




TIE HOLDING NV.
Annual Report 2011



TIE Holding NV

Making Technology Perform, So You Can Focus On Your Business

Annual Report 2011



ERIKS

“We were one of the first users of the EDI as a Service, the TIE SaaS solution. It worked right from the start and TIE understood our challenges and translated it very well into a flexible working solution.”

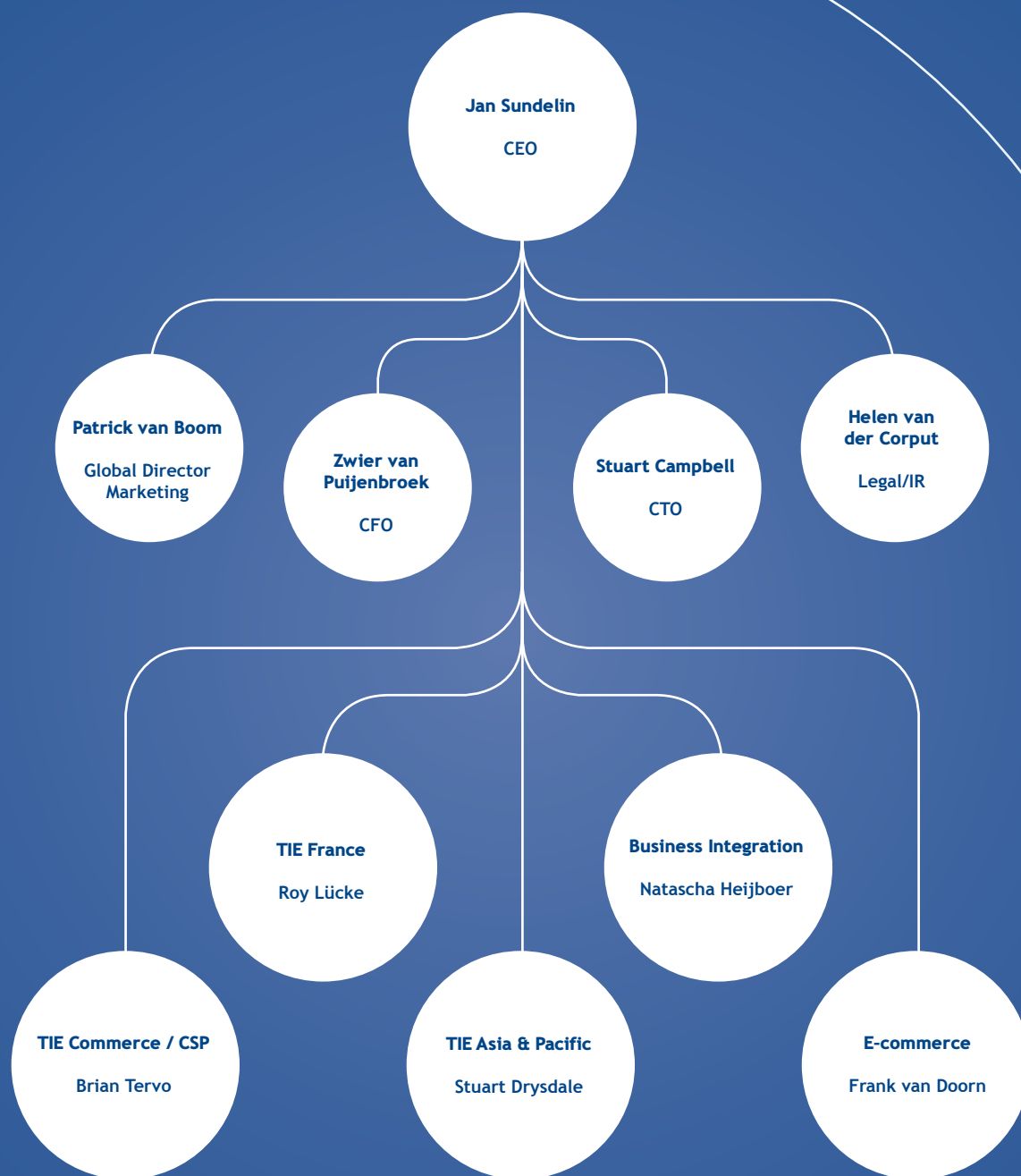
Jean-Paul Jacobs - Corporate ICT Manager Eriks.

Table of Contents

5	Table of Contents	50	Corporate Responsibility
6	Organization Chart	52	Consolidated Financial Statements Of TIE Holding N.V. For The Year 2011
7	Profile TIE	52	<i>Consolidated Statement of Financial Position as at September 30, 2011</i>
8	Key Financial Highlights	54	<i>Consolidated Statement of Comprehensive Income for the year Ending September 30, 2011</i>
10	Highlights Financial Year 2011	55	<i>Consolidated Statement Of Changes In Equity for the year Ending September 30, 2011</i>
12	Solutions Portfolio TIE	56	<i>Consolidated Statement of Cash Flows for the year Ending September 30, 2011</i>
13	<i>Total Integrated E-Commerce</i>	57	<i>Notes to the Consolidated IFRS Financial Statements</i>
15	<i>Content Syndication Solutions</i>	68	<i>Notes to the Consolidated Statement of Financial Position</i>
17	<i>E-Commerce Solutions</i>	82	<i>Notes to the Consolidated Statement of Comprehensive Income</i>
19	<i>Business Integration Solutions</i>	92	<i>Commitments and Contingent Liabilities</i>
20	<i>Professional Services</i>	93	<i>Related Party Transactions</i>
20	<i>Technology Leadership</i>	94	<i>Pending Litigation</i>
21	Important Information	94	<i>Subsequent Events</i>
22	Management Board	96	<i>Dutch Gaap TIE Holding N.V. Balance Sheet as at September 30, 2011</i>
23	Management Board's Letter	98	<i>Dutch Gaap TIE Holding N.V. Income Statement for the year ending September 30, 2011</i>
24	Report From The Supervisory Board	98	<i>Notes to the Company Financial Statements</i>
28	Information for shareholders	99	<i>Notes to the Company Balance Sheet</i>
31	Report From The Management Board	104	<i>Notes to the Company Income Statement</i>
31	<i>Review 2011</i>	106	<i>Other Information</i>
31	<i>Strategic Alliances</i>	107	<i>Independent Auditor's report</i>
32	<i>Research and Development</i>	108	Where To Find TIE...
32	<i>Cash Flow</i>		
32	<i>General Management</i>		
33	<i>Management Statement</i>		
33	<i>Management's Discussion and Analysis</i>		
42	<i>Outlook and Targets for Financial Year 2012</i>		
43	<i>Risk Assessment</i>		
46	Corporate Governance		
46	<i>Management Board</i>		
46	<i>In Control Statement</i>		
47	<i>Supervisory Board</i>		
48	<i>Shareholders</i>		
48	<i>General</i>		

Organization chart

TIE's organizational structure during 2011



Electronic business collaboration without limitations

TIE Kinetix transforms the digital supply chain by providing Total Integrated E-commerce solutions. These integrated E-commerce solutions maximize revenue opportunities by minimizing the energy needed to market, sell and deliver online. Customers and partners utilizing TIE Kinetix consistently benefit from innovative, field tested technology and are able to remain focused on their core business. TIE Kinetix develops cloud and license based solutions which are backed with over 25 years of proven technology and awards.

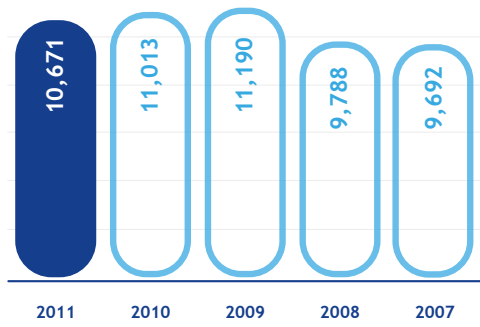
TIE Holding (hereafter also referred to as TIE or The Company) is a listed company on the NYSE Euronext in Amsterdam, and has offices in the United States, the Netherlands, France and Australia. For more information visit: www.tieholding.com.

Key Financial Highlights

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

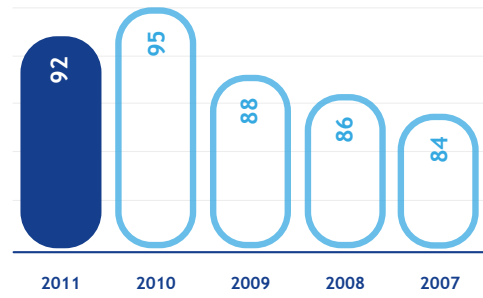
	2011	2010	2009	2008	2007
Financial Results					
Total Income	10,671	11,013	11,190	9,788	9,692
Depreciation and Amortization Expense	(572)	(503)	(360)	(269)	(613)
Divestment of Goodwill	-	(171)	-	-	-
Impairment Gain (Loss)	160	-	-	(723)	(2,004)
Operating Result	597	(1,386)	759	(1,881)	(3,084)
Net Income	383	(1,928)	530	(2,098)	(3,368)
Cash Flow from operating activities	958	(841)	568	(359)	(838)
Net Cash Flow generated	54	(147)	(630)	873	(25)
Equity					
Total Consolidated Statement of Financial Position	7,855	8,236	9,076	7,431	6,568
Total Shareholders' Equity	4,535	2,663	2,417	449	1,271
Total Equity Instruments	45	1,365	1,661	1,735	870
Total Equity	4,580	4,028	4,078	2,184	2,141
Solvancy Ratio	58%	49%	45%	29%	33%
Employees (expressed as full time equivalents)					
Average Number of Employees	92	95	88	86	84
Average Income per Employee	116	116	127	114	115
Per Share of Ordinary Shares					
Net Income	0.00	(0.02)	0.01	(0.04)	(0.07)
Shareholders' Equity	0.05	0.03	0.04	0.01	0.02
Number of Shares Outstanding at year-end (x 1,000)	93,295	82,202	64,977	54,755	50,870
Weighted Average Number of Shares Outstanding (x1,000)	84,086	77,486	58,346	53,095	46,779
Weighted Average Number of Shares adjusted for calculation diluted earnings per share (x 1,000)	84,907	77,486	72,397	54,664	47,028
Share Price					
Last Trading Day in reporting period	0.09	0.12	0.20	0.10	0.26
Highest	0.15	0.25	0.25	0.28	0.42
Lowest	0.09	0.10	0.07	0.09	0.25

The Company's financial year runs from October 1st until September 30th.



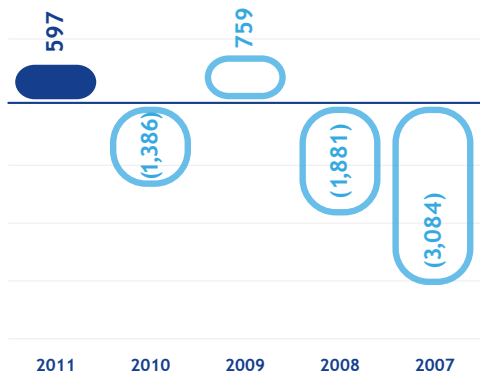
Total Income 2011 - 2007

● Total Income (€ x 1,000)



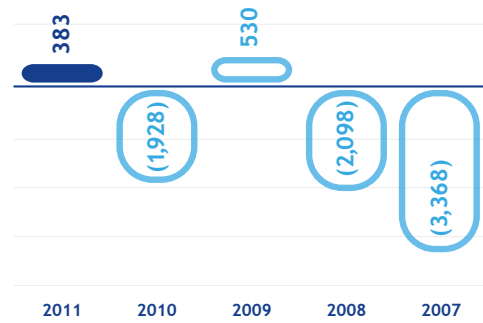
Average NoE 2011 - 2007

● Average Number of Employees (in FTE)



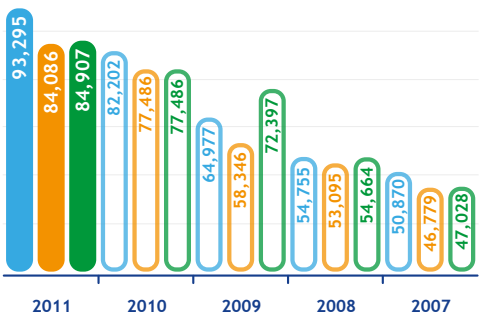
Operating Result 2011 - 2007

● Operating Result (€ x 1,000)



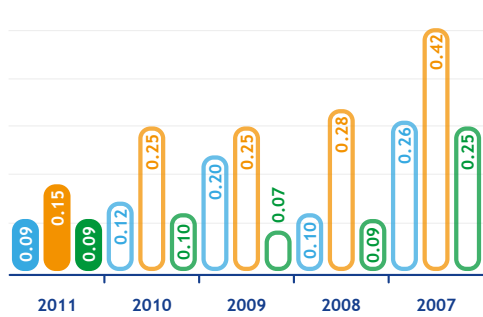
Net Income 2011 - 2007

● Net Income (€ x 1,000)



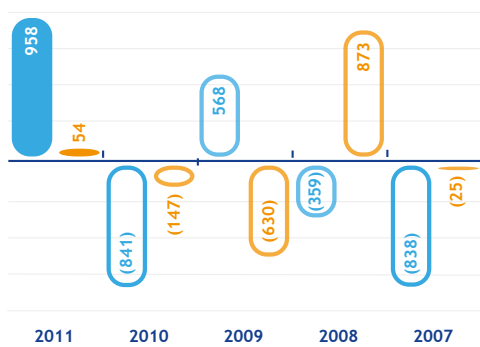
Number of Outstanding shares 2011 - 2007

● Number of Shares Outstanding at Year End (x 1,000)
 ● Weighted Average Number of Shares Outstanding (x 1,000)
 ● Weighted Average Number of Shares adjusted for calculation (x 1,000)



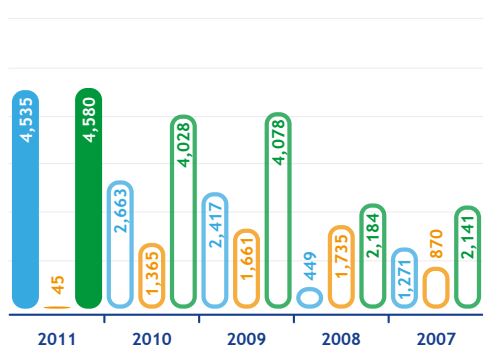
Shareprice 2011 - 2007

● Last Trading Day in reporting period (in EUR)
 ● Highest Shareprice (in EUR)
 ● Lowest Shareprice (in EUR)



Cash Flow 2011 - 2007

● Cash Flow from operating activities (€ x 1,000)
 ● Net Cash Flow generated (€ x 1,000)



Equity 2011 - 2007

● Total Shareholders' Equity (€ x 1,000)
 ● Total Equity Instruments (€ x 1,000)
 ● Total Equity (€ x 1,000)

Highlights Financial Year 2011



SEPTEMBER 2011

TIE reported the release of the new Hi.nl webshop by KPN combining customer experience with the knowledge and experience of the Company E-commerce platform.

AUGUST 2011

TIE reported that Sanoma Media offers providers in the residential sector the opportunity to present their product information professionally on the websites of their dealers. The Home Deco Channel Guide, is a digital solution in cooperation with TIE Kinetix.

TIE reported the conversion of Convertible Bonds into shares of the Company for an amount of € 870k, representing 8,700,000 shares.

TIE reported the Q3 trading update: Operating Income on track.

JULY 2011

TIE reported that Quantore selected the Companies Total Integrated E-commerce concept, resulting in a three year contract and expected revenue of € 1 million.

JUNE 2011

TIE reported the independent value proposition report by Investabliish: 'TIE ready for growth'.

MAY 2011

TIE reported the first half year's results: Cash flow positive and profitable.

APRIL 2011

TIE reported the conversion of Convertible Bonds into shares of the Company for an amount of € 450k, representing 2,393,617 shares.

TIE reported signing a 3 years agreement with ADEC (Fr) for an amount of € 1 million.

TIE reported that the Company and Newco Food Retail have entered into a partnership agreement for 2 years for an amount of € 250k in SaaS.



MARCH 2011

The Supervisory Board reappoints J.B. Sundelin as member of the Management Board of TIE Holding N.V.

TIE reported that TIE and Channel Media Company have settled their dispute.

FEBRUARY 2011

TIE reported the Q1 Trading update: Profitable Q1, Total Comprehensive Income € 114k.

JANUARY 2011

TIE announced the publication of Annual Report and agenda for the annual General Meeting of Shareholders for 2010.

DECEMBER 2010

TIE announced that it grants stock option to the Managing Director of TIE France SAS.

NOVEMBER 2010

TIE announced that it is selecting a new Banker.

TIE reported the annual results 2010: 2010 Annual Result € 1.7m negative.

For any additional information on events which have taken place in 2011, please consult the Company's website, www.tieholding.com under investor relations in the folder Press Releases.

Solutions portfolio



TIE KINETIX
total integrated e-commerce





Market, Sell and Deliver through the supply chain

Total Integrated E-commerce

Our Total Integrated E-commerce view on the digital world enables TIE Kinetix to develop and offer solutions that allow organizations to eliminate unproductive activities throughout their supply chain. Critical information needs to flow continuously and accurately through the supply chain via a number of channels. By automating and simplifying cumbersome steps in marketing, E-commerce and back office fulfillment, TIE has developed software solutions allowing business to accomplish more with less. Our mantra to the customer is **"Making Technology perform so you can focus on your business"**.

The Total Integrated E-commerce solution is a proved technology combining three proprietary solution platforms: Content Syndication, E-commerce (webshop), and Supply Chain oriented B2B Integration. TIE is unique in its ability to deliver its solutions in both License and in the Cloud as a Software as a Service (SaaS). Our market focus is directed at eight vertical markets, where

our solution has been successful. These include, Food Industry & Food Retail, Non Food, Telecom, IT Hardware and Software, Consumer Electronics, Industry & Home Improvement, Business Services and Office Supplies. Our solutions are sold in combination with several strategic partners, (Epicor / CNET / Sanoma Media), through VAR's and Distributors, and direct to end-users.

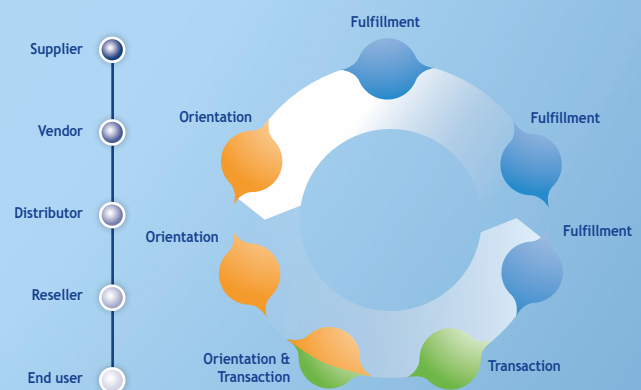


Photo credit: CEA/International CES



cnet[®]

CNET

"TIE Kinetix's innovative Content Syndication platform allows for our continual growth in the market. TIE's business culture and their contribution to global eCommerce standards have made them an ideal partner."
*Steve Parrott, President and General Manager
CNET Content Solutions*



Content Syndication Solutions

Content Syndication Solutions

At the top of the sales funnel, marketers dedicate themselves to drive demand toward their products and services. No matter if it's consumer electronics or enterprise level solutions, providing the right content at the right time is absolutely critical for nurturing leads and converting shoppers into buyers. The cloud-based channel marketing and content syndication solutions help to orient, control and track rich content on partner websites and social communities. As a result marketing departments move closer to their customers with real-time analytics, optimized campaigns and the ability to net outstanding results.

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 a 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 extends its reach throughout the distribution channel, but also gains hard analytical data about how its content is performing.

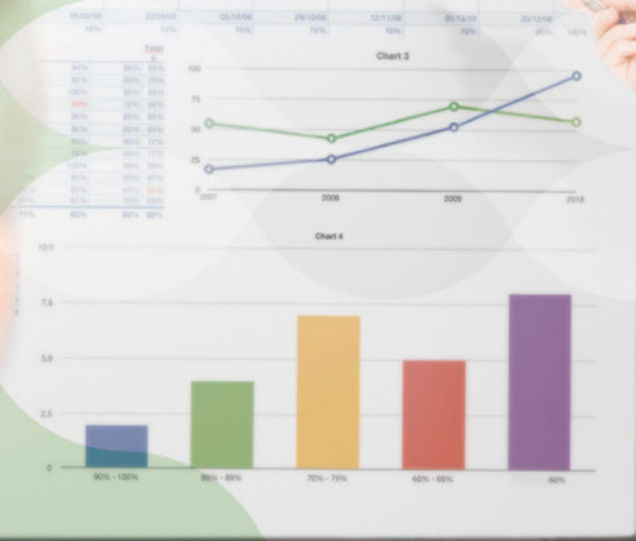
Channel marketing automation, content syndication and content monetization are all relatively new terms in the B2B E-commerce marketplace. For TIE Kinetix, it's simply a natural progression of our Content Syndication Solutions. For over ten years we have supported and executed marketing solutions around the world. TIE Kinetix not only provides a rock-solid content syndication solution but also has the expertise to help educate and position customers toward success.

Available Content Syndication Solutions:

- Retail Channel Sales;
- VAR Channel Marketing;
- Content Monetization.

Available options:

- All Content Syndication Solutions are offered as a cloud based SaaS solution;
- All Content Syndication Solutions have different tiers of business intelligence and analytical tools to measure tangible results and ROI.





E-commerce Solutions

Web Shop Marketing

In fiscal year 2009 TIE acquired Dutch based Mambo Five B.V.. This strategic acquisition enables TIE to offer webshop back end solutions.

Organizations today embrace web marketing as an important element of their business strategy.

These same companies often lack the internal resources and knowledge to deal with the complex issues around webshop technology. TIE Kinetix not only provides a rock-solid E-commerce Solution but also has the expertise to help educate and position customers toward success. TIE has the unique advantage of combining Content Syndication with webshop marketing technology. Dealing with all the back end issues occurring after the buy-button is selected is where TIE has demonstrated real advantages. Our solution can deal with huge numbers of hits, is scalable, and flexible.

TIE provides consulting services to its client to help them optimize their webshop business. Leading brands such as T-Mobile, KPN, Newco Food Retail and Quantore have endorsed our webshop solutions.

Available E-commerce Solutions:

- Cloud-based B2B & B2C webshops;
- Full Back Office Integration;
- Multi-channel and White-label E-commerce Solutions.

Available options:

- All E-commerce Solutions are offered as a cloud-based SaaS solution;
- All E-commerce Solutions have different tiers of business intelligence and analytical tools to measure tangible results and ROI.

PROGRESS

"TIE has been a pleasure to work with as well. I think we're going to see a lot more aspects grow in 2012 because of the culture and vision in terms of the new future facing solutions for our enterprise customers. The partnership with TIE has worked extremely well. TIE has been fantastic in actually projecting to the next generation what they want to actually see."

Sanjay Kumar, VP of Communications & Media Industry at Progress Software



EPICOR

“TIE’s Advanced EDI technology combined with Epicor ERP Demand Management gives our clients an unparalleled solution for managing, exchanging and reconciling electronic data. TIE’s combination of business integration technologies and award-winning support provides our joint customers with a common interface for securely managing and exchanging large volumes of data, reducing turnaround time on their processes and eliminating potential data entry errors.”

Malcolm Fox, Director, Product Marketing Epicor Software Corporation



Business Integration Solutions

Business Integration Solutions

After a purchase is complete, the fulfillment process begins with a myriad of back office communications. Without integrated systems, communications and processes become manual and costly. Electronic Data Interchange (EDI), E-invoicing, extensible markup language (XML) and secure communication standards help make it possible for businesses to automate the way companies order, bill, pay and handle their shipping information, procurement services and (other) services over the internet. With EDI and Business Integration Solutions, TIE Kinetix allows customers to sync their content and transactional data with internal and external systems around the globe. By enabling seamless collaboration between partners, TIE Kinetix's technology and expertise makes it easy for customers to increase efficiency, reduce cost and simplify data sharing with their

whole business community.

As a pioneer with 25 years of experience in business integration and EDI, TIE Kinetix not only provides rock-solid Business Integration Solutions but also has the expertise to help educate and position customers toward success.

Available Business Integration Solutions:

- Cloud-based Managed Service for EDI;
- Remote Managed Service;
- B2B Integration Software.

Available options:

- Business Integration Solutions are available as a License, with or without Managed Service, or offered as a cloud based SaaS solution;
- All Business Integration Solutions have different tiers of business intelligence and analytical tools to measure tangible results and ROI.

Solutions portfolio

PROFESSIONAL SERVICES

TIE Kinetix brings a wealth of global expertise and a well-seasoned customer care team to help from everything to project management to campaign execution. We not only have decades experience to teach and educate our customers but also the skills to help everyone involved excel and achieve their highest goals and expectations.

Available Professional Services:

- Customer Care with 99.1% Customer Satisfaction;
- Solution Implementation;
- Project Management;
- Campaign Management;
- Consultancy;
- Training.

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 ensure 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 OPDM (Catalogue Categorization). These are all highly relevant to the business area in which the Company operates.

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 2011 (October 1, 2010-September 30, 2011).

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;
- 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.

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**

Date of announcement reappointment as member of the Management Board: **March 23, 2011**

Current term of office: **4 years**

Number of shares in the Company: **2,430,000**

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



Management Board's letter

Dear shareholders, customers, employees, and readers,

Please find our 2011 annual report for TIE Holding N.V. This report highlights our financial results, major activities and accomplishments.

Our total results for 2011 were less than our expectations and especially our traditional Business Integration License business suffered. Importantly however, SaaS revenue developed according to our expectations; growing over 20% and clearly becoming our largest single revenue contributor with 38.1% of Total Income. Our traditionally strong home market in the Netherlands for Business Integration was weaker than expected. The recent launch of upgraded Business Integration Solutions will give us a more robust and competitive offering in the future. As a result of the increased SaaS revenue as well as newly granted EU projects, our contracted value for the next three years grew by 39%. Our Content Syndication Solution and E-commerce Solution showed positive results with new attractive customers, resulting in Revenue growth of 35% and 29% respectively.

Our strategy to cultivate important strategic partners has been successful. The offering of Business Integration as a Managed Service with Epicor, one of our business partners, has also been successful. Our partnership with CBS/CNET for Content Syndication is starting to pay off with new customers including Microsoft and Hitachi. We continue to serve and expand our activities with existing direct customers. This has been especially true with our Siemens relationship. In January 2011 we received the SaaS award from Progress Software for the success of our E-commerce Solution, resulting in a worldwide partnership in November 2011. During the year we entered into new partnerships with Sanoma Media (publishing), Quantore (office supplies) and Newco Food Retail. These important accounts provide us with important success stories that will enable us to further prove our technology excellence.

As a result of the growth of SaaS more of our business becomes recurring and offers important added value to both our customers and the Company. In 2012 we will concentrate more focus on getting business through our horizontal partners as well as monitoring our vertical markets more closely. Our Total Integrated E-commerce offering, combining and fully integrating our three solutions Content Syndication, E-commerce (webshop) and Business Integration together, is a unique selling proposition. This is understood and highly appreciated by our early adopters like Siemens, Quantore and Newco Food Retail. Our E-commerce Solution in combination with Business Integration Solutions offers an excellent combination that integrates front and back office seamlessly. This offers a competitive benefit to customers like T-Mobile and kpn's Hi.nl.

Based on TIE's results and developments, we are optimistic about our prospects and future sales. We are moving the Company to a more sustainable revenue model consisting of SaaS, EU projects and maintenance, which helps us to better control and take the necessary actions to improve our operating income. TIE will continue to focus on further growth of its customer base, by adding new partners, and concentrating focusing on the vertical markets strategic to our success. Businesses are looking for ways to improve their performance and the Total Integrated E-Commerce solution offers the tools and solutions to allow our customers to focus on their business while we manage their technology.

We would like to thank all employees, stakeholders, in particular all customers, shareholders and Supervisory Board for their trust and commitment.

Sincerely,

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

Report from the Supervisory Board

To the shareholders,

During the year 2011 the effects of our strategy became visible. Although the total revenue did not grow, the quality of the revenue improved significantly. Especially the SaaS Income showed a growth of 20% and the total Contracted SaaS Value for the next three years amounts to € 9,2 million per October 1, 2011. The costs were carefully controlled and the Company as a whole became more predictable.

Due to the financial position of the Company and to the economic conditions in general, growing by acquisition was not feasible. The focus was on strengthening existing partnerships and entering into new partnerships. We expect to continue these efforts during the year 2012.

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 22,87% of the shares in TIE, through Alto Imaging Group N.V. Therefore Mr. van Schaick cannot be considered independent according to best practice provisions II.2.2 of the Code. Notwithstanding the foregoing, 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 was cash flow positive (from operating activities) in the year 2011.

The Supervisory Board monitored the cost structure of the Company and advised the Management Board on all aspects.

- ***Reappointment chairman Management Board***

On February 13, 2011 the first term of J.B. Sundelin ended. The Supervisory Board reviewed his performance carefully and decided that his reappointment was crucial for the Company. This proposal, presented to the General Meeting of Shareholders was well received by the shareholders and on March 23, 2011 the Company announced the Reappointment of J.B. Sundelin as member of the management Board for an additional period amounting to 4 years.

- ***The corporate risk profile and the internal risk management and control system***

The Supervisory Board discussed 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***

As part of the strategy Investestablish carried out a valuation of the Company. The Supervisory Board evaluated the content of this independent report in view of its acquisition strategy. It was concluded by the Supervisory Board that the current strategy was not feasible, given the financial position of the Company and to the economic climate in general. The strategy was changed to creating "footprints" with small acquisitions awaiting better times for major acquisitions. The focus will remain on strengthening existing partnerships and on establishing new partnerships.

● **Audit Committee**

The Supervisory Board as a whole monitored the accounting and reporting processes in its functions 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, both with and without the Management Board being present.

MEETINGS OF THE SUPERVISORY BOARD

During the year 2011, 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 the performance of the Management Board, without the Management Board being present.

COMPENSATION POLICY

This Compensation Policy outlines the terms and conditions for the member of the Management Board of the Company. The objective of this Compensation Policy is to provide a structure that retains and motivates the current member 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 General Meeting of Shareholders will determine the Compensation Policy. On March 11, 2009, the General Meeting of Shareholders has adopted the Compensation Policy for 2009. TIE did not amend the Compensation Policy in 2010 and 2011. The Supervisory Board within the scope of the Compensation Policy will determine the remuneration of the member of the Management Board.

Term of appointment:

- A member 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 a successive terms of four years each.

Termination of employment:

- The contract with the member of the Management Board includes an arrangement on

the notice period required to terminate the contract.

- The contract with a member of the Management Board will not be renewed or will be terminated if the member of the management Board reaches the age of retirement, on the date as provided in the relevant pension scheme.
- Upon termination of the contract by the Company (or by a competent court on request of the Company) and provided that the special circumstances as described in the contract with the member of the Management Board do not apply, the member of the Management Board will be entitled to a severance payment.

Severance Package:

- The member of the Management Board has been offered a severance package with a maximum of one (1) year's salary.

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 option based on the realization of long term targets. The salary includes base salary, holiday allowance, pension arrangements and lease vehicles. The Member of the Management Board does 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 Management Board 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 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. An annual bonus is linked to previously determined and objectively

measurable performance targets. The Supervisory Board determined the performance targets for individual members 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 shall not be disclosed. However the information is available for the external auditor of TIE.

- 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 prepares 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 member 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.e. 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 2011.

Remuneration report J.B. Sundelin

The Supervisory Board did not request to amend the Compensation Policy at the General Meeting of Shareholders held on March 16, 2011. Additionally, the Supervisory Board did not adjust the base salary of J.B. Sundelin (EUR 216k). The remuneration (€ 232k 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. Taking special circumstances into account, the Supervisory Board believes that a bonus of € 15k is justified. The Compensation Policy including bonus arrangement and the bonus for financial year 2011 will be discussed at the next General Meeting of Shareholders.

The remuneration of the Management Board is disclosed in detail on page 88.

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

Ton Veth

Gender Male, Age 65

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 57

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 2015

Supervisory Board memberships of other public companies None

Erik Honée

Gender Male, Age 54

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



Information for shareholders

TIE shares are traded continuously on NYSE Euronext Amsterdam since March 2000 on the local (AMS) market. The share's ISIN code reads NL0000386985.

The total number of shares outstanding per September 30, 2011 amounts to 93,295,421, with a market capitalization of € 8.8 million (2010: € 9.5 million).

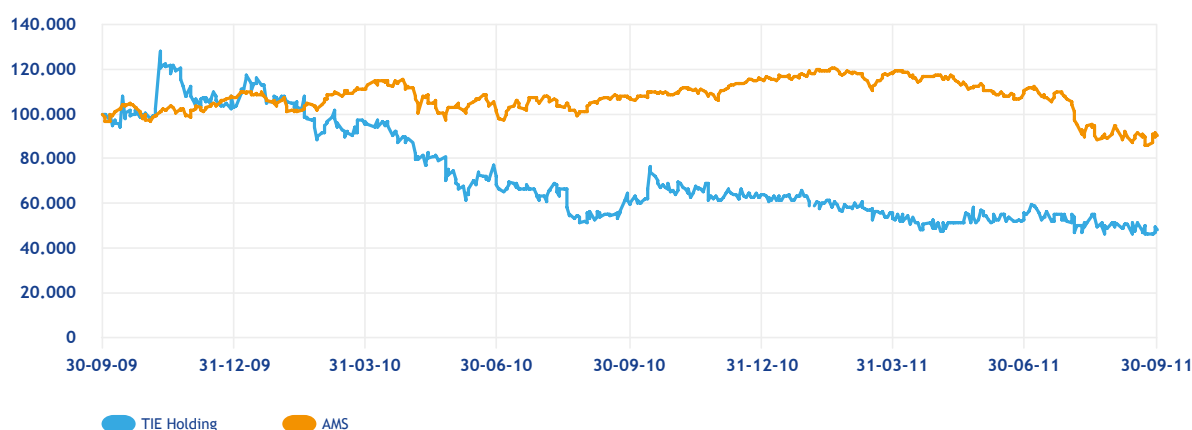
	2011	2010
Key figures for TIE Holding N.V. shares		
Earnings per Share	0.004	(0.020)
Net Asset Value per share	0.049	0.049
Year-end share price	0.094	0.116
P/E Ratio	22.90	(5.80)
AMS Index	439.54	520.28
Share price & volumes		
Opening Price	0.120	0.193
Highest Price	0.149	0.250
Lowest Price	0.090	0.100
Closing Price	0.094	0.116
Share Turnover	22,156,785	48,558,613
Turnover-High	1,593,066	3,285,793
Turnover-Low	87	1,750
Average daily turnover	86,550	190,426
Share capital		
Authorised ordinary Shares	200,000,000	200,000,000
Issued Shares previous year-end	82,201,804	64,976,818
Number of Shares issued during the year	11,093,617	17,224,986
Issued Shares per year-end	93,295,421	82,201,804

TIE HOLDING N.V. SHARES

The TIE share price was relatively less volatile during 2011 compared to 2010. The opening price on October 1, 2010 was € 0.12 and peaked on October 14, 2010. The average trading in 2011 was

86,550 shares per trading day, which is 55% less compared to 2010 when the average was 190.426. The lowest trading price of € 0.09 per share was reached on August 24, 2011 and several times as well during September 2011.

TIE VS AMS (30-09-2009 = 100)



Shareholdings

Based on the Dutch Financial Supervision Act, 2 shareholders as at September 30, 2011 possess shareholdings with an individual interest exceeding 5%. These shareholders are:

- Alto Imaging N.V. (Jalak Investments B.V.)
≈ 22.87% (total interest < 30%)
- DW vastgoed beleggingen B.V.
≈ 11.2% (total interest < 15%)

At the end of 2011 the following equity interests are held by the Management Board:
Shares 2,430,000 ≈ 2.6% and 1,614,845 options;
a former Management Board member holds 500,000 options.

Appropriation of Net Result

According to Article 26 of the Company's articles of association, the Annual General Meeting of shareholders determines the appropriation of the Company's net result for the year. The Management Board proposes that the net Income of € 383k be added to Retained Earnings and the other Comprehensive Income of € 10k will be added to other Comprehensive Income in Shareholders' Equity.

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.

Investor Relations

TIE maintains an open information policy for investors and others with an (financial) interest in the Company. TIE wishes to keep them informed about company policy and corporate developments and actively seeks a dialogue with its investors.

Prevention Misuse of Insider Information

TIE has rules governing the reporting of transactions in securities of TIE Holding N.V. for its Supervisory Board, Management Board and other appointed persons, including staff, the management and permanent advisors. A 'compliance officer' has been appointed who is responsible for supervising compliance with the rules and regulations and communication with the Authority for Financial Markets (AFM).

Financial Calendar

February 15, 2012 – Trading update first quarter
March 14, 2012 – General Meeting of Shareholders
May 23, 2012 – Semi-Annual results
August 15, 2012 – Trading update third quarter
November 21, 2012 – Annual results 2012



Newco Food Retail

“In order to realise our idea, we opted for TIE Kinetix software. We were most of all interested in the MamboFive Commerce Suite as a tailor-made solution because we work with a complicated ordering system - all quantities of ingredients differ from order and are geared to the wishes of the customer. What we like about the MamboFive Commerce Suite is the flexibility of its approach to E-commerce. It was still a pretty tough task to get the webshop operational.

Frank van Oirschot - Director Newco Food Retail

Report from the Management Board

REVIEW 2011

During 2011 TIE completed the integration of our three platforms to a Total Integrated E-commerce offering, enabling our customers to benefit from the best of all three solutions simultaneously. The SaaS model is starting to show its advantages offering a more continuous and sustainable growth as annuity. The process however takes time despite all efforts made in product development, marketing, sales and support staff.

For 2011 the Company achieved the following results:

- Continued focus on selling the solutions as a SaaS model;
- Integration of the three Platforms as a Total Integrated E-commerce solution;
- Introduction of new messaging portal SmartBridge and new eVision release;
- The launch of EDI managed services on demand;
- Expand the relationships with our important partners for all three solutions;
- Launch Eddie website.

SaaS Revenue developed according to our expectations; overall SaaS Revenue grew over 20% and became clearly our largest single Revenue contributor, generating 38.1% of Total Income. Our 3 years Contracted Value grew by 39% during the second half year 2011 predominantly resulting from SaaS growth and granted EU projects. This growth of SaaS was reached for all 3 solutions we offer resulting in more sustainable revenue.

License Revenue, especially in the Netherlands, decreased by 31%. Maintenance and Support decreased by 5% resulting from the lower volume of new Licenses sold, loss of customers, customers running out of business and customer migrating to SaaS. Consultancy decreased by 5% resulting from the lower volumes.

Our Total Integrated E-commerce solution, offering a seamless integration of Content Syndication, E-commerce (webshop) and Business Integration, has been completed and successfully offered to Siemens (telecom), Quantore (office supplies) and Newco Food Retail.

In May 2011 we launched in The Netherlands and France our new messaging solution SmartBridge which is built on a Services Oriented Architecture and suited for License and SaaS. This server edition addresses the needs of high volume customers for messaging solutions. Together with SmartStart for

the low end of the market, this completes the Business Integration offering of TIE.

In May 2011 we launched as well the new release of eVision 6.0 in the United States, which helps customers to respond to the needs of their business providing increased productivity, superior B2B integration, and enhancements to the web-based E-commerce domain.

The launch of EDI managed services on demand as a SaaS offering to the Epicor Customer base is successful. Our EDI managed services on demand as part of our Business Integration Solutions is offered in combination with Epicor's latest ERP offering.

The relationship with CBS/CNET started to pay off with successful delivery of our Content Syndication Solution to Customers including Lenovo, Microsoft, Hitachi and successful pilots to others. While the existing contracts with Microsoft UK and Siemens Enterprise Communications GmbH continued and Avaya was added as customer.

An important milestone was reached by our E-commerce Solution by receiving the SaaS Excellence Award from Progress Software Corporation. The SaaS Excellence Award honors those whose participation in SaaS enablement programs has resulted in highly innovative offerings that achieve impressive commercial success within their market. TIE Kinetix was recognized for their technology and important contributions to the larger SaaS enablement effort.

In December 2010, TIE launches the Eddie website, www.3stappenedi.nl enabling SME businesses to buy WebEDI on line as a SaaS service. An SME can directly benefit for Electronic Data Interchange (EDI) at a low costs and minimal investment.

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.

The partnership with CBS/CNET for our Content Syndication Solution is extended and is starting to pay off after the successful delivery of Lenovo last year; new customers include Hitachi and Microsoft. Together with Sanoma Media, TIE introduced the Home Deco Channel Guide based on the Content Syndication Solution and enabling suppliers to centrally promote and maintain their product information and campaigns on their dealer's websites.

Progress Software Corporation awarded our partnership with them by the SaaS Excellence Award; In Januari 2012 we reached an agreement about a worldwide partnership with Progress Software Corporation for our E-commerce Solution.

Our partnership with The Online Company helped in maintaining and accelerating our E-commerce business with T-Mobile and other online retailers and E-tailers.

TIE entered into a partnership with Newco Food Retail to develop and market an innovative product suite for the online food retail channel.

TIE has formed a strategic alliance with Medius, a Swedish software specialist and provider of one of the world's leading purchase-to-pay and invoice automation software solutions. The alliance enables TIE to integrate and resell MediusFlow as part of the TIE Kinetix Business Integration Platform.

TIE has formed a strategic alliance with Gothia B.V., part of the Gothia Financial Group, a Norwegian based substantial provider of invoice administration, invoice purchasing, debt purchasing and debt collection. The alliance enables TIE to integrate and resell the PayByBill solution as part of the TIE Kinetix E-commerce Platform.

Research and Development

During the year 2011 TIE is able to offer Total Integrated E-commerce which combines Business Integration, Content Syndication and E-commerce seamlessly. The combination of our 3 solutions forms a Unique Selling Point as no other company is able to offer this kind of integration, combining the front end with the back office.

In 2011 various modules and functionalities have been added to our Content Syndication Solution

like SEOConnect (Search Engine Optimization), Social Connect (eg social media integration), LeadGenConnect, Personal Partner Page, Dealer locator and Survey & Questionnaire. Content Management of the syndication types is automated, bringing the time-to-market for new content back to minutes instead of days / weeks. Reporting tools are extended with Dynamic Executive and Field Reporting and Tag Based Reporting System.

We introduced new syndication types like Campaigns and Inline Content based on the catalogue and availability of the partner.

In 2011 the E-commerce Solution deeper integration functionality into the customers back office came available with support of our Business Integration Solution. We further developed new features enabling TIE to serve new verticals like the office supply market and the online food channel.

In May 2011 we launched our new messaging solution SmartBridge which is built on a Services Oriented Architecture and suited for License and SaaS. This server edition addresses the needs of high volume customers for messaging solutions. Together with the previous year launched desktop edition SmartStart this completes the Business Integration offering of TIE.

In May 2011 we launched as well the new release of eVision 6.0 for the US market, which helps customers to respond to the needs of the business providing increased productivity, superior B2B integration, and enhancements to the web-based E-commerce domain.

Cash flow

The net cash flow from operating activities for the year amounted to € 958k (2010: - € 841k). During 2011 the Company did redeem the credit facility for € 316k and loan of € 100k, as outstanding per September 2010.

The Company did not need to attract external funding, like credit facilities, loans or issuing of convertible bonds or shares, during the year.

On September 30, 2011 the Company held a net cash and cash equivalents position of € 380k (September 30, 2010 € 10k).

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

In accordance with the EU Transparency Directive as incorporated in chapter 5.25c paragraph 2 sub c of the Dutch Financial Supervision Act (Wet op het financieel toezicht), the Management Board confirms to the best of its knowledge that:

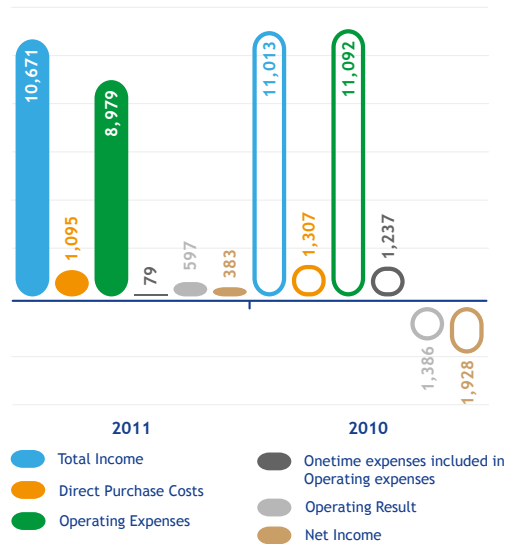
- the annual financial statements for the year ended September 30, 2011 give a true and fair view of the assets, liabilities and financial position and comprehensive income of TIE Holding N.V. and its consolidated companies;
- the management report presented in the Annual Report gives a true and fair view of TIE Holding N.V. and its consolidated companies as of September 30, 2011 and the state of affairs during the financial year to which the report relates;
- the annual management report describes the principal risks the Company is facing.

Management's Discussion and Analysis

The following section contains a discussion and analysis of financial position and results of the Company. All amounts are in € x 1,000 unless stated otherwise.

Annual Result of Operations and Financial Position

The following table sets forth the main items in the Company's Statement of (Comprehensive) Income for the respective financial years:



	2011	2010	Δ 2010
--	------	------	--------

Income Statement

Total Income	10,671	11,013	-3%
Direct Purchase Costs	(1,095)	(1,307)	-16%
Operating Expenses	(8,979)	(11,092)	-19%
Onetime expenses included in Operating expenses	(79)	(1,237)	1,466%
Operating Result	597	(1,386)	332%
Net Income	383	(1,928)	603%

Balance Sheet

Shareholders Equity	4,535	2,663	70%
Equity	4,580	4,028	14%
Balance Sheet Total	7,855	8,236	-5%
Solvancy Ratio	58%	49%	19%

Cash flow from operating activities

Cash flow from operating activities	958	(841)	188%
Normalized Net Cash Flow from operating activities	1,037	396	162%

The net result for 2011 totaled to a profit of € 383k, compared to a loss of € 1,928k in 2010. Total Income 2011 declined little by 3.1% compared by 2010. Operating expenses 2011 decreased by € 2,113k compared to 2010. Cash Flow from operating activities is € 958k (2010: € -841k), the normalized Net Cash Flow 2010 from operating activities is € 396k, see page 56.

Shareholders' equity increased by € 1,872k caused by the conversion of Convertible Bonds, the result for the year, exchange differences on translating of foreign operations, and exercising options. At year-end of 2011, Shareholders' equity amounts

to € 4,535k (2010: € 2,663k). Equity increased to € 4,580k at 2011 year end from € 4,028k at 2010 year end. Equity includes Convertible Bonds amounting to € 45k (2010: € 1,365k). No additional funding was attracted during the year.

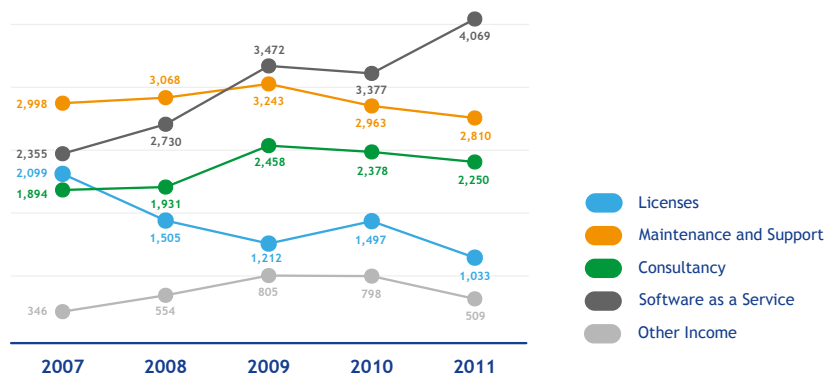
The development of Total Income and Operating Expenses is discussed in detail below.

Total Income

The following tables provide the breakdown of total income by category and region (and the percentage of total net revenues represented by each category) for the financial years indicated:

	2011		2010	
Total Income and Income Net of Direct Purchase Costs				
Licenses	1,033	10%	1,497	13%
Maintenance and Support	2,810	26%	2,963	27%
Consultancy	2,250	21%	2,378	22%
Software as a Service	4,069	38%	3,377	31%
Total Revenues	10,162	95%	10,215	93%
Other Income	509	5%	798	7%
Total Income	10,671	100%	11,013	100%
Direct Purchase Costs	(1,095)	(10%)	(1,307)	(12%)
Income Net of Direct Purchase Costs	9,576	90%	9,706	88%

5-year development of revenue for the period 2007-2011:



Revenue in millions of Euro per contract type over the period 2007-2011.

The graph on page 34 shows that revenue of Software as a Service (SaaS) is growing and has become the single largest Revenue driver over the last years. Revenue out of licenses decreases as a result of the economic situation customers prefer the subscription model SaaS offers. This fits to our strategy to grow the SaaS Revenue to obtain a more sustainable revenue stream.

SaaS pertains to all hosting, webEDI (TiedByTIE), EDI managed services and Value Added Network services; all part of the Business Integration Solution. 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 Content Syndication and E-commerce; these services are provided on a subscription basis with a fixed contract period, generally 12 months to 24 months. Revenues are accounted for on a percentage of completion bases.

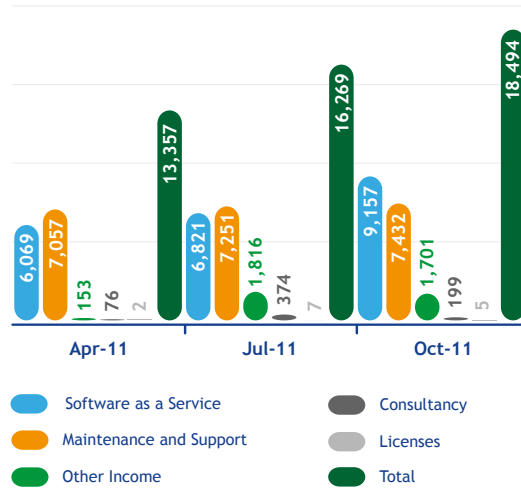
Maintenance and Support is the annual maintenance fee for maintenance/updates of sold licenses. As the volume of new sold licenses decreases over the years, the maintenance and support revenue decreases slightly due to terminated contracts and/or customers shifting to SaaS.

Consultancy Revenue is stable over the last 5 years.

Other income relates to predominantly EU projects. In 2010 an amount of € 163k was included for the one time sales of the Edge product. The level of EU projects varies with the completion of projects and obtaining new projects.

The increase in SaaS revenue positively contributes to our Contracted Value. The contracted value grew from April 1, 2011 to October 1, 2011 from € 13.3 million to € 18.5 million for the next 3 years.

3 years Contracted Value Projection

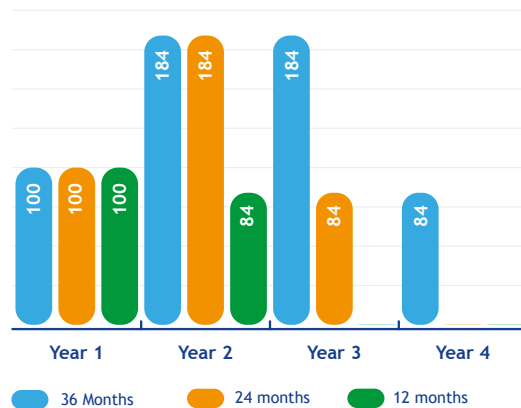


The following assumptions have been used:

SaaS and Maintenance & Support Contracts run between 12 and 36 months with an automatic renewal for 12 months. As contracts may renew during this three-year period shown, the Contracted Value is adjusted based on historical churn rates.

License and Consultancy activities have been included based upon their current contract values. EU projects (other income) are included based on the actual contracts.

The SaaS Revenue gives a slow growing but more sustainable revenue. The slope of a typical SaaS contract is best demonstrated in the below graph:



A typical SaaS contract runs 12,24 or 36 months. If the first year Revenue of a SaaS contract is € 100k, the contract value of the contract for 12 months is € 184k, for 24 months is € 369k and for 36 months is € 553k.

Based on the example of the previous page:

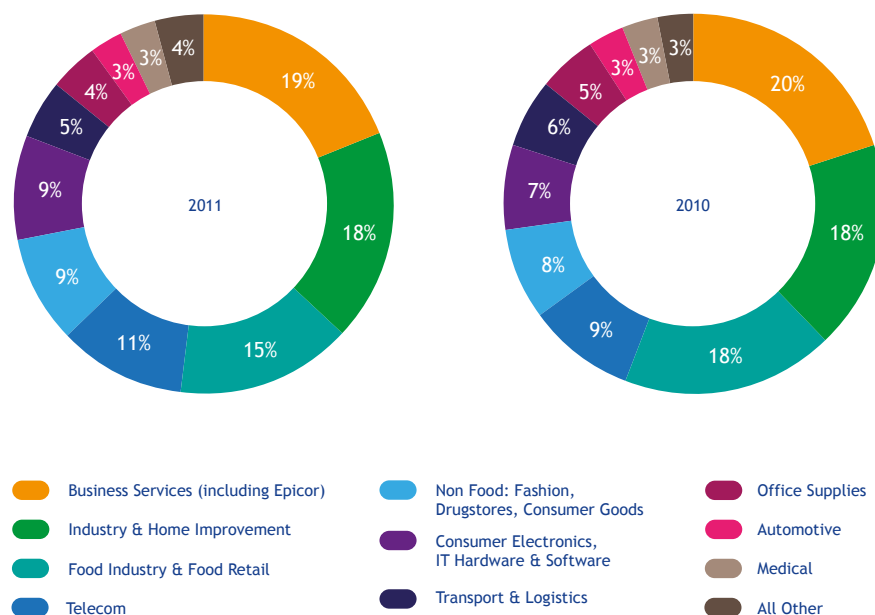
- the average Revenues of 36 months contracts in year 1 is € 100k, year 2 is € 184k, year 3 is € 184k and year 4 is € 84k;
- the average Revenues of 24 months contracts in year 1 is € 100k, year 2 is € 184k and year 3 is € 84k;
- the average Revenues of 12 months contracts in year 1 is € 100k and year 2 is € 84k.

Our typical churn rate over the last 3 years is approximately 10%. The above explains the gradual growth of both our SaaS Revenue, showing that the benefit from a 24 and 36 months SaaS contract comes in the second and/or third year. If a contract is renewed the Company continues to benefit from the SaaS Revenue.

Customers and Markets:

The Top 10 customers contributed to 29% (2010:24%) and the Top 100 contributed to 58% (2010: 55%) of the sales invoices. The average sales value of the Top 10 amounted to € 298k (2010: € 258k).

Market Share per vertical 2011-2010



Income by Geographic Region:

Total Income overall decreased by € 342k, representing a decrease of 3.1%. The decline in 2011 compared to 2010 was predominantly caused by a decline of income realized in the Netherlands by € 419k, while the North American and ROW

income increased by € 46k respectively € 43k and France slightly decreased by € 12k.

Total Income in North America measured in US \$ increased by US \$ 206k, predominantly caused by the growth of SaaS and after adjustment of intercompany sales.

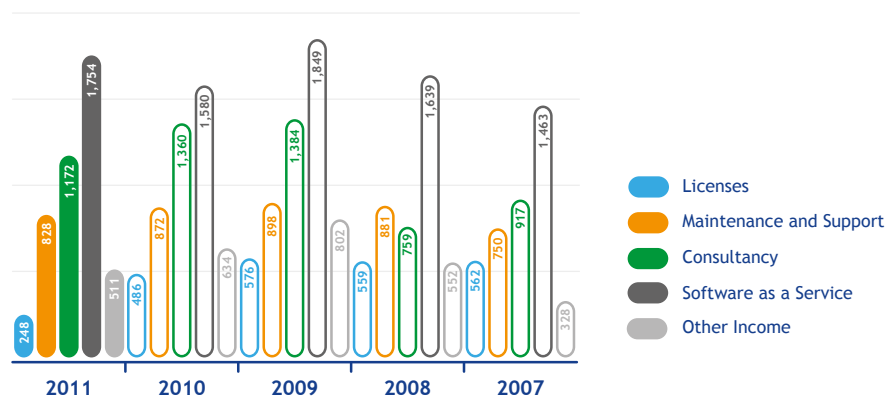
	2011		2010	
Income by Region				
The Netherlands	4,513	42%	4,932	45%
North America	4,068	38%	4,022	37%
France	1,129	11%	1,141	10%
Rest of World	961	9%	918	8%
Total Income	10,671	100%	11,013	100%

The Netherlands:

The Netherlands 2011 income decreased by 8.5% compared to 2010, which predominantly caused the overall revenue decline. In 2011 the Dutch market remained hesitant towards ICT investments and expenditure, especially for Business Integration, while E-commerce showed a growth of 29%.

License income decreased by € 238k. SaaS income increased, by € 174k predominantly resulting from higher sales of E-commerce. Other Income decreased by € 123k as a result of the completion of various EU projects.

	2011	2010	2009	2008	2007
The Netherlands					
Licenses	248	486	576	559	562
Maintenance and Support	828	872	898	881	750
Consultancy	1,172	1,360	1,384	759	917
Software as a Service	1,754	1,580	1,849	1,639	1,463
Other Income	511	634	802	552	328
Total Income	4,513	4,932	5,509	4,390	4,020

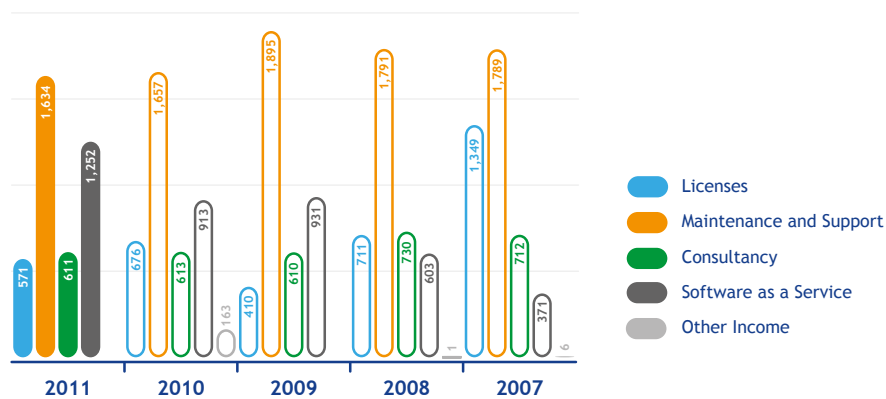


North America:

Total Income 2011 in the North American territory increased in US \$ 206k and in Euro by € 46k compared to 2010. Business Integration license Income decreased by € 105k. Since October 2010, the Business Integration is also offered as management service (SaaS) solution by our partner Epicor, putting pressure on the license sales.

SaaS income increased by € 339k resulting from increased sales for managed services for Business Integration resulting from our partnership with Epicor and increase of Content Syndication from our partnership with CBS/CNET. 2010 included one-time sale of the Edge software as included in other income for € 163k.

	2011	2010	2009	2008	2007
North America					
Licenses	571	676	410	711	1,349
Maintenance and Support	1,634	1,657	1,895	1,791	1,789
Consultancy	611	613	610	730	712
Software as a Service	1,252	913	931	603	371
Other Income	-	163	-	1	6
Total Income	4,068	4,022	3,846	3,836	4,227

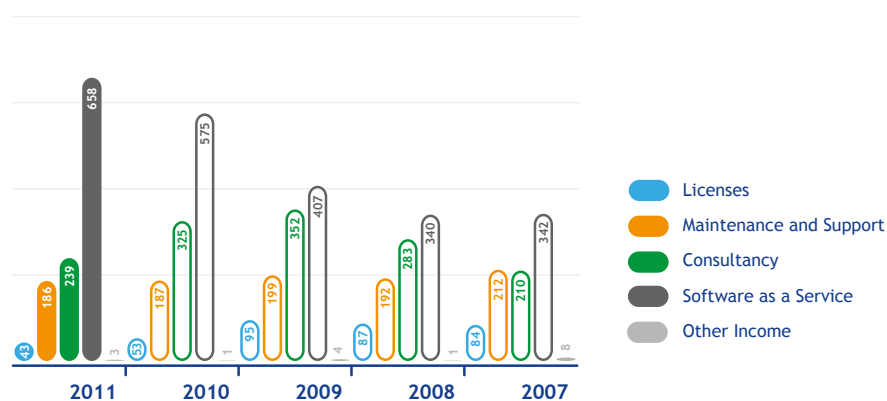


France:

Total Income 2011 in the French market slightly decreased by € 12k compared to 2010. The increase

of SaaS Income by € 83k, nearly compensated the decrease in License € 10k and consultancy € 86k.

	2011	2010	2009	2008	2007
France					
Licenses	43	53	95	87	84
Maintenance and Support	186	187	199	192	212
Consultancy	239	325	352	283	210
Software as a Service	658	575	407	340	342
Other Income	3	1	4	1	8
Total Income	1,129	1,141	1,057	903	856

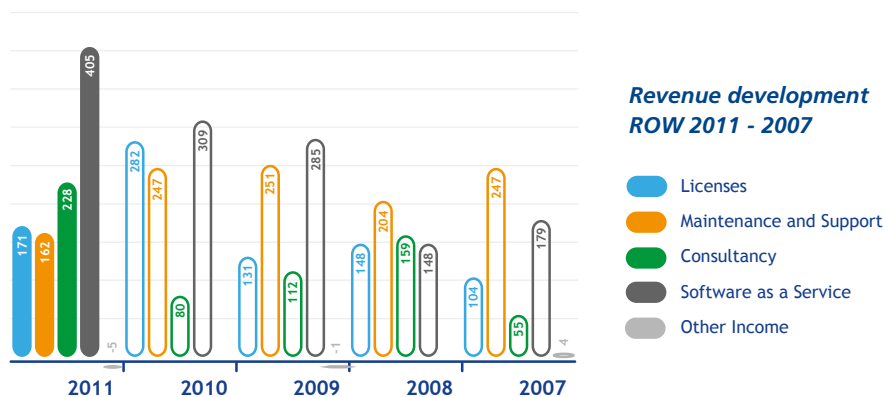


Rest of World

The ROW showed a growth of € 43k compared to last year. Consultancy is up by € 148k and SaaS by € 96k, predominantly caused by sale of Content

Syndication. License sales are down by € 111k, Maintenance and Support is down by € 85k compared to 2010.

	2011	2010	2009	2008	2007
Rest of World					
Licenses	171	282	131	148	104
Maintenance and Support	162	247	251	204	247
Consultancy	228	80	112	159	55
Software as a Service	405	309	285	148	179
Other Income	-5	-	-1	-	4
Total Income	961	918	778	659	589



Operating Expenses and Onetime Expenses

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

	2011	As % 2011	2010	As % 2010
Operating Expenses				
Employee Benefits	6,290	70%	6,769	62%
Onetime Expenses	79	1%	1,237	11%
Depreciation and Amortization Expense	572	6%	503	4%
Reversal of Impairment CSP Trademark	(200)	-2%	-	0%
Impairment of Goodwill France	40	0%	-	0%
Divestment of Goodwill	-	0%	171	2%
Other Operating Expenses:				
Accommodation Expenses	511	6%	528	5%
Professional Services	392	4%	454	4%
Communication Expenses	338	4%	454	4%
Marketing	335	4%	342	3%
Travel Expenses	280	3%	307	3%
Supplies	277	3%	213	2%
General & Administration	65	1%	114	1%
Subtotal Other Operating Expenses	2,198	24%	2,412	22%
Total Operating Expenses	8,979	100%	11,092	100%

Total Operating Expenses decreased in total by € 2,113k and with € 955k if onetime expenses are adjusted.

The employee costs decreased by € 479k compared to 2010 caused by termination of various contracts during 2010. Employee Benefits include Stock Option Expenses, amounting to approximately € 153k (2010: € 292k).

The onetime expenses in 2011 relate to 2 lawsuits dating to past years. The amount includes the settlement costs for CMC as well as legal costs adhered thereto and legal costs relating to Samar.

The onetime expenses are disclosed in more detail on page 89.

The 2011 Depreciation expense increased by € 69k, caused by the fact that 2010 depreciation was still influenced by the 2007 and 2008 impairments of the Netherlands CGU.

The impairment test done at year-end 2011 revealed that a reversal of impairment of € 200k of the CSP Trademark is appropriate. On the contrary an impairment of Goodwill of € 40k for TIE France is appropriate.

The 2011 Other Operating expenses decreased, as a result of our tight cost control by € 214k compared to 2010. Mainly caused by lower communications costs € 116k, professional services € 62k, G&A € 49k, travel € 27k, accommodation costs € 17k and marketing € 7k, while supplies costs increased by € 64k.

Financial income and/or Expense:

Interest Income relates to received interest on the bank accounts; The Interest expense consists of interest paid for using the credit facility as well as the loan.

	2011	2010
Financial Income and/or Expense		
Interest Income	3	2
Interest Expenses	(11)	(47)
Exchange gains/(losses)	-	(26)
Total	(8)	(71)

Income Taxes

Based on the Company outlook and results of the fiscal unity in The Netherlands, TIE has recognized a tax asset per 2011 yearend of € 232k (2010: € 232k), based upon the AOP 2012 and the business plans. More details are discussed on page 72. 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 (US \$ 2.3m) to account for temporary differences, resulting in a total Deferred Tax Asset of € 2.6m (US \$ 3.3m) per 2006 year end. Per 2011 year end, the Deferred Tax Assets on temporary differences amounts to € 1.0m (US \$ 1.4m).

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 US \$ 750k is the main driver of this reversal.

Cash Position

On September 30, 2011, the Company held positive cash and cash equivalents of € 380k (2010: € 326k); due to the use of the credit facility in 2010, the net cash position per year-end 2010 amounted to

€ 10k. During the year the Company did redeem in steps the Credit Facility (outstanding per September 2010: € 316k) and repaid a loan of € 100k out of the Cash Flow. Per year-end 2011 the company has no credit facility or loans outstanding. During 2011 no new Convertible Bonds were issued, while Convertible Bonds amounting to € 1,320k were converted into shares.

In 2011, the Company had a positive cash flow from its operations of € 958k (2010: € -841k). The Company expects that the future cash flow will be sufficient to cover the negative working capital per September 30, 2011.

Development (R&D)

During 2011, the Company capitalized R&D (including purchased software) for the amount of € 473k (2010: € 540k). 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 EU and Dutch supported projects. During 2011 various new projects were obtained like Omelette, OPDM and CREATE. In October 2011 TIE announced participation in the EU Adventure project. In 2011 NESSI 2010, NEXOF-RA and SOA4All were delivered and finished.

These projects have not been capitalized but are expensed through the Statement of (Comprehensive) Income, since it is uncertain that they generate future benefits.

Outlook and Targets for Financial Year 2012

In 2012 we will continue to step up investments in both commercial staff and strategic partnerships in order to stimulate revenue growth. By closely monitoring our expenditure levels we aim for 2012 to improve our Operating Income compared to 2011 in absolute numbers.

Through our detailed analysis of the market verticals we serve, in combination with strategic partnerships, we aim to grow our business for our E-commerce and Content Syndication Solution as well as large Total Integrated E-commerce projects. The traditional EDI Business Integration market is facing strong pressure, resulting from recent mergers/ acquisitions of smaller and larger EDI competitors as well as new developments including cloud computing. Our response to this threat is to enhance our offerings with added features to stimulate demand. We are also focusing on locating new mid-level ERP companies looking for an EDI solution. While not a growing market, we expect to obtain new business by upgrading our existing Business Integration base to enhanced home grown software, as well as offering new and unique add on software from third parties like Medius and Gothia. The Business Integration opportunity will continue to provide revenue in the Consultancy and Maintenance areas.

TIE Kinetix Platforms/ Total Integrated E-commerce

In 2012 our focus will be on key vertical markets with our combined solution.

TIE's mission in 2012 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 consultancy and 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 through our concept of Total Integrated E-commerce combining the strength of Business Integration (EDI), Content Syndication and E-commerce.

Growth

In the coming financial year, our target is to realize sustainable and profitable growth. TIE's aim is to achieve long-term sustainable revenue growth. We will focus on selling our Platforms in a Software as a Service (SaaS) model in the Cloud, creating a continuous recurring revenue stream for the Company. As a result the Company will become less

sensitive to 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. We will focus on developing vertical and horizontal markets including Business Services, Industry & Home Improvement, Food Industry & Food Retail, Telecom, Non-Food, Consumer Electronics & IT Hardware/Software and Office Supplies. Our solutions have proven that we can support customers of all sizes in multiple countries and multiple languages. By offering our customers a clear Return on Investment and offering products that can be used by our customers without having to change the entire infrastructure, we will generate new marketing campaigns to convince them of the value of our solutions. We shall provide our existing customers with updated products and new releases. 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, through integration of our solutions and monitoring of hours spent, 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.

Priorities for the Coming Financial Year:

- Build out our relationship with online publisher CBS/CNET in further growing the Content Syndication revenues for both partners;
- Build out our relationship with online publisher Sanoma Media in further growing the Content Syndication revenues for both partners;
- Expand our strategic alliance with Progress Software Corporation in order to grow our E-commerce internationally and find strategic partners thereto;
- Build out our relationship with Quantore in order to grow the use of E-commerce in the online office supply market;
- Build out our relationship with Newco Food Retail in order to grow the use of E-commerce in the online food retail market;
- Build out our worldwide network together with ERP vendors, like Epicor and online publishing companies and other online consultancy companies like The Online Company.

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 starting on page 65.

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 2012.

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 a unique perspective, through our Total Integrated E-commerce concept, 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 65 of this report.

Credit Risk

The Credit Risk is discussed on page 66 of this report.

Liquidity Risk

The Liquidity Risk is discussed on page 66 of this report.

Interest Rate Risk

The Interest Rate Risk is discussed on page 67 of this report.



Quantore

“We support our members actively in the field of IT and E-commerce in order to obtain more revenue, efficiency and power to distinct in the branch. We have taken a close look at the needs of our members. Thereafter we compiled a number of solutions, which the members can use according to their needs. For example, the web shops we offer to our members, but none of them have to use the same application. Our slogan is: ‘you take care of the sales, we take care of the rest’.”

Marc Gijberts - ICT Manager of Quantore



Corporate Governance

The Dutch corporate governance code (the “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 the aforementioned entities, resulting from the principles of the Code. 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. 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 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) should be read together.

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

Management Board

The duty of the Management Board is to manage the Company. Under the Code, this means that it is responsible for setting and achieving the Company’s targets, strategy and associated risk profile, the (development of) results and relevant corporate social responsibility issues. The Management Board is accountable for this to the Supervisory Board and General Meeting of Shareholders. In the performance of its duty, the Management Board shall be guided by the interests of the Company. It shall take into account the relevant interests of all stakeholders rather than the interests of any particular stakeholder. The Management Board shall have due regard for the corporate social responsibility issues that are relevant to the Company.

The Management Board shall perform its activities under the supervision of the Supervisory Board.

The member of the Management Board shall attend the meetings of the Supervisory Board with exception of the parts of the meetings, which relate to the evaluation of the Supervisory Board and the Management Board and the annual meeting with the external auditor. The Management Board shall provide the Supervisory Board in good time 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 a member of the Management Board since February 2007. On March 23, 2011, the Company announced that following the General Meeting of Shareholders held on March 16, 2011, the Supervisory Board had decided to reappoint Jan Sundelin for an additional period amounting to four years. The remuneration of Jan Sundelin has been set conforming to the compensation policy. Accordingly, 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 22 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. My-TIE 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 2011, 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. These reports supply 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. It can also not 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 of September 30, 2011;
- The internal risk management and control system has worked properly in financial year 2011 and there are no indications to believe that the internal risk management and control system will not continue to function properly in financial year 2012.

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 exercise supervision over the policies adopted by the Management Board and over the general conduct of business of the Company as well as to assist the Management Board by providing advice. In the performance of their duty, the Supervisory Board shall be guided by the interests of the Company, and shall take into account the relevant interests of all 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 27 of the annual report.

On March 16, 2011, the General Meeting of Shareholders unanimously reelected Peter van Schaick for an additional period of four years. Additionally, the General Meeting of Shareholders set the remuneration of the Supervisory Board conforming the proposal. With regard to both agenda items, the members of the Supervisory Board did not participate in the voting process. Since the Supervisory Board comprises only three members, no separate remuneration committee and selection and appointment committee have been formed. The audit committee consists of all members of the Supervisory Board. There is no internal audit function in the Company. 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 2011, on one occasion conflicts of interest were reported to the Supervisory Board.

On August 31, 2011, Peter van Schaick, member of the Supervisory Board and current owner of 22.87% of the outstanding shares of TIE through Alto Imaging Group N.V., converted a € 400k convertible bond into ordinary shares. On the same day, Erik Honée, member of the Supervisory Board converted a € 100k convertible bond into ordinary shares. Additionally, Jan Sundelin, member of the Management Board converted a € 30k convertible bond into ordinary shares on August 31, 2011. Jan Sundelin has not yet executed the 30,000 options granted to him in connection with the convertible bond and investment.

The conversions have taken place conform the regular procedures and the terms of the convertible bonds. The Supervisory Board has approved all conversions each time with taking into account the limitations on participation in the decision-making process. Therefore, the Company complied with the rules of procedure and provision II.3.2, II.3.3, II.3.4 and III.6.1 to III.6.4 of the Code.

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 process 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. Additionally, the Investor Relations section (including the Secretary of the Company) is always available in case of any questions, either through email or telephone.

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, 2011, the number of outstanding shares amounts to 93,295,421. Currently the two main shareholders are P.P van Schaick (through Alto Imaging Group N.V., 22.87%) and C.J.W.A. Komen (through DW Vastgoed Beleggingen B.V., 11.2%, excluding potential interests).

The Company has adopted the rules for large Companies ("structuurregeling"). As a result 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 16, 2011 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

Jan Sundelin has received options in past financial years. These options did not all have a lock-up amounting to three years. For instance the options provided on August 31, 2011 in connection with his investment in the Company have a lock-up amounting to one year. Therefore the Company

cannot with certainty claim that these options will not be exercised within the first three years after the date of granting, this may lead to a deviation with regard to best practice provision II.2.4 of the Code.

On June 28, 2011, an independent value proposition report was published by Investablisth B.V.. The report reviewed the latest developments of the Company's business and included forward-looking statements made by Investablisth. The report was prepared following the request of TIE, and TIE has paid Investablisth for the production thereof. Prior to the publication of the report, the Company provided Investablisth with factual comments on the report. The Company therefore deviates from best practice provision IV.3.3 of the Code, but considered the report necessary to improve the visibility of TIE and enhance the active interest in the Company's shares.

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. In case of any questions regarding Corporate Governance, you can contact the Secretary of the Company at any time, or ask those questions at the next General Meeting of Shareholders which is scheduled for March 14, 2012.

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 and social 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.

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.

During 2011 TIE introduced a new pension service provider for its staff in the Netherlands. The new pension service provider offers better benefits against similar conditions.

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 2011 and 2.7% for calendar year 2010; compared to the 3.6% average for the commercial services sector for calendar year 2010). Offering employees in the Netherlands an extra vacation day if they have not been ill during a certain period provides extra encouragement.

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 pursues to replace polluting lease vehicles by more environmentally 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 and less pollution as no service from a mail company is required.

In its selection of datacenters an important criteria is the use of green datacenters using green power and that have taken other measures to reduce negative impact on the environment.

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, disability or national origin. TIE has a policy in place for dealing with complaints regarding harassment or discrimination. Additionally, TIE has a whistleblower'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.

Social initiatives

In Financial year 2011, TIE supported the Foundation Food provision Haarlemmermeer. This foundation is committed to assist households that are unable to get their daily food on their plate. The 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.

In financial year 2011 TIE donated to the "samenloop/KWF" (Dutch Cancer Foundation), and the foundation "Ik zet mijn schoen".

During 2011 TIE sponsored one of the participating companies for the Alp d'HuZes. Alp d'HuZes delivers a serious contribution in the battle against cancer. The money contributed is used for cancer research and implementation of research results. The Alp d'Hues is known as the Dutch mountain in the Tour de France and the people cycling for Alp d'Huzes make a contribution in the battle against cancer. Many of the participants are former cancer patients. In 2011 an amount of € 20.1 million was brought together.

In financial year 2012, TIE will be one of the participating companies for the Alp d'HuZes. Employees and family members of employees of TIE will cycle the Alp d'HuZes in June 2012 and are currently looking for sponsors. Their aim is to raise € 30k for the battle against cancer.

Consolidated Financial Statements of TIE Holding N.V. for the year 2011

Consolidated Statement of Financial Position as at September 30, 2011

(Notes to the Consolidated Statement of Financial Position from page 57 onwards)

(€ x 1,000)	Notes	September 30, 2011	September 30, 2010
Assets			
Non Current Assets			
Intangible fixed assets	1)		
Goodwill		2,366	2,402
Other intangible fixed assets		1,684	1,492
		4,050	3,894
Tangible fixed assets	2)		
Property, Plant and Equipment		134	164
		134	164
Financial assets	3)		
Deferred Tax Asset		1,268	1,476
Loans and Receivables		-	38
		1,268	1,514
Total Non Current Assets		5,452	5,572
Current Assets			
Trade Receivables and Other Receivables	4)		
Trade Receivables		1,343	1,539
Taxation and Social Security		13	4
Other Receivables and Prepayments		667	795
		2,023	2,338
Cash and Cash Equivalents		380	326
Total Current Assets		2,403	2,664
Total Assets		7,855	8,236

(€ x 1,000)	Notes	September 30, 2011	September 30, 2010
Equity	5)		
Shareholders' Equity		4,535	2,663
Convertible Bonds		45	1,365
Total Equity		4,580	4,028
Non Current Liabilities	6)		
Provisions		15	11
Total Non Current Liabilities		15	11
Current Liabilities	7)		
Provisions Short Term		-	47
Credit Facility		-	316
Short Term Debt		-	100
Trade Creditors		404	435
Deferred Revenue		1,532	1,609
Taxation and Social Security		199	216
Income tax		-	12
Other Payables and Accruals		1,125	1,462
Total Current Liabilities		3,260	4,197
Total Equity and Liabilities		7,855	8,236

Consolidated Statement of Comprehensive Income for the year ending September 30, 2011

(Notes to the Consolidated Statement of Comprehensive Income from page 82 onwards)

(€ x 1,000)	Notes	2011	2010
Revenues			
Licenses		1,033	1,497
Maintenance and Support		2,810	2,963
Consultancy		2,250	2,378
Software as a Service		4,069	3,377
Total Revenues		10,162	10,215
Other Income		509	798
Total Income		10,671	11,013
Direct Purchase Costs		1,095	1,307
Income Net of Direct Purchase Costs		9,576	9,706
Operating Expenses			
	8)		
Employee Benefits		6,290	6,769
Onetime expenses		79	1,237
Depreciation and Amortization Expense		572	503
Impairment of Goodwill		40	-
Reversal of Impairment CSP trademark		(200)	-
Divestment of Goodwill		-	171
Other Operating Expenses		2,198	2,412
Total Operating Expenses		8,979	11,092
Operating Income		597	(1,386)
Interest and other Financial Income	9)	3	2
Interest and other Financial Expense		(11)	(73)
Income before Tax		589	(1,457)
Corporate Income Tax	10)	(206)	(471)
Net Income		383	(1,928)
Other Comprehensive Income			
Exchange differences on translating of foreign operations		10	163
Total Comprehensive Income net of tax		393	(1,765)
Attributable to Shareholders of TIE:			
Income after Tax		383	(1,928)
Comprehensive Income net of tax		393	(1,765)
Net result per Share - basic	11)	0.00	(0.02)
Weighted average shares outstanding - basic (thousands)		84,086	77,486
Net result per Share - diluted		0.00	(0.02)
Weighted average number of shares fully diluted (thousands)		84,907	77,486

*Consolidated Statement of Changes in Equity
for the year ending September 30, 2011*

(€ x 1,000)	Notes	Share Capital (Incl. Surplus)	Retained Earnings	Foreign Currency translation Reserve	Share- holders Equity	Convert- ible Bonds	Equity attributable to equity- holders of TIE
Balance per September 30, 2009		53,639	(50,802)	(420)	2,417	1,661	4,078
Foreign currency translation reserve		-	-	163	163	-	163
Net Income		-	(1,928)	-	(1,928)	-	(1,928)
Total Comprehensive Income (loss)		-	(1,928)	163	(1,765)	-	(1,765)
Shares Issued and Share premium	5	1,723	-	-	1,723	-	1,723
Issued Convertible Bonds	5	-	-	-	-	1,320	1,320
Converted Convertible Bonds	5	-	-	-	-	(1,616)	(1,616)
Share based payments	8	-	292	-	292	-	292
Other movements		(3)	(1)	-	(4)	-	(3)
Balance per September 30, 2010		55,359	(52,439)	(257)	2,663	1,365	4,028
Foreign currency translation reserve		-	-	10	10	-	10
Net Income		-	383	-	383	-	383
Total Comprehensive Income (loss)		-	383	10	393	-	393
Shares Issued and Share premium	5	1,320	-	-	1,320	-	1,320
Converted Convertible Bonds	5	-	-	-	-	(1,320)	(1,320)
Share based payments	8	-	153	-	153	-	153
Other movements		6	-	-	6	-	6
Balance per September 30, 2011		56,685	(51,903)	(247)	4,535	45	4,580

More details are explained in note 5 on page 76 and note 8 on page 87.

*Consolidated Statement of Cash Flows
for the year ending September 30, 2011*

(€ x 1,000)	Notes	2011	2010
Income before tax		589	(1,457)
<i>Adjustments:</i>			
Share based payments expense	8	153	292
Depreciation and amortization	8	572	503
Impairment of Goodwill	1	40	171
Reversal of Impairment CSP trade mark	1	(200)	-
Divestments in intangible fixed assets		-	(163)
Increase (decrease) provisions for redundancy, legal and rent building		(47)	(47)
Increase (decrease) provisions		4	(23)
Other movements		8	(4)
		530	729
<i>Working Capital Movements</i>			
(Increase) decrease in debtors and other receivables		324	257
(Decrease) increase in deferred revenue		(89)	(458)
(Decrease) increase in current liabilities		(371)	93
		(136)	(108)
Cash generated (applied) in operations		978	(836)
Interest paid		(16)	(47)
Interest received		3	2
Income taxes paid		(12)	40
Net cash flow from operating activities		958	(841)
Divestments in intangible fixed assets		-	361
Loan repaid		38	2
Investments in intangible fixed assets		(488)	(608)
Investments in tangible fixed assets		(38)	(88)
Net cash flow generated / (used) in investing activities		(488)	(333)
Increase (decrease) bank overdrafts/loans short term		(416)	50
Issue of Convertible bonds		-	870
Shares issued and share premium		-	107
Net cash flow generated / (used) by financing activities		(416)	1,027
Net increase (decrease) in Cash and Cash Equivalents		54	(147)
Currency Exchange Rate Difference on opening balance Cash and Cash Equivalents		1	16
Opening balance Cash and Cash Equivalents		326	457
Closing balance Cash and Cash Equivalents		380	326

Notes to the Consolidated IFRS Financial Statements

General information and summary of significant accounting policies

Company Information

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. In the following pages, the name "TIE" or "the Company" will be used to refer to TIE Holding N.V. and its various subsidiaries.

TIE develops, sells, and distributes software and services under TIE's Total Integrated E-commerce concept 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.

The consolidated financial statements for the year ending September 30, 2011 are authorized for issuing through a resolution of the Management Board dated January 24, 2012.

The General Meeting of Shareholders, to be held on March 14, 2012, will be requested to decide on the Consolidated Financial Statements.

Statement of Compliance

The consolidated financial statements of the Company, included on pages 52 to 94, have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and its interpretations, as adopted by the International Accounting Standards Board and endorsed by the European Commission.

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 stated 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.

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

Amendments resulting from Improvements (effective January 1, 2010) to IFRS 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, effective January 1, 2010;
- IFRS 8 Operating segments, effective January 1, 2010;
- IAS 1 Presentation of Financial Statements, effective January 1, 2010;
- IAS 7 Statement of Cash Flow, effective January 1, 2010;
- IAS 17 Leases, effective January 1, 2010;
- IAS 36 Impairment of Assets, effective January 1, 2010;
- IAS 39 Financial Instruments: Recognition and Measurement, effective January 1, 2010;
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, effective January 1, 2010;
- IFRS 3 Business Combinations, effective July 1, 2010;
- IAS 27 Consolidated and Separate Financial Statements, effective July 1, 2010;

Future Changes in Accounting Policies and Disclosures

A number of standards and/or interpretations 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 – Severe Hyperinflation and Removal of Fixed Dates, for financial years beginning on or after July 1, 2011. The revised amendment is not applicable to TIE as the Company is not a first-time adopter of IFRS.
- IFRS 7: Financial Instruments: Disclosures, for financial years beginning on or after July 1, 2011. TIE did not promptly adopt the amended standard; upon adoption, limited impact is expected.
- IFRS 9: Will become effective per January 1, 2013, (proposed delay of effective date to January 1, 2015) 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.
- IFRS 10: Will become effective per January 1, 2013, with earlier adoption permitted; New standards about control and consolidated financial statements. 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.
- IFRS 11: Will become effective per January 1, 2013; New standard about joint arrangements. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on joint arrangements and consider adoption when appropriate.
- IFRS 12: Will become effective per January 1, 2013, with earlier adoption permitted; Disclosure of Interest in other entities. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on the disclosure of interest in other entities and consider adoption when appropriate.
- IFRS 13: Will become effective per January 1, 2013, with earlier adoption permitted; Fair Value measurement. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on fair value measurement and consider adoption when appropriate.
- IAS 1: Will become effective per July 1, 2012; Presentation of Items of Other Comprehensive Income. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on the presentation of items of other comprehensive income and consider adoption when appropriate.
- IAS 12: Will become effective per January 1, 2012; Income Taxes – Deferred Taxes: Recovery of Underlying Assets. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on deferred taxes and consider adoption when appropriate.
- IAS 19: Will become effective per January 1, 2013, with earlier adoption permitted. Employee Benefits, presentation of movements in pensions. As its scope will be expanded until its effective date, the Company will review the effects of a comprehensive standard on employee benefits and consider adoption when appropriate.
- IAS 24R: 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.
- 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.

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 (effective January 1, 2011) to IFRS to the following standards have not been adopted; The Company is assessing the impact thereof and will adopt the improvements upon the effective date:

- IFRS 1 First-Time Adoption of IFRS;
- IFRS 7 Financial Instruments: Disclosures;
- IAS 1 Presentation of Financial Statements;

- IAS 34 Interim Financial reporting;
- IFRIC 13 Customer Loyalty Programs.

Going Concern Considerations

Based on the 2012 operating plan, the Company expects further improvement of its cash inflow, resulting from increased sales and maintaining a tight control on cost. The Company has become less sensitive for cash crunches as a result of the fact that more business is generated through SaaS, generating a more consistent cash inflow in combination with the maintenance fees. As a result of this management believes it will have adequate cash to run its operations for the next year. During 2011, all (important) financial obligations were paid on time and no additional funding was attracted, while the Company redeemed the credit facility and repaid an outstanding loan. The net income for 2011 amounted to € 383k (2010: -€ 1,928k), the net cash flow for 2011 amounted to € 54k (2010: -€ 147k). The Company working capital, adjusted for deferred revenue amounts to € 675k (2010: € 76k). Out of the Convertible Bonds an amount of € 1,320k was converted into shares.

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 could consider attracting 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 it is correct to prepare the accompanying financial statements 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.

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, 2011. 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, 2011, 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 form part of an enterprise net investment, are translated against the closing rate per September 30, 2011. An inter-company current account between TIE Holding N.V. and the US subsidiary, TIE Commerce is denominated in US \$. 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

The preparation of the financial statements involves making assumptions and estimates on the recognition and measurement of assets and liabilities, contingent liabilities and income and expense items. The most significant assumptions for future and other key sources estimation uncertainty at balance sheet date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Impairment/Reversal of Impairment of Assets

Impairment/Reversal of impairment of assets (intangible and tangible) is tested on a CGU level. In assessing whether there are indications for impairment/reversal of impairment, management considers changes in the economic and technological environment, sales trends and other indicative data. When testing for impairment, a discounted cash flow model is applied to determine net present values of future cash flows for CGU's in order to compare with asset-carrying values. In accordance with IFRS no reversal of impairment of Goodwill has been considered.

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.

Content Syndication Intangible Asset

The concept Content Syndication has been identified as a separate intangible asset against fair value upon acquisition. 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 discounted Cash Flow;
- 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 discounted Cash Flow;
- 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 less 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.

Content Syndication Concept

Upon initial recognition of the assets and liabilities and activities during 2006, a separate intangible fixed asset representing the Content Syndication Concept was recognized. The fair value has been determined as described on page 70 under Content Syndication Intangible Asset. Based on the expectation that the Content Syndication 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.

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 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/Trade Receivables

Loans and Receivables are recognized initially at fair value plus transaction costs. After initial measurement 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.

Trade Receivables are recognized at amount receivable less a provision for uncollectability. The provision for uncollectability is set up on an item for item basis when there is evidence of uncollectability. The provision represents the difference between carrying value of trade receivables 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.

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. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding bank overdrafts.

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.

Liabilities

Loans

Loans are recognized initially at fair value. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the Comprehensive Statement of Income.

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.

Recognition and measurement of income and expenses

Recognition of Income

Income 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 consists of webEDI, Managed Services, Value Added Network services, Content Syndication and E-commerce. 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 and other grants are accounted for under other incomes. EU and other grants 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 and other 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 amortized 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 and Expenses

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;
- An asset subject to the arrangement undergoes a 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.

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.

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 Comprehensive Statement of income. 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.

Derecognition of Financial Assets

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

Reclassification of Financial Assets

No Reclassification of Financial Assets has been applied in 2011 (nor in 2010).

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 US \$-denominated profits to Euro. The Company does not hedge this risk.

Based on actual net income from the US for 2011, sensitivity of the consolidated net income to the weighted average Euro/US \$ exchange rate and Shareholders Equity to the Euro/US \$ exchange rate can be quantified as follows:

€/USD	Effect in € on Income with an 5%		Effect in € on Equity with an 5%	
	increase of	decrease of	increase of	decrease of
2011	29	(32)	150	(166)
2010	7	(8)	119	(131)

Reference rates include 1.3473 (2010: 1.3633) for the year-end closing rate, US \$ against the Euro. For net income, the average rate of US \$ against the Euro was 1.3944 (2010:1.6252).

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 US \$ 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. The Top 100 customers account to 58% (2010: 55%) of total revenue, while no individual customers accounts to more than 7%. The Company serves a number of verticals like Business Services, Industry & Home Improvement, Telecom, Food Industry & Food Retail, Non Food, Consumer Electronics, Transport & Logistics, Office Supplies, Automotive, Medical and Others mitigating the risk of being dependent from one sector.

Management has policies in place to ensure that sales of products are made to customers with an appropriate credit history. In the event of collectability issues, the Company takes an impairment charge to cover the potential loss. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. Additionally, based on actually incurred historical data the remaining receivables are assessed for impairment collectively.

The maximum risk is the outstanding balance of Loans and Trade Receivables, for details see page 59. The Top 10 outstanding debtors amount to 43% (2010:41%) of the outstanding receivables, as

discussed on page 74. The Loans & Receivables are not collateralized. Credit Risks form balances with banks is limited to the outstanding bank balances against their carrying amount as disclosed on page 75. The Company has no derivative financial instruments in use.

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. Due to the fact that the Company SaaS business is growing, the Company becomes less sensitive for cash crunches. Management is however aware that the Companies total working capital is still negative, but if adjusted for deferred revenue, working capital is positive. The Companies current liabilities consist for a substantial part out of deferred revenue, limiting the Liquidity Risk that may exist.

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.

Summary of financial liabilities based on contractual undiscounted payments per year-end 2011 and comparatives 2010:

Summary of Financial Liabilities	> 0 months < 3 months	> 3 months < 12 months	> 1 year < 5 years	> 5 years	Total 2011
Taxation and Social Security	199	-	-	-	199
Trade Creditors	249	155	-	-	404
Holiday Allowance	-	119	-	-	119
Other Payables	72	805	-	-	877
Total	520	1,079	-	-	1,599
Accruals not resulting in cash out:					
Holiday Days Accrual					129
Deferred Revenue					1,532
Total Current Liabilities					3,260

Summary of Financial Liabilities	> 0 months < 3 months	> 3 months < 12 months	> 1 year < 5 years	> 5 years	Total 2010
Loans	-	100	-	-	100
Rabobank Credit Facility	166	150	-	-	316
Provisions and Indemnity Claims	47	-	-	-	47
Taxation and Social Security	216	-	-	-	216
Income Tax	-	12	-	-	12
Trade Creditors	300	135	-	-	435
Holiday Allowance	-	129	-	-	129
Other Payables	82	1,135	-	-	1,217
Total	811	1,661	-	-	2,472
Accruals not resulting in cash out:					
Holiday Days Accrual					116
Deferred Revenue					1,609
Total Current Liabilities					4,197

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 2011 year-end are

non-interest bearing. Management regularly assesses the outstanding debt position and evaluates funding opportunities.

At 2011 year-end, the Company held no (2010: € 416k) short term interest bearing debt. For 2010 the interest risk on the credit facility amounted to € 3.5k (up or down) upon each percent change (higher respectively lower) in the interest rate based on a full use of the credit facility.

Notes to the Consolidated Statement of Financial Position

(Accounts on page 52)

1) Intangible Fixed Assets

The movements in Intangible Assets are summarized below:

Intangible Fixed Assets	Goodwill	CSP Trade-mark	Customer Base	Software development costs	Purchased Software	Total
Accumulated investments as of October 1, 2009	3,757	800	443	3,058	974	9,032
Accumulated amortization as of October 1, 2009	-	-	(20)	(1,841)	(723)	(2,584)
Accumulated impairments as of October 1, 2009	(1,211)	(480)	(181)	(469)	(227)	(2,568)
Carrying value as of October 1, 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	27	-	-	21	2	50
Carrying value as per September 30, 2010	2,402	320	216	910	46	3,894
Accumulated investments as of October 1, 2010	3,613	800	443	3,124	760	8,740
Accumulated amortization as of October 1, 2010	-	-	(46)	(1,857)	(493)	(2,396)
Accumulated impairments as of October 1, 2010	(1,211)	(480)	(181)	(357)	(221)	(2,450)
Carrying value as of October 1, 2010	2,402	320	216	910	46	3,894
Movements 2011:						
Additions	-	-	-	464	9	473
Amortization	-	-	(26)	(434)	(27)	(487)
Divestments	(320)	-	(181)	-	-	(501)
Impairment on Divestments	320	-	181	-	-	501
Impairment/Reversal of impairment	(40)	200	-	-	-	160
Translation adjustments on investments	4	-	-	13	1	18
Translation adjustments on amortization	-	-	-	(7)	(1)	(8)
Carrying value as per September 30, 2011	2,366	520	190	946	28	4,050
Accumulated investments per September 30, 2011	3,297	800	262	3,607	770	8,736
Accumulated amortization per September 30, 2011	-	-	(72)	(2,304)	(521)	(2,897)
Accumulated impairments per September 30, 2011	(931)	(280)	-	(357)	(221)	(1,789)
Carrying value as per September 30, 2011	2,366	520	190	946	28	4,050
Useful life	Indefinite	Indefinite	10 years	3 years	3 years	
2010						
Goodwill	2,402	-	-	-	-	2,402
Other Intangibles	-	320	216	910	46	1,492
						3,894
2011						
Goodwill	2,366	-	-	-	-	2,366
Other Intangibles	-	520	190	946	28	1,684
						4,050

The main movements in 2011 consist of:

- No longer use of the fully impaired products and customer base of Sinfox;
- Impairment of Goodwill of TIE France of € 40k as described below;
- Reversal of impairment of CSP Trademark of € 200k as described below;

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.

The movement of the software development costs predominantly consists of the year's capitalized-developed software and the depreciation thereupon.

The divestments relate to fully impaired goodwill and customer base of non-productive/used assets.

Impairments

The following CGU's can be indentified:

- Software TIE Netherlands (Business Integration, including ROW as ROW is operated by TIE Netherlands, NL_BI);
- Software TIE France (Business Integration, FR_BI);
- Software TIE Commerce US (Business Integration, US_BI);
- Customer base TIE MamboFive (or E-commerce);
- Content Syndication Trademark (TIE Content Syndication or CSP).

Allocation of the carrying value of the Intangible Fixed Assets tested to the CGU's and segments for impairment per September 30, 2011 and comparative number per September 30, 2010 are as follows:

CGU	NL_BI	Fr_BI	US_BI	E-commerce	CSP	Total 2011
Goodwill	-	369	393	1,010	594	2,366
CSP Trademark	-	-	-	-	520	520
Customer Base	-	-	-	190	-	190
Software Development Costs	476	-	226	7	237	946
Purchased Software	20	3	5	-	-	28
Total	496	372	624	1,207	1,351	4,050

CGU	NL_BI	Fr_BI	US_BI	E-commerce	CSP	Total 2010
Goodwill	-	409	389	1,010	594	2,402
CSP Trademark	-	-	-	-	320	320
Customer Base	-	-	-	216	-	216
Software Development Costs	416	-	237	-	257	910
Purchased Software	40	2	4	-	-	46
Total	456	411	630	1,226	1,171	3,894

The impairment test was based like in past years on a discounted cash flow model to determine the value in use. During the year the Company has reassessed the assumptions regarding the expected growth rates and the horizon for the projected cash flow. The allocation of Intangible Fixed Assets to the CGU's has been calculated independent from the allocation of Goodwill to the CGU's.

CSP is an independent CGU as many of the customers are global players and make cross border use of the CSP Solution.

Based upon the outcome of the annual impairment test per CGU a reversal of impairment, of € 200k, on the CSP Trademark was required. The impairment test per CGU and segment revealed that an impairment of Goodwill TIE France of € 40k was required.

The goodwill (€ 1,485k) and trademark (€ 800k), prior to impairment, relating to CSP has been consistent with previous years allocated to the segments Netherlands (60%), North America (20%) and ROW (20%) based on expected revenues. Additionally the impairment test on individual operating segments did not result in a different conclusion. In 2007 the goodwill and trademark for the Netherlands were fully impaired. For 2011 and 2010 the recoverable amount of a CGU was determined based on value in use calculation. The value in use is most sensitive to the following assumptions:

- Growth rate used to extrapolate cash flow beyond based upon the Annual Plan 2012, as approved by the Management Board and Supervisory Board and the following nine years;
- After ten years a residual value is taken into account;
- The calculation of the future cash flows includes a projection of future investments to update and upgrade our intangible assets;
- A discount rate of 15% before tax has been used.

Growth Rate Estimates: Growth rates are based on published industry research and management's assessment of how the CGU develops in the forecast period.

Residual Value: The discounted cash flow calculation showed a residual value after 10 years; adding additional years to the cash flow calculation have limited effect under the applied discount rate.

Future Investments: In the calculation the Company has used the estimated costs to keep our software up to date. These estimated costs have been based on our experience over the last couple of years.

Discount Rate: The discount rate is based on the WACC and reflects the current market assessment of the risks specific to each CGU. The discount rate used was estimated on the weighted average costs of capital for shareholders' equity and loan capital. The cost structure of shareholder's capital is determined on the basis of the interest rate adjusted for cyclical and market risks. The rate of loan capital is determined on the basis of an interest rate for long term state loans for business risks and also adjusted due by a reasonable risk premium for SME's. The assumptions have been used for the analysis of each CGU within the operating segment for Intangible assets and Goodwill as well as over the total Company.

Sensitivity analysis

With regard to the assessment of the recoverable amount of each CGU and the total Company, management believes that no reasonably possible change in any of the above key assumptions would cause changes to the results of the executed impairment test. The Company did take into account the sensitivity for the Eur/US \$ as discussed on page 65.

2) Tangible Fixed Assets

Movements in Property, Plant and Equipment are shown below:

	Fixtures & Fittings	Hardware	Total
Tangible Fixed Assets			
Accumulated investments as of October 1, 2009	2,152	1,090	3,242
Accumulated amortization as of October 1, 2009	(1,942)	(960)	(2,902)
Accumulated impairments as of October 1, 2009	(104)	(56)	(160)
Carrying value as of October 1, 2009	106	74	180
Movements 2010			
Additions	13	68	81
Depreciation per Statement of (Comprehensive) Income	(54)	(45)	(99)
Translation adjustments	2	-	2
Carrying value as per September 30, 2010	67	97	164
Accumulated investments as of October 1, 2010	1,457	397	1,854
Accumulated amortization as of October 1, 2010	(1,286)	(244)	(1,530)
Accumulated impairments as of October 1, 2010	(104)	(56)	(160)
Carrying value as of October 1, 2010	67	97	164
Movements 2011			
Additions	6	57	63
Depreciation per Statement of (Comprehensive) Income	(35)	(58)	(93)
Divestments	(3)	(140)	(143)
Amortization on Divestments	3	126	129
Impairment on Divestments	-	14	14
Carrying value as per September 30, 2011	38	96	134
Accumulated investments per September 30, 2011	1,461	314	1,775
Accumulated amortization per September 30, 2011	(1,319)	(176)	(1,495)
Accumulated impairments per September 30, 2011	(104)	(42)	(146)
Carrying value as per September 30, 2011	38	96	134
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.

3) Financial assets

The deferred tax and movements thereupon are discussed below.

	2011	2010
Balance as of October 1,		
Deferred Taxes		
From US operations	1,036	1,244
From Dutch operations	232	232
Balance as at September 30,	1,268	1,476

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 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.

A summary of the detailed breakdown of movements in the deferred tax amount is provided below:

	2011	2010
Temporary Differences		
Goodwill	1,428	1,966
Depreciation of fixed assets	41	58
Deferred Revenue	1,042	975
Bad debt impairments	19	38
Other items	60	73
Total Temporary Differences	2,590	3,110
Deferred Tax Asset at 40%	1,036	1,244
Deferred Tax Liability at 40%	-	-
Net deferred Tax Asset	1,036	1,244
Movements		
Balance as of October 1,	1,244	1,537
Debited to Income	(217)	(409)
Net Currency translation effect	9	116
Balance as at September 30,	1,036	1,244

Notes to the Consolidated Statement of Financial Position

The amount debited to income (€ 217k) 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 € 2.7m (US \$ 3.7m), 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 € 0.93m (2010: € 1m) and US \$ 1.3m (2010: US \$ 1.4m) and remains unrecognized. The full Deferred Tax Asset potential in the United States amounts to € 2.0m (2010: € 2.2m) and US \$ 2.7m (2010: US \$ 3.1m).

The Netherlands

In the Netherlands, the available but substantially unrecognized loss carry forward totals € 36.8m (2010: € 36.0m), 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 2012. The total amount expiring in 2012 amounts to € 22.0m. The gross amount of the Netherlands deferred tax asset amounts to € 9.3m (2010: € 9.0m).

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.

	2011	2010
Movements		
Balance as of October 1,	232	243
Added to the provision	127	82
Released to income	(127)	(93)
Balance as at September 30,	232	232

Loans and Receivables

Loans and receivables (net of impairments) have been fully paid back to the Company.

	2011	2010
Loans and Receivables		
Balance as of October 1,	38	40
Issued	-	24
Redeemed	(38)	(20)
Impairment	-	(6)
Balance as at September 30,	-	38

4) Current Assets

Trade Receivables and Other Receivables

	2011	2010
Trade Receivables and Other Receivables		
Trade Receivables	1,553	1,877
Less: Valuation Allowance	(210)	(338)
Trade debtors net of valuation allowance	1,343	1,539
Taxation and social security prepaid	13	4
Security Deposits	98	97
Subsidized Projects	230	392
Projects to be Invoiced (WIP)	155	103
Employees	-	1
Prepayments	184	202
Other Receivables and Prepayments	667	795
Total	2,023	2,338

Trade Receivables:

The following table reflects the gross outstanding Trade Receivable balance as of 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 and are not impaired.

Trade Receivables by region	Less than 30 days	Past due not impaired			Total 2011
		31 to 61 days	61 to 90 days	In excess of 90 days	
The Netherlands	316	94	13	71	494
North America	343	79	22	53	497
France	143	10	16	28	197
Rest of World	106	47	1	1	155
Total	908	230	52	153	1,343

Trade Receivables by region	Less than 30 days	Past due not impaired			Total 2010
		31 to 61 days	61 to 90 days	In excess of 90 days	
The Netherlands	709	23	7	81	820
North America	311	52	9	22	394
France	205	14	10	21	250
Rest of World	45	9	4	17	75
Total	1,270	98	30	141	1,539

Notes to the Consolidated Statement of Financial Position

Up to March 1, 2011 the receivables were collateralized in the Netherlands, since March 1, 2011 receivables are not collateralized. Per 2010 year-end, an amount of € 316k was collateralized under the Rabobank credit facility.

The fair value of Trade Debtors amounts to € 1,343k (2010: € 1,539k).

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

Movements in the provision of doubtful debt	Individually Impaired	Collectively Impaired	Total
Balance as of October 1, 2009	109	206	315
Charge for the year	53	126	179
Utilised	-	(141)	(141)
Unused amounts reversed	-	(12)	(12)
Currency exchange rate differences	-	(3)	(3)
Balance as at September 30, 2010	162	176	338
Charge for the year	1	30	31
Utilised	(13)	(81)	(94)
Unused amounts reversed	(3)	(61)	(64)
Currency exchange rate differences	-	(1)	(1)
Balance as at September 30, 2011	147	63	210

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 (2010: € 20 million), consisting of 200 million (2010: 200 million) ordinary shares with a nominal value of € 0.10 each.

At the shareholders meeting held on March 16, 2011, 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 movements in the number of Common Shares outstanding can be summarized as follows:

	2011	2010
(Number of shares)		
Balance as of October 1,	82,201,804	64,976,818
Issued	11,093,617	17,224,986
Balance as at September 30,	93,295,421	82,201,804
In € (x 1,000)	9,330	8,220

During FY 2011 11,093,617 (2010: 17,224,986) shares were issued at an average price of € 0.12 (2010: € 0.10) per share. Movements in Issued Capital in nominal values and Share Premium Account can be detailed as follows:

(€ x 1,000)	Shares		Share Premium Account	
	2011	2010	2011	2010
Balance as of October 1,	8,220	6,498	47,139	47,141
Shares Issued	1,109	1,722	211	-
Other Movements	1	(1)	2	(2)
Balance as at September 30,	9,330	8,220	47,352	47,139

Equity Settled Share Based Payments

Annual Stock Options Plan

The General Meeting of Shareholders determined on March 10, 2009 that in each financial year, a maximum of 1.5 million Stock Options can be issued under an Annual Stock Options Plan for staff members. All un-awarded Stock Options can be carried over to subsequent years.

Notes to the Consolidated Statement of Financial Position

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 2011, a total of 793,650 (2010: 1,621,481) Stock Options have been issued under the Annual Stock Option Plan at an average strike price of € 0.216.

The weighted remaining average lifetime of all stock options is 9.36 years (2010: 9.24 years).

Movements in the number of Stock Options to staff members and management of the Company:

	2011		2010	
Movement of Stock Options				
Options outstanding as of October 1,	0.190	11,116,637	0.182	10,097,020
Options granted during the year	0.216	793,650	0.196	2,401,481
Options exercised during the year	-	-	0.100	(1,065,000)
Options forfeited	0.135	(128,811)	0.266	(316,864)
Options outstanding as at September 30,	0.189	11,781,476	0.190	11,116,637

Balance of Stock Option fair value (in Euro) at issue to be expensed:

	2011		2010	
Fair Value of Stock Options				
Balance as of October 1,	259,125		249,964	
Fair value of stock options issued	70,957		301,748	
Expense for the year	(153,041)		(292,587)	
Balance at September 30,	177,041		259,125	

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 2011, using an interest rate of 3.4% (2010: 2.8%), a calculated forfeiture of 8% (2010: 9%) and a calculated volatility of 59% (2010: 64%). Volatility was determined using the square root of share-price movements.

Stock Options outstanding to staff members and management of the Company, as per September 30, 2011, can be broken down as follows:

	Issue Date	Options Granted	Converted	Cumulative lapsed/ forfeited	Outstanding Options	Weighted average exercise price	Maturity Date
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	Mar 11, 2009	750,000	-	-	750,000	€ 0.10	Mar 11, 2019
2010 Management Board	Mar 10, 2010	750,000	-	-	750,000	€ 0.19	Mar 10, 2020
2010 Management Board	Aug 31, 2010	30,000	-	-	30,000	€ 0.10	Aug 31, 2020
Sub Total Management Board		2,248,171	-	133,326	2,114,845		
2005 (2001)	Apr 01, 2005	273,033	-	-	273,033	€ 0.46	Apr 01, 2012
2005	Sep 30, 2005	1,161,219	-	582,527	578,692	€ 0.34	Oct 01, 2015
2006	Sep 30, 2006	1,249,452	-	534,032	715,420	€ 0.33	Oct 01, 2016
2007	Sep 30, 2007	1,039,387	-	312,260	727,127	€ 0.26	Oct 01, 2017
2008	Jun 03, 2008	1,850,000	-	500,000	1,350,000	€ 0.10	Jun 03, 2018
2008	Sep 30, 2008	1,555,000	-	364,160	1,190,840	€ 0.10	Sep 30, 2018
2009	Feb 24, 2009	2,750,000	800,000	19,000	1,931,000	€ 0.10	Feb 24, 2019
2009	Jun 01, 2009	100,000	-	-	100,000	€ 0.17	Jun 01, 2019
2009	Aug 04, 2009	450,000	-	-	450,000	€ 0.18	Aug 04, 2019
2009	Sep 30, 2009	30,000	-	-	30,000	€ 0.20	Sep 30, 2019
2010	Jan 05, 2010	1,621,481	-	94,612	1,526,869	€ 0.22	Jan 05, 2020
2011	Dec 28, 2010	793,650	-	-	793,650	€ 0.22	Dec 28, 2020
Sub Total personnel		12,873,222	800,000	2,406,591	9,666,631		
Total	Sep 30, 2011	15,121,393	800,000	2,539,917	11,781,476		

A total number of 793,650 (2010: 2,401,481) Stock Options have been awarded to the staff members. During 2011 no option were granted to or converted by the Management Board.

Stock Options held by Third Party Investors:

Stock Options outstanding with non-staff members as per September 30, 2011:

	Issue Date	Options Granted	Exercise Price	Maturity Date
Movement of Stock Options				
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		

Notes to the Consolidated Statement of Financial Position

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. During the year 2011 there have been no movements.

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 are as follows:

	2011	2010
Movement of Convertible Bonds		
Balance as of October 1,	1,365,000	1,661,000
Issued	-	1,320,000
Converted in Common Shares	(1,320,000)	(1,616,000)
Balance at September 30,	45,000	1,365,000

The Balance outstanding as of September 30, 2011 consists of the following Convertible Bonds:

	Issue date	Maturity date	Conversion rate in €	2011	2010
Convertible Bonds					
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				40,000	955,669
Third Party Investors	June 19, 2009	June 19, 2019	€ 0.180	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				5,000	409,331
Total Convertible Bonds				45,000	1,365,000

During 2011 no Convertible Bonds were issued. The Convertible Bonds, with issue date April 1, 2010, issued in relation to the acquisition of MamboFive B.V., have been converted on April 1, 2011. The Convertible Bonds, with issue date August 31, 2010 included a bond held by Mr. J. Sundelin amounting to € 30k, a bond held by Alto Imaging N.V. (of Mr. Peter van Schaick) amounting to € 400k and a bond held by Mr. Erik Honée amounting to € 100k and have been converted on August 31, 2011. The related party bond issued on August 4, 2009 is held by one of the managers of the Company.

6) Non Current Liabilities

The provision relates to a retirement provision in France as discussed on page 64.

	2011	2010
Provisions		
Balance as of October 1,	11	8
Additions/strengthening	4	3
Balance as at September 30	15	11
Net effect on income () = gain	4	3

7) Current Liabilities

Provisions

	2011	2010
Movement of Provisions		
Balance as of October 1,	47	113
Additions/strengthening	-	125
Payments made against provision	(47)	(151)
Exchange difference	-	(2)
Release to Income for the year	-	(38)
Balance as at September 30	-	47

The termination provision was paid in accordance to the settlement in October 2010.

Short Term Debt

	2011	2010
Short Term Debt		
Credit Facility	-	316
Loan Alto Imaging Group N.V.	-	100
Short Term Debt	-	100

The Company has no short terms debts. All debts were paid back upon their due dates.

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.

Notes to the Consolidated Statement of Financial Position

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 Comprehensive Statement of Income.

SaaS contracts consist of a subscription fee, which is deferred and recognized over the related contract period, for a maximum of 12 months.

Taxation and Social Security

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

	2011	2010
Taxation and Social Security		
Payroll Tax	56	56
Social Security Contributions	51	38
VAT/Sales tax US	92	122
Total	199	216
Income tax	-	12

Other Payables and Accruals

	2011	2010
Other Payables and Accruals		
Accrued expenses	378	879
EC and other Grants	449	258
Pension Premiums	33	58
Interest Payable	1	6
Supervisory Board Compensation	16	16
Other Accruals and Payables	248	245
Total	1,125	1,462

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 (Totally Integrated E-commerce) but operates in different countries through subsidiaries. All subsidiaries provide similar products and services, except for TIE MamboFive, that predominantly is involved in E-commerce. 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:

- TIE Nederland;
- TIE MamboFive;
- North America;
- France;
- The Rest of the World.

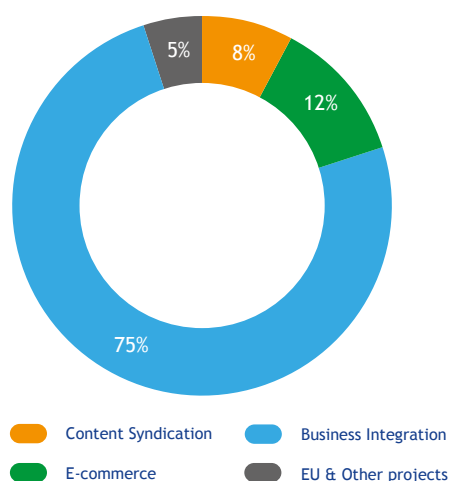
This breakdown is consistent with the Company's organizational structure and internal reporting structure based on the requirements of the Management Board as Chief Operating Decision Maker. The geographical segments are based on the location of the TIE markets and customers. The 2010 comparatives have been changed accordingly to the above structure; In the 2010 annual report TIE MamboFive was included in 'The Netherlands' segment and TIE France was included in 'Rest of World' segment.

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.

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.

Though the Company operates in one business segment, further improvements in the reporting structure make it possible as of 2011 to report the Income per solution. More detailed information is not available; the costs to develop a more detailed reporting structure would be excessive and subjects to, too much estimation into the allocation of certain costs.

	2011
Content Syndication	870
E-commerce	1,308
Business Integration	7,979
EU & Other projects	514
Total Income	10,671



Segment items included in the Segment Statement of Financial Position as of September 30, 2011 or further details of items in the segment Statement of Income account are:

	The Netherlands	TIE MamboFive	North America	France	Rest of World	Holding and Eliminations	Total
Revenues							
Licenses	238	10	571	44	170	-	1,033
Maintenance and Support	828	-	1,634	187	161	-	2,810
Consultancy	439	732	611	239	229	-	2,250
Software as a Service	1,182	571	1,252	657	407	-	4,069
Total Revenue	2,687	1,313	4,068	1,127	967	-	10,162
Other Income	522	(5)	135	3	(5)	(141)	509
Total Income	3,209	1,308	4,203	1,130	962	(141)	10,671
Direct Purchase Costs	282	147	490	74	243	(141)	1,095
Income Net of Direct Purchase Costs	2,927	1,161	3,713	1,056	719	-	9,576
Operating Expenses							
Employee Benefits	1,583	815	2,204	846	120	722	6,290
Onetime Expenses	-	-	-	-	-	79	79
Depreciation and Amortization Expense	209	44	199	25	75	20	572
Reversal of Impairment	(200)	-	-	-	-	-	(200)
Impairment of Goodwill	-	-	-	40	-	-	40
Other Operating Expenses	635	212	582	252	120	397	2,198
Total Operating expenses	2,227	1,071	2,985	1,163	315	1,218	8,979
Operating Income	700	90	728	(107)	404	(1,218)	597
Interest and Other Financial Income	1	1	1	1	-	(1)	3
Interest and other Financial Expense	(6)	-	-	-	-	(5)	(11)
Income before Tax	695	91	729	(106)	404	(1,224)	589
Corporate Income Tax	-	-	(217)	-	-	11	(206)
Net Income	695	91	512	(106)	404	(1,213)	383

	The Netherlands	TIE MamboFive	North America	France	Rest of World	Holding and Eliminations	Total
Assets							
Intangible Fixed Assets	838	1,207	1,128	372	504	-	4,050
Tangible Fixed Assets	33	15	33	37	-	16	134
Financial Assets (deferred tax)	-	-	1,036	-	-	232	1,268
Current Assets	574	479	900	366	45	39	2,403
Total Assets	1,445	1,701	3,097	775	549	287	7,855
Liabilities							
Non Current Liabilities	-	-	-	15	-	-	15
Current Liabilities	1,319	264	972	340	5	360	3,260
Total Liabilities	1,319	264	972	355	5	360	3,275
Other Selected Income Statement Items							
Capital Expenditure 1)	329	13	149	17	25	-	534
Other Non Cash Expenses	51	3	24	58	5	12	153
FTE at year end	31	13	30	19	1	-	94

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, 2010:

	The Netherlands	TIE MamboFive	North America	France	Rest of World	Holding and Eliminations	Total
Revenues							
Licenses	484	2	676	53	282	-	1,497
Maintenance and Support	868	4	1,657	187	247	-	2,963
Consultancy	657	703	613	325	80	-	2,378
Software as a Service	1,274	306	913	575	309	-	3,377
Total Revenue	3,283	1,015	3,859	1,140	918	-	10,215
Other Income	634	-	163	3	(2)	-	798
Total Income	3,917	1,015	4,022	1,143	916	-	11,013
Direct Purchase Costs	528	148	459	66	106	-	1,307
Income Net of Direct Purchase Costs	3,389	867	3,563	1,077	810	-	9,706
Operating Expenses							
Employee Benefits	2,085	632	2,329	742	288	693	6,769
Onetime Expenses	947	-	-	-	-	290	1,237
Depreciation and Amortization Expense	263	51	151	22	-	16	503
Amortization of Goodwill	-	-	-	-	171	-	171
Other Operating Expenses	818	140	501	242	114	597	2,412
Total Operating expenses	4,113	823	2,981	1,006	573	1,596	11,092
Operating Income	(724)	44	582	71	237	(1,596)	(1,386)
Interest and Other Financial Income	(2)	-	1	1	-	2	2
Interest and other Financial Expense	(6)	(9)	(26)	-	-	(32)	(73)
Income before Tax	(732)	35	557	72	237	(1,626)	(1,457)
Corporate Income Tax	-	(8)	(420)	(32)	(1)	(10)	(471)
Net Income	(732)	27	137	40	236	(1,636)	(1,928)

	The Netherlands	TIE MamboFive	North America	France	Rest of World	Holding and Eliminations	Total
Assets							
Intangible Fixed Assets	705	1,226	1,093	411	459	-	3,894
Tangible Fixed Assets	67	27	25	44	1	-	164
Financial Assets (deferred tax)	-	-	1,244	-	-	232	1,476
Financial Assets (other)	-	-	38	-	-	-	38
Current Assets	664	694	788	359	103	56	2,664
Total Assets	1,436	1,947	3,188	814	563	288	8,236
Liabilities							
Non Current Liabilities	-	-	-	11	-	-	11
Current Liabilities	2,011	329	1,242	160	99	356	4,197
Total Liabilities	2,011	329	1,242	171	99	356	4,208
Other Selected Income Statement Items							
Capital Expenditure 1)	426	16	92	24	-	63	621
Other Non Cash Expenses	176	13	32	14	3	54	292
FTE at year end	35	8	28	18	1	-	90

1) Capital expenditure consists of tangible and intangible assets.

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:

	2011	2010
FTE per department		
Research and Development	15	14
Sales and Marketing	19	18
Consulting and Support	46	45
General and Administrative	14	13
Total	94	90

Notes to the Consolidated Statement of Comprehensive Income

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:

	2011	2010
Geographical distribution of non current assets		
The Netherlands	3,186	3,262
North America	625	630
France	2	2
Rest of World	237	-
Total	4,050	3,894

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

8) Operating Expenses

(Accounts on page 54)

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:

	2011	2010
Employee Benefits		
Salaries	4,789	5,202
Salaries variable component	137	176
Social Security Charges	622	600
Contributions to Post Employment arrangements	272	230
Share based payments	153	292
Other Employee Benefits	317	269
Total	6,290	6,769

The WBSO grants received for 2011, amounting to € 194k (2010: € 169k) 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 2011 the average number of employees was 92 (2010: 95).

Key Management Personnel Compensation

The total key management personnel compensation, including the remuneration of the Management Board, amounted to € 253k (2010: € 315k).

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

	2011	2010
Management Board Remuneration		
Remuneration	216	216
Expenses	16	12
Stock Option Expense	21	87
Total	253	315

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

Based on the operational result 2011 of the company, Jan Sundelin will receive no options (2010: nil).

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 2011 amounted to € 40k (2010: € 40k).

Depreciation and Amortization Expense, Divestment and Impairment Losses

	2011	2010
Depreciation, Impairment, Divestment and Amortization		
Depreciation and Amortization Expense	572	503
Reversal of Impairment of CSP Trademark	(200)	-
Impairment of Goodwill France	40	-
Divestment of Goodwill	-	171
Total	412	674

Depreciation and amortization for the year 2011 increased by € 69k predominantly resulting from the development of software that is taken into production; the 2010 number was influenced from the impairments done in 2007 and 2008.

The reversal of impairment of the CSP Trademark and the impairment of the Goodwill of TIE France are discussed on pages 69 and 70.

The divestment of Goodwill in 2010 relates to the Goodwill on the acquisition of Nspyre B.V. in 2005 and has been divested upon the decision to stop sales and development of Nspyre products.

Other Operating Expenses and Onetime Expenses

	2011	2010
Other Operating Expenses		
Accommodation Expenses	511	531
Professional Services	392	454
Communications	338	454
Marketing	335	343
Travel expenses	280	308
Office Supplies	277	213
General & Administration	65	109
Total	2,198	2,412

Other operating expenses decreased by 9% compared to last year.

	2011	2010
Onetime Expenses		
Samar Claim	-	697
CMC Claim	43	70
Legal Costs	36	220
Redundancy Claims	-	100
Rejected Project	-	150
Total	79	1,237

In 2010 the Company had various onetime expenses consisting of 2 legal claims and the legal costs adhered to the claims, redundancy costs and a rejected project. The onetime expenses reported in 2011 liaise with the legal claims of 2010. The CMC claim was settled in 2011 for € 43k. The legal costs thereto and legal costs relating to the Samar claim amount to € 36k in 2011. More details about the status of the Samar claim are described on page 94.

	2011	2010
Net cash flow from operating activities	958	(841)
Onetime Expenses	79	1,237
Normalized Net cash flow from operating activities	1,037	396

The operating cash flow for 2011 is € 958k (2010: - € 841k) if adjusted for onetime expenses 2011 € 1,037k (2010: € 396k).

Research and Development Expenses

	2011	2010
Research and Development Expenses		
Employee Benefits	1,061	942
Other Research and Development related Expenses	97	199
Capitalized Development Expenses	(436)	(491)
Amortization of Capitalized Development Expenses	418	352
Total	1,140	1,002

A number of projects executed by the R&D team in the Netherlands have funding from the European Commission and from Agentschap.nl. The EU and other grants received have been accounted for under Other Income. The EU and other grants in 2011 amounted to € 515k (2010: € 634k).

9) Financial Income and/or Expense

	2011	2010
Financial Income and/or Expense		
Interest Income	3	2
Interest Expenses	(11)	(47)
Exchange gains/(losses)	-	(26)
Total	(8)	(71)

The interest expense in 2011 pertains predominantly to the credit facility and loan.

10) Corporate Income Tax

The company operates predominantly in the Netherlands and North America. Applicable tax rates are 25.5% (2010: 25.5%) for the Netherlands, France 33,3% (2010: 40%), and for the US 34% (2010: 34%) for federal tax and 6% (2010: 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 35% (2010: -32.4%); the weighted average tax rate amounts to 42.5% (2010: 22.1%). Recognition of deferred income tax assets, tax losses carried forward and non-deductible expenses are causing the difference. While deferred tax assets movements keep the effective tax rate to 35%.

Notes to the Consolidated Statement of Comprehensive Income

Reconciliation between standard and effective income tax is as follows:

	2011	2010
Net Income	589	(1,457)
Corporate Tax	(206)	(471)
Net Income (loss) before tax	383	(1,928)
Income tax calculated using statutory tax rate (25.5)	(150)	371
Effect of different local statutory rates	(100)	(50)
Adjustment items:		
Non Deductable Expenses	(33)	(81)
Capitalized deferred taxes on loss carry forward	-	(11)
Addition to/or utilization of Unrecognized tax losses	77	(700)
	(206)	(471)
Capitalized deferred taxes on loss carry forward	-	(11)
Changes in deferred tax assets as a result of recognition/write off of deductible temporary differences	(217)	(409)
Current Income tax charge	11	(40)
Other tax items	-	(11)
Income Tax reported in the Comprehensive Income Statement	(206)	(471)

The changes in the Deferred Tax Asset are discussed on page 72 in detail. The main item represented in the reversal of the Deferred Tax Asset in 2011 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. and the Holding form a tax unit and are jointly and severally liable for all tax liabilities originating within the tax unit.

11) Earnings per Share

Basic Earnings per Share

Basic Earnings per Share 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.

	2011	2010
Basic Earnings per Share		
Net Income attributable to equity holders of TIE	383	(1,928)
Net Income adjusted for calculation of basic earnings per Share	383	(1,928)
Weighted average number of shares outstanding	84,086	77,486
Basic Earnings per Share (€ per Share)	0.00	(0.02)

Diluted Earnings per Share

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.

	2011	2010
Diluted Earnings per Share		
Net Income adjusted for calculation of basic earnings per Share	383	(1,928)
Weighted average number of shares outstanding	84,086	77,486
Dilutive effect of stock options outstanding at September 30,	571	-
Dilutive effect on Convertible Bonds	250	-
Weighted average number of shares adjusted for calculation of diluted earnings per Share	84,907	77,486
Diluted Earnings per Share (€ per Share)	0.00	(0.02)

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.

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, 2011 amounted to € 14k.

Under the rental agreements concluded, the annual rental charge, including service costs for all TIE offices, is approximately € 0.5m (2010: € 0.5m).

The remaining terms of leases in the Netherlands is 1.5 years (office Hoofddorp) and 1.6 years (office Utrecht), while United States is 3 years, and France 0.75 years. Rentals due within one year amount to € 0.3m, rentals due between one and five years are approximately € 0.2m.

Notes to the Consolidated Statement of Comprehensive Income

In summary, detailing amounts payable within one year and between one and five years under this contract means:

Leases	2011		2010	
	< 1 year	> 1 year < 5 years	< 1 year	> 1 year < 5 years
Office Leases	363	240	333	603
Hosting Contracts	26	-	26	-
Operational leases company cars	169	288	173	341
Operational leases servers and photocopiers	28	71	28	99
Total	586	599	560	1,043

Collateral

As of September 30, 2011 no collateral is pledged; Assets pledged as collateral per September 30, 2010 amounted to € 316k 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:

Name	Statutory Seat	2011	2010
TIE Product Development B.V.	Hoofddorp, The Netherlands	100%	100%
TIE International B.V.	Hoofddorp, 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%
Sinfox B.V.	Arnhem, The Netherlands	-	100%

Sinfox B.V. was dormant and is dissolved per February 1, 2011.

Related Party Transactions

From the Supervisory Board, Mr. Peter van Schaick has an interest through Alto Imaging N.V. of 22.87% of the shares.

Alto Imaging N.V. held a Convertible Bond amounting to € 400k. The Convertible Bond was issued on August 31, 2010 and converted into shares on August 31, 2011.

On August 31, 2010, TIE received a loan from Alto Imaging N.V. of € 100k, for a period of 6 months. The applied interest is 7% on annual basis. The loan has been repaid on February 27, 2011.

Mr. Jan Sundelin, CEO of TIE, has a shareholding of 2.6% in TIE, as stated above. The remuneration is disclosed on page 88; Convertible Bonds on page 79, Options on page 78 and number of Shares held are disclosed on page 29.

Mr. Erik Honée, member of the supervisory board, held a Convertible Bond amounting to € 100k. The Convertible Bond was issued on August 31, 2010 and converted into shares per August 31, 2011. Per September 30, 2011 Mr. Honée has a stock position of 2,100,000 (2010: 350,251).

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 and provided the court with its substantiated findings. Samar has also provided the court with its findings and a hearing has been scheduled for April 2012.

Subsequent Events

None to report.

Hi.nl (KPN)

“The new Hi-site is designed using customer journeys and looking at customer needs. Therefore, the different parts of the website have become one entity. The customer experiences the informative part and the commercial shop more as one website, although these are technically two different platforms. We strongly benefit from our relationship with TIE who continuously develop their e-commerce platform based on market developments. The major achievement is that we have launched our new website in a relatively very short time. In a few months we have realized a new design, a new structure of the site, integration of the webshop in the rest of Hi.nl and the launch of a complete new proposition line-up. *Kris Smilde - Webshopmanager Hi.nl*”



Dutch GAAP TIE Holding NV Balance Sheet as at September 30, 2011

(Before proposed appropriation of results)

(€ x 1,000)	Notes	2011	2010
Fixed assets	12)		
Intangible Fixed Assets			
Goodwill		1,010	1,010
Other Intangible Fixed Assets		18	30
Total Intangible Fixed Assets		1,028	1,040
Tangible Fixed Assets		16	25
Financial Fixed Assets			
Subsidiaries		7,494	5,885
Deferred Tax Asset		232	232
		7,726	6,117
Total Fixed Assets		8,770	7,183
Current assets	13)		
Debtors		493	76
Cash and cash equivalents		2	-
Total Current Assets		495	76
Total Assets		9,265	7,258

(€ x 1,000)	Notes	2011	2010
Liabilities and Equity			
Shareholders' equity	14)		
Issued and paid-up share capital		9,330	8,220
Share premium		46,394	46,229
Legal reserves		961	910
Foreign Currency Translation Reserve		(247)	(257)
Retained earnings		(52,286)	(50,511)
Net Income		383	(1,928)
		4,535	2,663
Convertible Bonds		45	1,365
Total Equity		4,580	4,028
Provisions	15)	3	444
Current Liabilities	16)		
Loans payable		-	100
Credit facility		-	350
Creditors		4,682	2,336
Total Current Liabilities		4,682	2,786
Total Liabilities and Equity		9,265	7,258

Dutch GAAP TIE Holding NV Income Statement for the year ending September 30, 2011

	2011	2010
Result of participating interests after tax	1,644	(115)
Other income after tax	(1,261)	(1,813)
Net Income	383	(1,928)

Notes to the Company Financial Statements

Corporate Information

The Company financial statements for the year ended September 30, 2011 are authorized for issue through a resolution of the Management Board dated 24, January 2012.

The General Meeting of Shareholders, to be held on March 14, 2012, 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.

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 57.

12) Fixed Assets

Intangible Fixed Assets

	Goodwill	Purchased Software	Total
Intangible Fixed Assets			
Accumulated investments as of October 1, 2009	7,721	481	8,202
Accumulated amortization as of October 1, 2009	(6,192)	(417)	(6,609)
Accumulated impairments as of October 1, 2009	(320)	(57)	(377)
Carrying value as of October 1, 2009	1,209	7	1,216
Movements 2010			
Additions	-	37	37
Acquired through Business Combinations	(199)	-	(199)
Amortization	-	(14)	(14)
Carrying value as per September 30, 2010	1,010	30	1,040
Accumulated investments as of October 1, 2010	1,330	518	1,848
Accumulated amortization as of October 1, 2010	-	(431)	(431)
Accumulated impairments as of October 1, 2010	(320)	(57)	(377)
Carrying value as of October 1, 2010	1,010	30	1,040
Movements 2011			
Additions	-	-	-
Divestments	(320)	-	(320)
Impairment on Divestments	320	-	320
Amortization	-	(12)	(12)
Carrying value as per September 30, 2011	1,010	18	1,028
Accumulated investments per September 30, 2011	1,010	518	1,528
Accumulated amortization per September 30, 2011	-	(443)	(443)
Accumulated impairments per September 30, 2011	-	(57)	(57)
Carrying value as per September 30, 2011	1,010	18	1,028
Useful life	Indefinite	3 years	

The divestment of fully impaired goodwill is 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.

Tangible Fixed Assets

	2011	2010
Tangible Fixed Assets		
Opening Balance as of October 1,	25	-
Additions	-	27
Depreciation	(9)	(2)
Closing Balance as per September 30,	16	25

Tangible Fixed assets relate to computer equipment.

Financial Fixed Assets

Financial Fixed Assets relate to the Company's share in subsidiaries.

The movements are summarized below:

	2011	2010
Tangible Fixed Assets		
Total subsidiaries as of October 1,	5,885	5,407
Share in Net Income	1,644	(115)
Capital Contributions	-	(553)
Divestitures/ movements of IC funding	350	547
Transfer to (from) provision for Equity Deficit	(441)	444
Foreign Currency Exchange Rate Differences	50	162
Other movements	6	(7)
Total subsidiaries as per September 30,	7,494	5,885
Deferred Tax Asset	232	232
Total Financial Fixed Assets	7,726	6,117

Funding to subsidiaries is in principle interest bearing with interest rates varying between 0% and 5.5% (2010: 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.

Since 2010 the Capital Contributions, resulting from the stock options, have been booked directly within TIE Holding N.V. as this is the issuing Company. The stock option costs over previous periods have been recharged through the intercompany accounts to the relevant subsidiaries.

Notes to the Company Balance Sheet

In 2011 and years prior, some subsidiaries had a negative net investment value. For these subsidiaries, a provision for Equity Deficit was set up. Direct subsidiaries of the Company are:

Name	Statutory Seat	2011	2010
TIE Nederland B.V.	Amsterdam, The Netherlands	100%	100%
TIE Product Development B.V.	Hoofddorp, The Netherlands	100%	100%
TIE International B.V.	Hoofddorp, 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%
Sinfox B.V.	Arhem, The Netherlands	-	100%

The dormant company Sinfox B.V. is dissolved per February 1, 2011.
The deferred tax asset is discussed on page 72.

13) Current Assets

Other Receivables

Taxation and social security contributions relates to VAT recoverable.

	2011	2010
Current Assets		
Taxations and Social Security Contributions	13	20
Other Receivables and Prepayments	480	56
	493	76

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, 2011, a total of 93,295,421 ordinary shares (2010: 82,201,804) of € 0.10 each, were paid-up and called.

Shareholders' Equity is broken down as follows:

Shareholders' Equity	Share Capital	Paid in Surplus	Foreign Currency Translation Reserve	Other Legal Reserves	Retained Earnings	Shareholders' Equity
Balance per September 30, 2009	6,498	46,393	(420)	748	(50,802)	2,417
Shares issued and Share Premium	1,723	-	-	-	-	1,723
Foreign Currency Translation Reserve	-	-	163	-	-	163
Shares Based Payments	-	-	-	-	292	292
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
Shares issued and Share Premium	1,109	211	-	-	-	1,320
Foreign Currency Translation Reserve	-	-	10	-	-	10
Shares Based Payments	-	-	-	-	153	153
Transfers to (from) legal reserve	-	(51)	-	51	-	-
Other Movements	1	5	-	-	-	6
Net Income 2011	-	-	-	-	383	383
Balance per September 30, 2011	9,330	46,394	(247)	961	(51,903)	4,535

For the movement in shares, we refer to page 76.

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 (€ 961k).

Equity Settled Share Based Payments

Annual Stock Options Plan

For the Annual Stock Option Plan for staff members, we refer to page 76, 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 page 76-79 Note 5 of the Consolidated Statement of Financial Position under Other Stock Options.

Convertible Bonds

For the issued and outstanding Convertible Bonds, we refer to page 79, Note 5 of the Consolidated Statement of Financial Position under Convertible Bonds.

15) Non-Current Liabilities

Provision for Equity Deficit Subsidiaries

	2011	2010
Provision for Equity Deficit Subsidiaries		
Opening Balance as of October 1,	444	332
Movements from (to) Financial Fixed Assets	(441)	112
Closing Balance as per September 30,	3	444

In 2010 and years prior, some subsidiaries held a negative net investment value. For these subsidiaries, a provision for Equity Deficit was established.

16) Current Liabilities

	2011	2010
Current Liabilities		
Loans	-	100
Credit Facility	-	350
Trade Creditors	191	178
Taxations and Social Security Contributions	29	-
Inter-company Payable	3,876	1,860
Other Payable and Accruals	586	298
Total	4,682	2,786

The inter-company payable is an outstanding with TIE International B.V. and TIE Commerce Inc. No interest is due on this balance.

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 12 employees during 2011 (2010: 13). 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 88 of the Notes to the Consolidated Financial Statements.

Included are Legal and Consultancy fees amounting to € 178k (2010: € 427k) 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 € 29k (2010: € 38k) for the Holding; for the total, Company audit fees amount to € 96k (2010: € 93k). The tax consulting fees from Ernst & Young Belastingadviseurs LLP amount to € -k (2010: € 20k). Audit-related fees from Ernst & Young Accountants LLP, amount to € 24k (2010: € 15k).

Income Tax

The Company holds unrecognized deferred tax assets with respect to past tax losses amounting to approximately € 9.3m (related losses amounting to approximately € 36.8m). Foreign tax loss carry forward pertaining to approximately € 0.93m of the unrecognized losses (of approximately € 2.7m) 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. and the Holding form a tax unit and are jointly and severally liable for all tax liabilities originating within the tax unit.

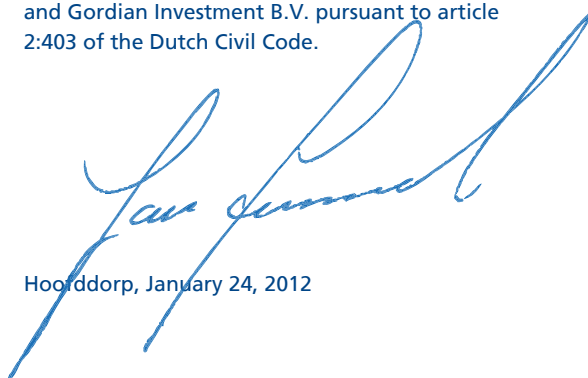
Commitments and Contingent Liabilities

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., TIE MamboFive 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.



Hooftdorp, January 24, 2012



Sanoma

“The Home Deco Channel Guide is the ultimate connection between the home furniture manufacturer and the dealer with the consumers. Our intention is to continue to develop the system step-by-step. There is now a solid foundation where we can build upon, with input from the market and the expertise of TIE Kinetix we can take it to the next level.”

Joost Prikker - Sales Manager Sanoma

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 € 383k be added to Retained Earnings and the other Comprehensive Income of € 10k will be added to other Comprehensive Income in Shareholders' Equity.

Article 26 of the Articles of Association reads as follows:

1. The General meeting of shareholders determines the appropriation of the company's net results.
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, 2011 and subsequent financial years. Payment of dividends can be made either in cash or in stock.

Subsequent Events

See disclosure on page 94.

Independent auditor's report

To: The Management Board of TIE Holding N.V.
Report on the financial statements

We have audited the accompanying financial statements for the year ended September 30, 2011 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 52 to 94 comprise the consolidated statement of financial position as at September 30, 2011, 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 96 to 104 comprise the company balance sheet as at September 30, 2011 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, 2011 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, 2011 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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 management board report, 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 24, 2012
Ernst & Young Accountants LLP

Signed by E.J. Pieters

Where to find TIE...

TIE Commerce Inc

St. Paul Office
1360 Energy Park Drive
St. Paul, MN 55108, North America
E-Mail: info@TIEkinetix.com
Tel: +1-651-999 86 00
Fax: +1-651-999 88 80

TIE Commerce Inc

Boston Office
24 New England Executive Park
Burlington, MA 01803-5080
North America
E-Mail: info@TIEkinetix.com
Tel: +1-781-272 4252
Fax: +1-781-272 5485

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@TIEholding.com
Tel: +31-20-658 90 00
Fax: +31-20-658 90 01
www.TIEholding.com

TIE Nederland BV / TIE International 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

