers	28	99	30	23
Total	560	1,043	629	827

Commitments and Contingent Liabilities

Leases (including rental agreements)

Company cars were contracted under an operating lease agreement (4 year term) in The Netherlands only. The monthly lease charge at September 30, 2010 amounted to € 14k.

Under the rental agreements concluded, the annual rental charge, including service costs for all TIE offices, is approximately € 0.5m (2009: € 0.5m). The remaining terms of leases in the Netherlands is 2.5 years (office Hoofddorp) and 2.6 years (office Utrecht), while United States is 4 years, and France 1.75 years. Rentals due within one year amount to € 0.3m, rentals due between one and five years are approximately € 0.6m.

In the summary above (Leases), detailing amounts payable within one year and between one and five years are stated.

Collateral

Assets pledged as collateral per September 30, 2010 amount to € 316k (2009: nil), under the Rabo credit facility in The Netherlands.

TIE HOLDING N.V. and subsidiaries

The consolidated financial statements include the financial data of TIE Holding N.V., Hoofddorp and its subsidiaries as summarized below.

Name	Statutory Seat	2010	2009
TIE Nederland B.V.	Amsterdam (Schiphol-Rijk), The Netherlands	100%	100%
TIE Product Development B.V.	Hoofddorp, The Netherlands	100%	100%
TIE International B.V.	Hoofddorp, The Netherlands	100%	100%
Sinfox B.V.	Arnhem, The Netherlands	100%	100%
TIE MamboFive B.V.	Utrecht, The Netherlands	100%	100%
Gordian Investments B.V.	Hoofddorp, The Netherlands	100%	100%
TIE Commerce Inc.	Burlington, MA, USA	100%	100%
TIE France S.A.S.	Montpellier, France	100%	100%
TIE Asia-Pacific Ltd	Hongkong, People's Republic of China	100%	100%

Main shareholders:

The main shareholders excluding potential interest of TIE are:

- Alto Imaging N.V. (Jalak Investments B.V.) ≈ 20.7% (total interest < 30%)
- DW vastgoed beleggingen B.V. ≈ 10.4% (total interest < 15%)
- Mr. Sundelin ≈ 2.6% (total interest < 5%)

Related Party Transactions

From the supervisory board, Mr. Peter van Schaick has an interest through Alto Imaging N.V. of 20.7% of the shares.

On June 25 2009, TIE received a loan from Jalak Investments B.V. of € 100k, which has been paid back on November 30, 2009. The applied interest was 6% on annual basis.

Alto Imaging N.V., which is controlled by Mr. van Schaick, had an outstanding loan of € 200k, originating from August 24, 2007, bearing an annual interest of 6%. This loan has been repaid on December 31, 2009.

The Convertible Bond issued to Alto Imaging on February 24, 2009 of € 69.5k was converted into shares on March 1, 2010.

Alto Imaging N.V. holds a Convertible Bond amounting to € 400k. The Convertible Bond was issued on August 31, 2010, as part of the finance plan for the Samar claim. The strike price is € 0.10 and based on the closing trading price one day before submission. The lock-up period is one year and the maturity date is August 31, 2020.

On August 31, 2010, TIE received a loan from Alto Imaging of € 100k, for a period of 6 months. The applied interest is 7% on annual basis.

Mr. Jan Sundelin, CEO of TIE, has a shareholding of 2.6% in TIE, as stated above. The remuneration, Convertible Bonds, Options and number of Shares held are disclosed on page 80.

The previous Shareholders of MamboFive B.V. received, as part of the transaction Convertible Bonds amounting to € 386k on April 1, 2010 at a strike price of € 0.188, a one year lock-up period. The bonds, which are disclosed on page 74, mature on April 1, 2015.

Mr. Erik Honée, member of the supervisory board, holds a Convertible Bond amounting to € 100k. The Convertible Bonds was issued on August 31, 2010, as part of the finance plan for the Samar claim. The strike price is € 0.10 and based on the closing trading price one day before submission. The lock-up period is one year and the maturity date is August 31, 2020. Per September 30, 2010 Mr. Honée has a stock position of 350,251; the current stock position per January 31, 2011 is 750,000.

Pending Litigation

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.

On November 20, 2009 TIE initiated an investigation on a potential infringement on the Content Syndication Platform by CMC. On May 7, 2010 the judge pronounced a ruling in summary proceedings; dismissing TIE's claim and ruling payment of the costs of litigation of the defendants. These costs amounted to € 70k. TIE has lodged an appeal against the ruling and considers any counterclaims without merit.

Subsequent Events

On November 10, 2010 TIE reported that the credit facility with Rabobank will not be extended. As a result of this, the credit facility will be reduced in steps and ends on February 28, 2011.

Table of Contents

Dutch GAAP TIE Holding N.V. Balance Sheet as at September 30, 2010

(Before proposed appropriation of results)

Assets (€ x 1,000)	Notes	2010		2009	
Fixed assets	12)				
Intangible Fixed Assets					
Goodwill		1,010		1,209	
Other intangible fixed assets		30		7	
Total Intangible Fixed Assets			1,040		1,216
Tangible fixed assets			25		-
Financial fixed assets					
Subsidairies		5,885		5,407	
Deferred Tax Asset		232		243	
			6,117		5,650
Total fixed assets			**7,182**		**6,866**
Current assets	13)				
Current receivables		76		31	
Cash and cash equivalents		-		41	
Total current assets			**76**		**71**
Total assets			**7,258**		**6,938**

◄ Table of Contents

Equity & Libilities (€ x 1,000)	Notes	2010		2009	
Shareholders' equity	14)				
Issued and paid-up share capital		8,220		6,498	
Share premium		46,229		46,393	
Legal reserves		910		748	
Foreign Currency Translation Reserve		(257)		(420)	
Retained earnings		(50,511)		(51,332)	
Net Result		(1,928)		530	
			2,663		2,417
Convertible Bonds			1,365		1,661
Total Equity			**4,028**		**4,078**
Provisions	15)		**444**		**332**
Current Liabilities	16)				
Loans payable		100		739	
Credit facility		350		-	
Creditors and other payables		2,336		1,758	
Affiliated Companies		-		31	
Total Current Liabilities			**2,786**		**2,528**
Total Liabilities and Equity			**7,258**		**6,938**

◄ Table of Contents

Dutch GAAP TIE Holding N.V. Income Statement for the year ended September 30, 2010

Dutch GAAP TIE Holding N.V. Income Statement
for the year ended September 30, 2010

(€ x 1,000)	2010	2009
Result of participating interests after tax	(115)	1.652
Other income after tax	(1,813)	(1,122)
Net Result	**(1,928)**	**530**

Notes to the Company Financial Statements

Corporate Information

TIE Holding N.V. and its subsidiaries (together the Company) develops, sells, and distributes software and services in the B2B Integration sector all over the world through a network of subsidiaries and resellers. The Company has been active not only in the software development but in the standardization process as well.

TIE Holding N.V. is a public Company incorporated and domiciled in the Netherlands, organized under Dutch Law and recorded in the Chamber of Commerce under its registered address at Antareslaan 22-24, 2132JE Hoofddorp. TIE is listed on the EuroNext Stock Exchange of Amsterdam. The TIE subsidiaries are located in Asia-Pacific, France, the Netherlands and the U.S.A. (IAS 126a). A list of TIE Companies is included on page 84 of the Consolidated Financial Statements.

The Company financial statements for the year ended September 30, 2010 are authorized for issue through a resolution of the Management Board dated 28, January 2011.

The General Meeting of Shareholders, to be held on March 16, 2011, will be requested to approve the Company financial statements.

Basis of Preparation

These Financial Statements have been prepared in accordance with accounting principles, generally accepted in the Netherlands, as embodied in Title 9 of Book 2 of the Dutch Civil Code.

Based on article 2:362(8) of the Dutch Civil Code, the valuation principles applied are based on International Financial Reporting Standards (IFRS), as applied in the preparation of the consolidated financial statements of the Company. Companies are allowed to apply IFRS valuation principles in their financial statements prepared under Title 9 of Book 2 of the Dutch Civil Code.

The Company has opted to prepare a condensed profit and loss account in accordance with the exemption provided by article 2:402 of the Dutch Civil Code.

Subsidiaries and associates are accounted for at net asset value determined on the basis of IFRS, as applied in the Consolidated Financial Statements. For details on the accounting policies applied in the Consolidated Financial Statements, please refer to the Notes to the Consolidated Financial Statements, starting page 51.

◄ Table of Contents

Notes to the Company Balance Sheet

12) Fixed Assets

Intangible Fixed Assets

Goodwill

Intangible Fixed Assets	Goodwill	Purchased Software	Total
Accumulated investments per September 30, 2008	6,710	481	7,191
Accumulated amortization per September 30, 2008	(6,192)	(399)	(6,591)
Accumulated impairments per September 30, 2008	(320)	(57)	(377)
Carrying value as per September 30, 2008	**198**	**25**	**223**
Movements 2009			
Additions	-	-	-
Acquired through Business Combinations	1,011	-	1,011
Amortization	-	(18)	(18)
Carrying value as per September 30, 2009	**1,209**	**7**	**1,216**
Accumulated investments per September 30, 2009	7,721	481	8,202
Accumulated amortization per September 30, 2009	(6,192)	(417)	(6,609)
Accumulated impairments per September 30, 2009	(320)	(57)	(377)
Carrying value as per September 30, 2009	**1,209**	**7**	**1,216**
Movements 2010			
Additions	-	37	37
Divestments	(199)	-	(199)
Amortization	-	(14)	(14)
Carrying value as per September 30, 2010	**1,010**	**30**	**1,040**
Accumulated investments per September 30, 2010	1,330	518	1,848
Accumulated amortization per September 30, 2010	-	(431)	(431)
Accumulated impairments per September 30, 2010	(320)	(57)	(377)
Carrying value as per September 30, 2010	**1,010**	**30**	**1,040**
Useful life	Indefinite	3 years	

The movement in Goodwill predominantly relates to the Goodwill (€ 198k) on the Edge software. Under IFRS the Goodwill was classified in 2009 as Non-Current Asset Held for Sales as disclosed on page 69.

Purchased Software consists of purchased third party software used of the My TIE internal support system.

For the purpose of impairment tests holding assets are allocated to Cash Generating Units.

Notes to the Company Balance Sheet

Tangible Fixed Assets

Tangible Fixed assets relate to computer equipment and the movements are shown in the table Tangible Fixed Assets below.

Financial Fixed Assets

Financial Fixed Assets relate to the Company's share in subsidiaries. The movements are summarized in the table Financial Fixed Assets.

Funding to subsidiaries is in principle interest bearing with interest rates varying between 0% and 5.5% (2009: 0% and 5.5%). This funding is accounted for as part of the net investment in subsidiaries. There are currently no repayment schedules, nor does management have the intention to recall these funds.

As off 2010 the Capital Contributions, resulting from the stock options, have been booked directly within TIE Holding as this is the issuing Company. The stock option costs over previous periods have been recharged through the intercompany accounts to the relevant subsidiaries.
In 2010 and years prior, some subsidiaries had a negative net investment value. For these subsidiaries, a provision for Equity Deficit was set up. Direct subsidiaries are summarized on the bottom of this page.
The deferred tax asset is discussed on page 68.

Tangible Fixed Assets	2010	2009
Opening Balance as per October 1,	-	-
Additions	27	-
Depreciation	(2)	-
Closing Balance as per September 30,	**25**	-
	3 years	

Financial Fixed Assets	2010	2009
Total subsidiaries as per October 1,	**5,407**	**4,114**
Share in Net income	(115)	1,652
Investments	-	(1,004)
Capital Contributions	(553)	260
Divestitures/ movements of IC funding	547	(102)
Dividends paid	-	-
Transfer to (from) provision for Equity Deficit	444	332
Foreign Currency Exchange Rate Differences	162	10
Other movements	(7)	145
Total subsidiaries as per September 30,	**5,885**	**5,407**
Deferred tax Asset	232	243
Total Financial Fixed Assets	**6,117**	**5,650**

Name	Statutory Seat	2010	2009
TIE Nederland B.V.	Amsterdam (Schiphol-Rijk), The Netherlands	100%	100%
TIE Product Development B.V.	Hoofddorp, The Netherlands	100%	100%
TIE International B.V.	Hoofddorp, The Netherlands	100%	100%
Sinfox B.V.	Arnhem, The Netherlands	100%	100%
TIE MamboFive B.V.	Utrecht, The Netherlands	100%	100%
Gordian Investments B.V.	Hoofddorp, The Netherlands	100%	100%
TIE Commerce Inc.	Burlington, MA, USA	100%	100%
TIE Asia-Pacific Ltd	Hongkong, People's Republic of China	100%	100%

◄ Table of Contents

13) Current Assets

Other Receivables

Taxation and social security contributions relates to VAT recoverable.

Current Assets	2010	2009
Taxations and social security contributions	20	12
Other receivables and prepayments	56	19
	76	31

14) Shareholders' Equity

The Company's authorized share capital amounts to € 20 million, consisting of 200 million ordinary shares with a nominal value of € 0.10 each. On September 30, 2010, a total of 82,201,804 ordinary shares (2009: 64,976,818) of € 0.10 each, were paid-up and called.

The Stichting Preferente Aandelen has been dissolved per February 18, 2009.

Shareholders' Equity is broken down below.

For the movement in shares, we refer to page 70.

Legal reserves:
- The Foreign Currency Translation Reserve represents the foreign currency exchange differences from the translation of the financial statements of the foreign subsidiaries.
- The Other Legal Reserves pertain to the capitalized software development costs (€ 910k).

Equity Settled Share Based Payments

Annual Stock Options Plan

For the Annual Stock Option Plan for staff members, we refer to page 70, Note 5 of the Consolidated Statement of Financial Position under Annual Stock Options Plan.

Other Stock Options

For the Other Stock Options, we refer to pages 70-72 Note 5 of the Consolidated Statement of Financial Position under Other Stock Options.

Shareholders' Equity	Share Capital	Paid in Surplus	Foreign Currency Translation Reserve	Others Legal Reserves	Retained Earnings	Shareholders' Equity
Balance per September 30, 2008	**5,476**	**46,606**	**(473)**	**448**	**(51,608)**	**449**
Shares issued and Share Premium	1,022	93	-	-	-	1,115
Costs of Shares issued	-	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	10	-	-	10
Shares Based Payments	-	-	-	-	292	292
Distribution to Equity Holders	-	-	-	-	-	-
Transfers to (from) legal reserve	-	(300)	-	300	-	-
Other Movements	-	(6)	43	-	(16)	21*)
Net Income 2009	-	-	-	-	530	530
Balance per September 30, 2009	**6,498**	**46,393**	**(420)**	**748**	**(50,802)**	**2,417**
Shares issued and Share Premium	1,723	-	-	-	-	1,723
Costs of Shares issued	-	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	163	-	-	163
Shares Based Payments	-	-	-	-	292	292
Distribution to Equity Holders	-	-	-	-	-	-
Transfers to (from) legal reserve	-	(162)	-	162	-	-
Other Movements	(1)	(2)	-	-	(1)	(4)
Net Income 2010	-	-	-	-	(1,928)	(1,928)
Balance per September 30, 2010	**8,220**	**46,229**	**(257)**	**910**	**(52,439)**	**2,663**

*) Figures have been revised, resulting from previous years' adjustments no impact on the total number.

Table of Contents

Convertible Bonds

For the issued and outstanding Convertible Bonds, we refer to page 73, Note 5 of the Consolidated Statement of Financial Position under Convertible Bonds.

15) Non-Current Liabilities

The movement of the Provision for Equity Deficit Subsidiaries is shown below.

In 2009 and years prior, some subsidiaries held a negative net investment value. For these subsidiaries, a provision for Equity Deficit was established.

16) Current Liabilities

The breakdown of current liabilities is shown in the table at the bottom of the page.
The loans, which are discussed in detail on page 75, refer to the Loan from Alto Imaging N.V. (€ 100k).
The Credit Facility is discussed in more detail on page 75.

The inter-Company payable is an outstanding with TIE International B.V., TIE Commerce Inc., TIE France S.A.S. and Sinfox B.V. No interest is due on this balance.

Provision for Equity Deficit Subsidiaries	2010	2009
Opening Balance as per October 1,	**332**	1,258
Movements from (to) Financial Fixed Assets	112	(926)
Closing Balance as per September 30,	**444**	332

Current Liabilities	2010	2009
Loans	**100**	739
Credit facility	**350**	-
Trade creditors	178	80
Taxations and social security contributions	-	11
Inter-company payable	1,860	1,561
Other payable and accruals	298	106
Creditors and other Payables	**2,336**	1,758
Affliated Companies	-	31
Total Current liabilities	**2,786**	2,528

◄ Table of Contents

Notes to the Company Income Statement

Holding expenses

Expenses accounted for consist of the ones related to the Holding activities of TIE Holding N.V, including allocated employee benefits. TIE Holding N.V. had 13 employees during 2010 (2009: 6). The remuneration of the Supervisory Board amounting to € 10k for members and € 20k for the chairman is included in the company's expenses. For a detailed description of the remuneration of the sole member of the Management Board, we refer to page 79 of the Notes to the Consolidated Financial Statements.

This includes Legal and Consultancy fees amounting to € 427k (2009: € 101k) as well as a Stock Option expense, listing fee and amortization charges pertaining to Holding assets.

The audit fees from Ernst & Young Accountants LLP amount to € 38k (2009: € 66k) for the Holding; for the total, Company audit fees amount to € 93k (2009: € 90k). The tax consulting fees from Ernst & Young Belastingadviseurs LLP amount to € 20k (2009: € 13k). Fees from Ernst & Young Accountants LLP, as well as audit-related ones, amount to € 15k (2009: € 15k).

Income Tax

The Company holds unrecognized deferred tax assets with respect to past tax losses amounting to approximately € 9.0m (related losses amounting to approximately € 36.0m). Foreign loss carry forward pertaining to approximately € 1.0m of the unrecognized losses (of approximately € 3.0m) will be available for the next 11 to 20 years, depending on the nature of the item. The tax loss carry forward originating from the Netherlands has been reduced to 9 years in 2007.

All Dutch subsidiaries of TIE Holding N.V., except for TIE MamboFive B.V. and Sinfox B.V., and the holding company, form a tax unit and are jointly and severally liable for all tax liabilities originating within the tax unit.

Commitments and Contingent Liabilities

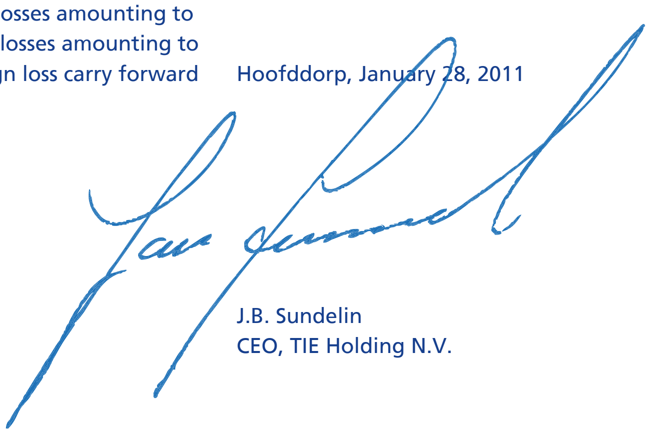
Taxes

The Company has formed a financial unit for corporate income tax and VAT with TIE Nederland B.V., TIE International B.V., TIE Product Development B.V. and Gordian Investments B.V. Based on this, TIE Holding N.V. is jointly and severally liable for the corporate income tax liabilities of the financial unit as a whole.

Other

The Company has issued guarantees in respect of TIE Nederland B.V., TIE Product Development B.V. and Gordian Investment B.V. pursuant to article 2:403 of the Dutch Civil Code.

Hoofddorp, January 28, 2011



J.B. Sundelin
CEO, TIE Holding N.V.

◄ Table of Contents

Other information

Appropriation of Net Result

According to Article 26 of the Company's articles of association, the annual meeting of shareholders determines the appropriation of the company's net result for the year. The Management Board proposes that the net Income of € -1,928k be deducted from Retained Earnings and the other Comprehensive Income of € 163k will be added to other Comprehensive Income in Shareholders' Equity.

Article 26 of the Articles of Association reads as follows:

1. From the profits achieved during the previous financial year will first be paid, if possible, a percentage on the cumulative preference shares equal to the marginal interest rate for special loans of the European Central Bank, as well as two percentage points at the first day of the financial year in question of the nominal amount of said shares. In the event that the result achieved in any given financial year is not sufficient to pay the percentage stated above, no addition to the reserves will take place in the subsequent years other than that required by law, nor shall any amount be paid on the ordinary shares before the holders of cumulative preference shares have been paid the dividend to which they are entitled, and the dividend for the previous financial year has been paid. No further payments can be made on cumulative preference shares than that previously referred to in this paragraph.
   The residual profits available after application of the above provision in this paragraph shall be at the disposal of the General Meeting.
2. The company can only make payments in as much as its shareholders' equity is greater than the paid-up and called-up part of the issued capital, plus the reserves, which must be maintained by law.
3. Payment of profits shall not take place until after adoption of the annual accounts, showing that this is authorized.
4. Shares or depositary receipts on shares held by the company and shares or depositary receipts on shares which the company holds in usufruct shall not be taken into account in the calculation of the profit distribution.
5. The General Meeting can only decide to make interim payments at the proposal of the Supervisory Board. A decision to pay an interim dividend from the profits in the current financial year can be taken by the Executive Board only with the prior approval of the Supervisory Board.
   Payments as referred to in this paragraph may only be made if the provision of par. 2 of this article has been met.
6. The General Meeting can decide that dividends shall be paid fully or partially in the form of shares in the Company's capital.
7. Unless the General Meeting sets a different term, dividends are paid within fourteen days of being set.
   Claims for payments in cash shall lapse, in as much as these payments have not been collected within five years and one day of the date on which they became payable.
8. A deficit may only be offset against the reserves prescribed by law, if and to the extent permitted by law.

Dividend policy

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

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

The Ordinary Shares are fully entitled to the dividend, if any, for the financial year ending September 30, 2010 and subsequent financial years. Payment of dividends can be made either in cash or in stock.

Subsequent Events

See disclosure on page 85.

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements for the year ended September 30, 2010 of TIE Holding N.V., Hoofddorp. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements as set out on page 46 to 85 comprise the consolidated statement of financial position as at September 30, 2010, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements as set out on page 86 to 93 comprise the company balance sheet as at September 30, 2010 the company income statement for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Report from the Management Board in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of TIE Holding N.V. as at September 30, 2010, its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of TIE Holding N.V. as at September 30, 2010 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Emphasis of uncertainty with respect to the going concern assumption

We draw attention to note "Going Concern Considerations" to the financial statements. The company incurred a net loss of € 1,928,000 during the year ended September 30, 2010 and, as of that date, the company's current liabilities exceeded its current assets by € 1,533,000. These conditions, along with other matters as set forth in note "Going Concern Considerations", indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern.

Our opinion is not qualified in respect of this matter

Report on other legal and regulatory requirements
Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Report of the Management Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed.
Further we report that the Report of the Management Board, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

The Hague, January 28, 2011

Ernst & Young Accountants LLP
/s/ E.J. Pieters

◄ Table of Contents

Where to find TIE...

TIE MamboFive BV
't Goylaan 9, 3525 AA Utrecht
The Netherlands
E-mail: info@TIEkinetix.nl
Tel: +31-30-636 08 49
Fax: +31-30-636 08 50

TIE Holding NV
Antareslaan 22-24, 2132 JE Hoofddorp
The Netherlands
E-Mail: info@TIEglobal.com
Tel: +31-20-658 90 00
Fax: +31-20-658 90 01
www.TIEglobal.com

TIE Nederland BV
Antareslaan 22-24, 2132 JE Hoofddorp
The Netherlands
E-Mail: info@TIEkinetix.nl
Tel: +31-20-658 90 00
Fax: +31-20-658 90 01

TIE Asia-Pacific Ltd.
(Hong Kong)
PO Box 7664
Baulkham Hills, NSW, 2153
Australia
Email: asiapacific@TIEKinetix.com
Tel: +61-41-185-8810
Fax: +61 2 9652 1647

TIE France SAS
Le Trident, 1115 Rue Hélène Boucher,
ZAC Fréjorgues Ouest,
34130 Mauguio (Montpellier), FRANCE
E-Mail: info@TIEkinetix.fr
Tel: +33-811 030 111
Fax: +33-488 04 93 07

TIE Asia-Pacific Ltd.
Suite 4.04, Level 4,
10 Century Circuit,
PO Box 7664
Baulkham Hills, NSW,2153
Australia
Email: asiapacific@TIEKinetix.com
Tel: +61-41-185-8810
Fax: +61 2 9652 1647

◄ Table of Contents

CNET

"TIE Kinetix is a cornerstone component that enables us to have a competitive market presence. The TIE technology platform, in addition to the right kind of cultural fit, has made TIE an ideal partner."

Content Syndication Platform Global Partner Sean Murphy VP and General Manager CBS Interactive - Content Solutions, USA.

Strategic partner for the TIE Kinetix Content Syndication Solution since 2009.

Special thanks

Special thanks to the following companies for having cooperated for the quotes and photographs for this annual report, and for being our customers.

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Bare Necessities Inc.	page 26
Les Braserades S.A.	page 37
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◄ Table of Contents

Total Integrated E-commerce

Annual Report for the financial year 2010