

Investment Research

Hold

Recommendation unchanged

Share price: EUR 8.89

closing price as of 13/08/2009

Target price: EUR 9.50

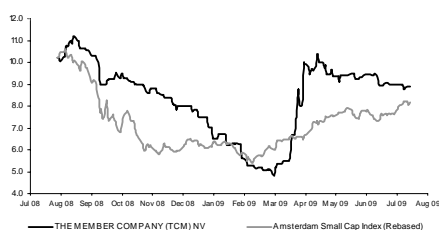
vs Target Price: EUR 7.00

Reuters/Bloomberg ALTMC.AS/ALTMC.NA

Daily avg. no. trad. sh. 12 mth	611
Daily avg. trad. vol. 12 mth (m)	0.01
Price high 12 mth (EUR)	11.20
Price low 12 mth (EUR)	4.80
Abs. perf. 1 mth	-0.7%
Abs. perf. 3 mth	-14.3%
Abs. perf. 12 mth	-16.1%

Market capitalisation (EURm)	36
Current N° of shares (m)	4
Free float	7%

Key financials (EUR)	12/07	12/08e	12/09e
Sales (m)	27	42	38
EBITDA (m)	5	6	3
EBITDA margin	18.8%	14.6%	7.4%
EBIT (m)	5	6	2
EBIT margin	17.8%	13.3%	5.9%
Net Profit (adj.)(m)	4	4	2
ROCE	17.1%	17.5%	7.0%
Net debt/(cash) (m)	2	1	0
Net Debt Equity	0.1	0.0	0.0
Net Debt/EBITDA	0.4	0.1	0.1
Int. cover(EBITDA/Fin.int)	59.7	38.6	22.5
EV/Sales	1.8	0.8	0.9
EV/EBITDA	9.8	5.3	12.8
EV/EBITDA (adj.)	9.8	5.3	12.8
EV/EBIT	10.3	5.9	16.2
P/E (adj.)	13.1	7.4	19.1
P/BV	2.6	1.4	1.5
OpFCF yield	7.9%	4.9%	6.8%
Dividend yield	0.0%	4.5%	0.0%
EPS (adj.)	1.00	1.08	0.47
BVPS	5.03	5.80	5.95
DPS	0.00	0.40	0.00



Shareholders: Mobion Holding 22%; Thijs Manders Beheer 22%; Cumano 14%; Bridge Career 14%; Former owners Adapté

For company description please see summary table footnote

Well positioned for upturn but patience required

We reiterate our Hold recommendation on TMC and set a PT of EUR 9.50. The company will cope with a challenging market, before the market starts to recover in FY11. As management's focus is on mid-term growth, TMC has a higher fixed cost base compared to its peers. Financial resources are sufficient to finance the current downturn, enabling the company to realize above average sales growth and margins when the market recovers. Although yielding in the mid-term, it requires patience from investors. We prefer the early cyclical staffing companies.

- ✓ TMC still performed well in 2H08, driven mainly by the traditional TMC operations of Technology. This division was able to even accelerate its growth pace, but could not prevent a pro forma decrease for the Group. We believe that market circumstances for the total Group has become increasingly challenging based on 1Q09 and 2Q09 trading updates and reports from competitors. We expect TMC's earnings also to get hurt.
- ✓ In a downturn, the company's strategy remains focussed on growth. Therefore, top-line protection is its first defence mechanism build on i) intimate customer relationship (being close at its clients' core operations) ii) diversification on new competences and iii) expansion to new clients. We believe that TNO will particularly help TMC to come through this downturn.
- ✓ Top-line protection mechanism could work at a normal downturn, in our view, but we do not consider this recession to be normal. TMC has an above average fixed cost base compared to the sector as its professionals have permanent contracts. Based on our stress test model, which assumes c. 16% of the total cost base to be flexible, we calculate that TMC becomes loss making on an EBIT level if sales drop by at least 20%. On an EBITDA level, sales could decline by 23% before becoming loss making.
- ✓ TMC's financial position is healthy with a limited net debt of EUR 0.9m in FY08. The debt position is a subordinated loan from the former Adapté owners and does not have any covenants. With top-line coming down, working cap releases will drive the cash inflow. Consequently, the company will have a net cash position at the end of next year. This provides sufficient financial resources to finance overcapacity within its branch network in order to fully benefit from a recovery.
- ✓ We substantially lower our Adjusted EPS estimates by 67% on average because of the challenging markets pushing up idle time, putting pressure on tariffs and hurting margins. We expect EPS FY09 to decline by 57% to EUR 0.47 and EPS FY10 by 53% to EUR 0.22. Recovery is expected as of 2011, as the EPS jumps 266% to EUR 0.79. Dividend payments will be restarted for the year 2011. Although we see the risk of impairment on the Adapté goodwill increasing, we have not yet include it in our estimates.
- ✓ TMC has performed in line with the average peer group of secondment companies. The company trades at sharp premium on an EV/EBITDA multiple for the FY09 and FY10, as earnings will be more depressed because of its higher fixed cost base. However, this premium turns into a discount as of FY11 as the strategy to keep its organization in place for strong mid-term growth starts to pay out. However, we do not see any major catalyst in the short term.

Analyst(s): Frank van Wijk

+312 0 5508805

frank.vanwijk@snssecurities.nl



CONTENTS

Performing well in increasingly challenging markets	3
TMC sales not under severe pressure yet	3
Traditional activities continue to perform	4
More challenging market conditions expected	5
Strategy in a downturn	6
Protecting the top-line	6
Adjusting the cost base	7
Above average risk profile in a severe downturn	7
Stress testing earnings	8
The cost structure analysed	8
Stress test	9
Strong financial position	9
Shareholder patience required	10
Estimates adjusted downwards	10
Average performance	12
High premium returns into discount in FY11	13
Limited upside	14
ESN Recommendation System	17

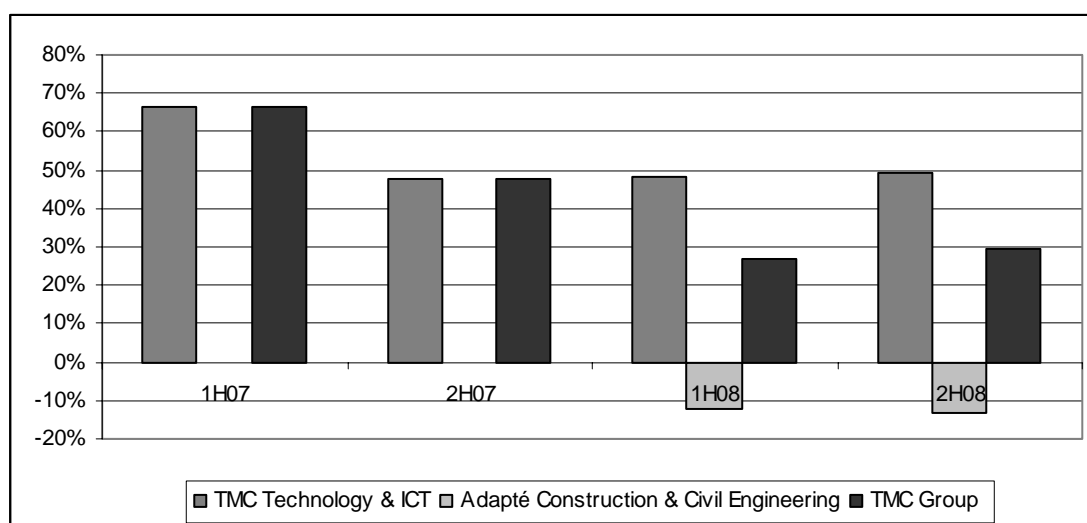
Performing well in increasingly challenging markets

TMC performed relatively well under difficult market circumstances. The traditional operations Technology & ICT (and particularly Technology) reported continued strong growth with even a slight increase. The acquired Construction & Civil operations reported a strong decline, but this was, according to the company, due to management issues. We expect TMC to be confronted with much more challenging markets. Although the company does not provide any quarterly update, peer companies have indicated a strong drop in demand and/or margins. These trends have continued, in our view.

TMC sales not under severe pressure yet

Although end-markets appear to get under pressure, TMC is not experiencing a major slowdown yet. TMC's traditional markets Technology & ICT continued to develop well, driven by the Technology cell groups. Despite pressure at the ICT cell groups, sales in Technology & ICT even accelerated slightly from 48% in 1H08 to 49% in 2H08 helped by the increase in commercial staff.

Pro forma organic sales development (% change yoy)



Source: Company, SNS Securities Research

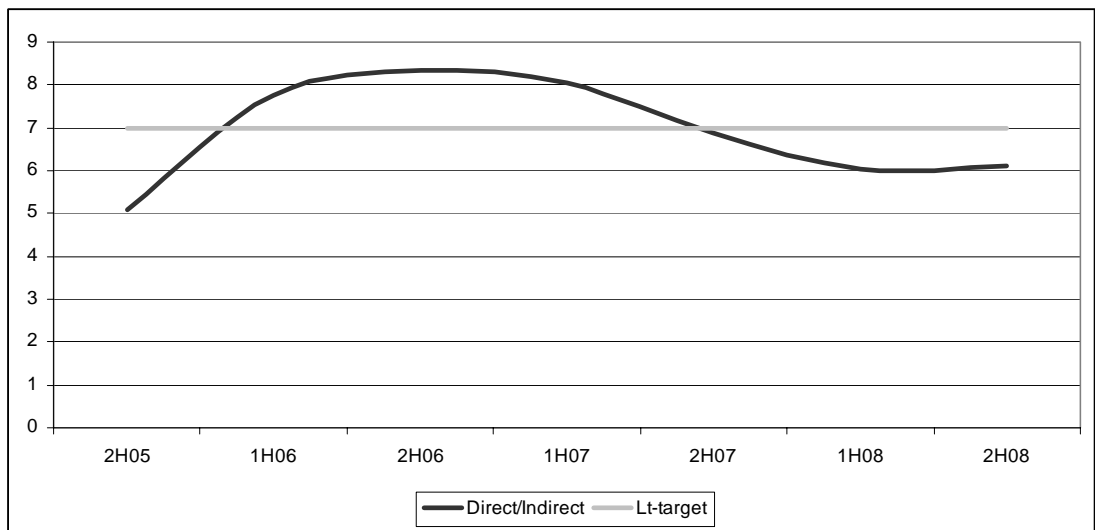
The acquired activities in Construction & Civil Engineering (the Adapté acquisition) experienced a decrease in sales (on a pro forma base) of -12% in 1H08 and -13% in 2H08. According to management, Adapté's sales were under pressure not because of market pressure but due to local management issues, which have been solved with the appointment of a new director.

Sales growth for the group decelerated as of 1H07, but stabilized in 2H08 at the attractive level of 29%. However, the Dutch industry has come further under pressure. Therefore, we do not expect the current level to be sustainable. We elaborate on this in the final paragraph of this chapter.

Traditional activities continue to perform

Although TMC keeps up its sales growth in an increasingly challenging market, it is at the expense of productivity. The placement of professionals requires more commercial effort, decreasing the ratio direct to indirect staff. Management has sharply raised the number of consultants in 2Q08 and 3Q08, in order to keep up its top-line growth and expanding market share. The ratio direct to indirect staff stabilized at c. 6, which is far below the company's long term target of at least 7x. This target is not expected to be met in the short term.

Productivity ratio direct vs. indirect staff



Source: Company, SNS Securities Research

As 70% of total indirect costs are wages, the lower productivity had a strong impact on profitability. Besides the investments in staff, TMC also invested in new branches and in new cells which pushed up the indirect costs even further.

EBITA	1H07 *	2H07	FY07 *	1H08	% change	2H08	% change	FY08	% change
TMC Technology & ICT	2.0	1.7	3.6	2.2	12%	1.9	14%	4.1	13%
Adapté Construction & Civil Engineering	1.7	1.4	3.1	1.1	-33%	0.6	-53%	1.8	-42%
TMC Group	3.7	3.1	6.7	3.3	-9%	2.6	-16%	5.9	-12%

* Pro forma results including FY Adapté

Source: Company, SNS Securities Research

On a segmented base, it is clear that the traditional activities have continued their strong performance of 13% higher EBITA for FY08. Productivity was under pressure on increased idle time at ERP (ICT), increased surplus profit taking (at Technology) and lower direct to indirect staff. However, considering the increasingly challenging market environment, we believe that the traditional operations performed well, particularly for 2H08 since EBITA growth even slightly accelerated.

The top-line decline clearly impacted the Adapté operations. As the cost base is relatively fixed, EBITA declined 43% in FY08 and even by 53% in 2H08. A new director has been appointed which should help to improve profitability. TMC management expects earnings to recover again in FY09. It did not take any impairment on the EUR 558K goodwill for the brand name and EUR 2,382m goodwill for the client base on the assumptions that:



- 2009 sales and profit are unchanged
- 2010-2015 average annual sales grow by 15%
- 2010-2015 average annual cash flow grow by 15%
- Annual cash flow beyond 2015 equals the cash flow FY15

We believe that this could be challenging in the coming period.

For the total TMC Group, pro forma EBITA was down by 12% in FY08 and by -16% in 2H08, as growth of the traditional activities were not able to offset the earnings declines at Adapté.

More challenging market conditions expected

TMC does not provide any quarterly guidance, but peer companies indicated at their trading updates that markets are under pressure. For 2Q09, we do not expect any improvement in trends.

Brunel stated that the secondment market for industrial engineers was down in 1Q09 and forecast a further weakening in the next quarters. Yacht has sharply reduced its number of professionals, which also indicates that demand is decreasing. ICT Automatisering, a competitor for TMC's embedded software division, reported 15% sales decrease. Half of the decrease was caused by price pressure. Ctac, a peer in the field of ERP software, reported 8% organic sales growth in 1Q09. However, margins were under pressure as utilization rates were not at the desired levels. Recently, the company issued a profit warning on lower sales and margins in 2Q09. Finally, civil engineering companies (Grontmij, ARCADIS) indicated that tariffs were under pressure, which will also impact TMC's construction & civil engineering operations.

We believe that TMC will also be confronted by tariff pressure. It indicated tariff decreases below 10% in March. As TMC's professionals are almost for 100% on a permanent contract, we believe that it has a stronger incentive to (re)place its professionals at lower prices. In our view, this can only be limitedly offset by the company's focus on the top of the professional market.

Strategy in a downturn

TMC's strategy in a downturn is for a major part focussed on protecting the top-line as its mid-term focus remains on strong growth. Top-line protection is based on creating a strong relationship with the client, high entrepreneurship with its professionals and diversifying into competences with a different cycle. However, we expect the largest impact for top-line protection from expanding to new clients. Additionally, management is implementing measures to increase the flexibility of the cost base. Despite these measures, we believe that TMC's risk profile is above average in a severe downturn, as its professionals have permanent contracts.

Protecting the top-line

TMC's major defence mechanism, in our view, is protecting its top-line in three ways:

i) Being close at the clients core operations

TMC positions itself at the very high end of the secondment market as its professionals have at least higher vocational education grades. Due to their high expertise in a specific competence, TMC's professionals work at clients core operations such as R&D and are difficult to substitute by the client. This will help the company to protect its sales in a downturn.

At the same time, an entrepreneurial spirit is created with its professionals. They participate in their own generated surplus profits. The potential extra salary will stimulate professionals to be pro-active in searching for new projects, limiting idle-time.

ii) Diversification in competences

As a part of the company's growth strategy, TMC desires to expand in new competences. These competences should offer new growth, but also protect the company from high dependence on a single competence or market. With the acquisition of Adapté, TMC added a new competence in a new market. The construction & civil engineering markets have a different cycle compared to the technology & ICT markets. Moreover, it has a different client base as most Adapté clients are (local) governments.

iii) (Saved by) New clients

TMC had a large exposure to the technical & ICT markets in the Eindhoven region. Client diversification was limited as a small number of clients accounted for a major part of sales. Therefore, management is focusing to expand the number of clients. In 2008, the company was able to recruit 100 new clients, offsetting the major downturn at other (large) clients such as NXP, ASML, Philips and Océ.

In our view, the expansion of the client base will be the major sales protector in this downturn. TMC has a partnership with Dutch semi-government knowledge organisation TNO. Since the beginning of the partnership, TNO grew to one of TMC's largest clients. In its strategy update 2007-2010, TNO transformed its funding from target driven to demand driven. Its budgets are now for 1/3 depending on state funding and 2/3 on market funding. The organization desires to increase its cost efficiency. TMC can benefit from these trends

as it provides the flexibility in high skilled professionals. The number of departments that partners with TMC is increasing, providing TMC additional demand. TNO employs c. 4,700 staff, which provides sufficient room for growth.

Adjusting the cost base

Although the first defence line is protecting the sales, in our view, management desires to increase the flexibility of its cost base. As TMC has a relatively high fixed cost base, we believe this is a necessary step.

Contrary to most other professional secondment company's like Brunel, DPA and Yacht, (almost) every TMC professional has a permanent contract. This is a well considered risk taken by management as part of the entrepreneurship model (employeneurship). It desires to create a strong bond with its scarce and highly specialized professionals. Due to this strategy, TMC misses a flexible layer of c. 50%, in potential, of total cost compared to its major competitors, which substantially increases the company's idle time risk.

To compensate a part of the relatively high fixed cost base, the wages of professionals are made partly flexible. Professionals can share up to 50% of the surplus profits (which starts at a productivity level of >80%). We estimate that the surplus profit sharing has a flexible impact of c. 10%-15% of total costs. Management is investigating to increase the flexibility of the cost structure, but did not indicate yet what measures it will take. We believe that increased flexibility in direct staff (lower fixed wages and higher surplus profit sharing) and indirect staff (lower fixed wages and higher bonus structure) should be an option.

Above average risk profile in a severe downturn

Overall, we believe that TMC's strategy works in a small or an ordinary downturn cycle. The strategy to focus on the clients' core operations with highly specialized and thus difficult to replace professionals will protect top-line and limits idle-time. Additionally, the sharing of surplus profits will stimulate professionals to react pro-actively on (major) changes at clients, also helping to protect sales.

However, if the downturn is very deep, clients will also start to reduce expenses at its core operations, which could even impact TMC's professionals. For instance ASML reduced its R&D spending by c. 10% in this downturn, having a negative impact on TMC's staff at ASML.

Additionally, we believe that the partnerships with the clients are not that strong in every competence. As we have seen in the previous chapter, TMC ICT and Adapté Construction & Civil engineering had a relatively weak performance, while TMC Technology developed very favourably. In our view, this can also partly explained by being more close to core operations. TMC Technology is mostly operating at R&D activities which are less vulnerable for economic cycles. TMC ICT and Adapté are not always working at core operations (ERP investments for instance can relatively easily be postponed). TMC Technology accounts for c. 50% of total sales. TMC ICT and Adapté Construction & Civil engineering account for the remaining 50% of sales.

Stress testing earnings

TMC has a relatively high fixed cost base. We estimate that 16% of the total costs are flexible. Based on this assumption, TMC's break even point on an EBIT level is met at a 20% sales decline. The EBITDA break even point is at a 23% sales decline. However, the company's financial position is strong with an estimated net debt at the end of this year of EUR 0.2m including a subordinated loan.

The cost structure analysed

C. 93% of the total cost base is staff related. The major part, 76% of total costs, is related to professionals and 17% to indirect staff. The remaining costs are mainly depreciation and amortisation costs (2% of total), accountancy costs (2%) and housing costs (1%).

We believe that most of the costs not related to staff are fixed, providing limited saving opportunities (estimate c. 9% of other costs to be flexible). The highest flexibility should derive from staff expenses. We estimate 17% of total staff related costs to be flexible, based on 11% flexibility in wages (on surplus profit sharing and bonuses), 100% reduction in temps and a sharp reduction in education, recruitment and travelling expenses. In the table below, we present TMC's cost base and the estimated percentage of flexibility plus the expected potential cost reduction.

Overall, we estimate that FY08 cost base can be reduced by EUR 5.9m, representing 16% of the total cost base.

TMC's FY08 cost base

	2008	% of total costs	% flexibility	absolute amount	% of total costs
Staff					
Wages	24.815	68%	11%	2.6	7%
Social securities	2.859	8%			
Pensions	0.610	2%			
Temporary staff	1.519	4%	100%	1.5	4%
Car costs	1.727	5%			
Education costs	0.611	2%	90%	0.5	1%
Recruitment costs	0.486	1%	70%	0.3	1%
Traveling expenses	0.935	3%	50%	0.5	1%
Subsidies	-0.085	0%			
Others	0.637	2%	20%	0.1	
Total Staff	34.114	93%	17%	5.6	15%
Of which:					
Direct staff	28.034	76%			
Indirect staff	6.080	17%			
Other costs					
Depreciation	0.269	1%			
Amortisation	0.295	1%			
Result divestment	-0.039	0%			
Share based payments	-0.173	0%			
Housing costs	0.498	1%			
Accountancy costs	0.555	2%			
Others	1.205	3%	20%	0.2	1%
Total others	2.610	7%	9%	0.2	1%
Total costs	36.724		16%	5.9	

Source: Company, SNS Securities Research

Stress test

The basis for our stress test model is the FY08 cost base. As the company heavily expanded in direct and indirect staff in 2Q08 and 3Q08, we increased the FY08 staff costs in order to reflect a correct annualized cost base, calculated via the average costs of direct and indirect FTE. Limited wage increases are implemented in our model. We assume FY08 other costs to correctly represent the annualized cost base. In this stress test, we did not include any additional measures to increase flexibility that management is currently exploring. Please note that we take a the cost base as a linear function, which is not realistic as it for instance implies that surplus profits and bonuses are reduced to zero immediately.

Stress test TMC Group's profitability

	Cost base pro forma FY08	Minimum cost base	% change sales actual FY08	Sales	EBIT	EBITDA
Staff costs						
Direct	30.3		0.0%	42.3	9.1	9.6
Indirect	6.7		-2.5%	41.3	8.0	8.6
Total staff costs	37.0	17% 30.7	-5.0%	40.2	7.0	7.5
			-7.5%	39.2	5.9	6.5
Depreciation	0.3	0.3	-10.0%	38.1	4.8	5.4
Amortisation	0.3	0.3	-12.5%	37.0	3.8	4.3
Result divestment	0	0.0	-15.0%	36.0	2.7	3.3
Share based payment:	0	0.0	-17.5%	34.9	1.7	2.2
Housing costs	0.5	0.5	-20.0%	33.9	0.6	1.2
Accountancy costs	0.6	0.6	-22.5%	32.8	-0.5	0.1
Others	1.2	20% 1.0	-25.0%	31.8	-1.5	-0.9
Total others	2.8	2.6	-27.5%	30.7	-2.6	-2.0
			-30.0%	29.6	-3.6	-3.1
Total costs	39.8	33.3	-32.5%	28.6	-4.7	-4.1

Source: Company, SNS Securities Research

Based on our model, TMC will become loss making on an operating level if sales decline by more than 20%. On an EBIT level, the break even point is at EUR 33.3m, a decrease of 20%. The break even point for the EBITDA is at a sales decrease of 23%. Although these are steep declines, we believe that it will be challenging to remain profitable. The Dutch staffing market in hours is down over 20%. We expect the secondment market to have a lower impact on hours. However, tariffs will be under much stronger pressure.

Strong financial position

We do not believe that TMC will come in financial distress. At the end of 2008, the company had a net debt of EUR 0.9m. The total debt position of EUR 3.0m is related to a subordinated debt from the former Adapté owners, which does not have any covenants. Additionally, interest payments and redemptions are postponed if the solvency ratio will drop below 30%. As top-line is expected to come down, cash from working capital releases will flow in this year. Consequently, we expect that the net debt position will decrease to EUR 0.2m. The subordinated loan has to be paid in 2011. Therefore, we believe that TMC has sufficient financial resources to finance (deliberate) overcapacity in this downturn.

Shareholder patience required

We reiterate our Hold recommendation and set a new PT of EUR 9.50. We substantially lower our estimates by on average 67%. Management focuses on mid-term growth by accepting temporary overcapacity, hurting the margins. However, the company will be fully ready for above average growth when the market recovers. This is reflected in the company's valuation. It trades at a premium for the period 2009-2010, turning into a discount as of 2011. However, TMC's strategy does require patience from shareholders.

Estimates adjusted downwards

We substantially adjust our estimates for TMC. We expect that 2009 and 2010 will be highly challenging years, requiring strong cost base adjustments. These reductions should help the company to protect profitability, before recovery starts in 2011.

For 2009, we forecast a limited decrease in professionals to 448 or -3% based on ultimo numbers. On an average basis, there is still a positive yoy comparison. However, sales will be impacted by idle time (estimated at 7%) and lower tariffs (estimated at -9%). Our assumptions result in a sales decrease of 11% to EUR 37.9m. Gross margin will be under severe pressure, dropping from 33.8% to 28.3%. Operating costs decreases 3% on cost control. We expect EBIT to come in at EUR 2.2m (-61%). We forecast a Reported net profit of EUR 1.5 (EUR 0.38 p.s.) and an Adjusted net profit (before goodwill and non-recurring items) of EUR 1.9m (EUR 0.47 p.s.). We do not expect TMC to pay any dividend, due to the uncertain market circumstances.

For next year, we assume a stable number of professionals and a combined negative effect from idle time and tariffs, resulting in 6% lower sales. We anticipate further pressure on gross margin (-240bp), which can partly be offset by limited surplus profit sharing. SG&A costs will be only slightly lower. Based on our assumptions, we forecast EBIT of EUR 0.9m. Reported net profit is expected to come in at EUR 0.6m (EUR 0.14). Adjusted net profit will be at EUR 0.9m (EUR 0.22 p.s.).

Recovery is expected as of 2011 on the back of improved economics. Sales will be up 18% driven by on average 6% more professionals, limited idle time and 11.5% higher tariffs. Due to the reduced idle time and higher tariffs, gross margin improves to 30.1%. Productivity will start to kick in, resulting in a sharp increase in EBIT to EUR 3.8m. The Reported net profit is estimated at EUR 2.9m (EUR 0.71 p.s.) and the Adjusted net profit at EUR 3.2m (EUR 0.79 p.s.). With a solid net cash position at the end of the year, we expect the company to resume dividend payments as of 2011.

New estimates

	2007	2008	2009	2010	2011
	A	A	E	E	E
# average employeneurs	297	426	454	447	474
% change	142%	44%	7%	-2%	6%
average sales per employ	0.092	0.099	0.083	0.079	0.088
Sales	27.4	42.3	37.9	35.4	41.9
% change	95%	55%	-10%	-6%	18%
Gross profit	10.1	14.3	10.7	9.2	12.6
Gross margin	37.0%	33.8%	28.3%	25.9%	30.1%
Staff & other costs	-5.2	-8.1	-7.9	-7.8	-8.2
EBITDA	4.9	6.2	2.8	1.4	4.4
<i>EBITDA margin</i>	17.8%	14.6%	7.4%	4.0%	10.4%
Depreciation	-0.1	-0.3	-0.3	-0.3	-0.2
EBITA	4.8	5.9	2.5	1.2	4.2
<i>EBITA margin</i>	17.4%	14.0%	6.7%	3.3%	9.9%
Amortization	-0.1	-0.3	-0.3	-0.3	-0.3
EBIT	4.6	5.6	2.2	0.9	3.8
<i>EBITA margin</i>	16.9%	13.3%	5.9%	2.4%	9.1%
Financial result	-0.1	-0.2	-0.1	-0.1	0.1
Pre-tax profit	4.5	5.5	2.1	0.7	3.9
Taxes	-1.2	-1.4	-0.5	-0.2	-1.0
Reported net profit	3.3	4.0	1.5	0.6	2.9
% change	73%	22%	-62%	-64%	422%
Adjusted net profit	3.4	4.3	1.9	0.9	3.2
% change	80%	26%	-57%	-53%	266%
Per share data					
<i>Reported earnings</i>	0.96	1.01	0.38	0.14	0.71
<i>Adjusted earnings</i>	1.00	1.08	0.47	0.22	0.79
<i>Dividend</i>	0	0.40	0	0	0.21

Source: Company, SNS Securities Research

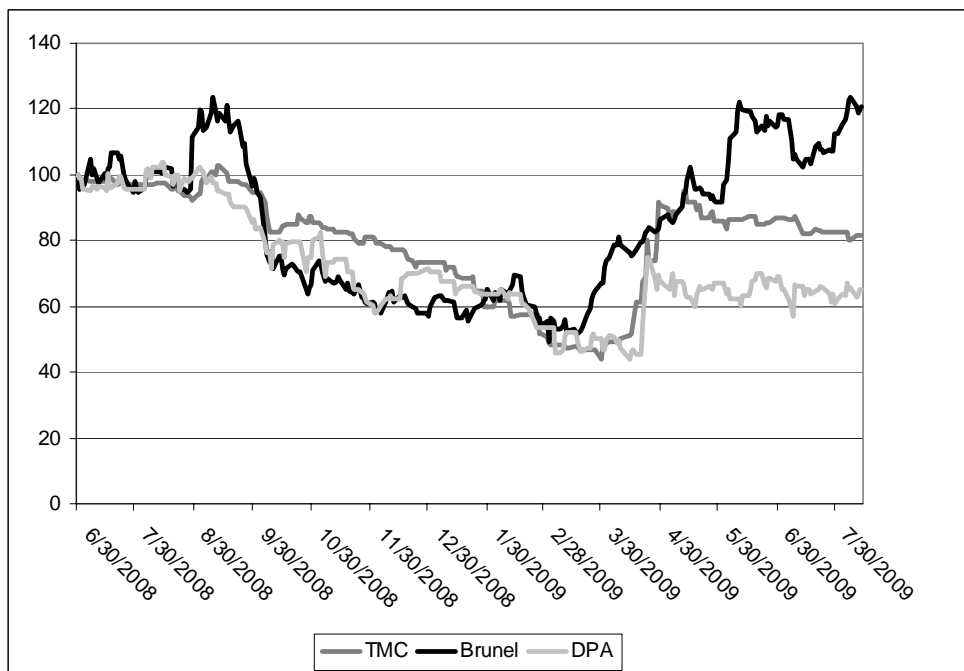


Average performance

Compared to its peer group of secondment companies, TMC performed on average over the past 12 months. The share price did not decline as fast as DPA's, but could not keep pace with Brunel's share price. In fact, the share price performed in line with the average performance of DPA and Brunel.

From their lows, Brunel clearly outperformed with an increase of c. 145%. DPA rebounded 50%, while TMC increased by c. 85%.

Share price performance of the Dutch secondment companies



Source: Bloomberg, SNS Securities Research



High premium returns into discount in FY11

In our peer group analysis, we include several types of companies in order to reflect TMC's operations. We include secondment companies, software services companies and engineering companies (both civil and industrial engineering). TMC trades at a premium compared to most of its peer groups.

Multiples valuation

Companies	Curr.	Share price	P/E			EV/Sales			EV/EBITDA		
			2009E	2010E	2011E	2009E	2010E	2011E	2009E	2010E	2011E
Professional staffing & recruitment companies											
Brunel International NV	EUR	17.17	11.2	12.6	10.3	0.48	0.51	0.46	6.8	7.8	6.4
DPA Flex Group NV	EUR	2.60	419.9	91.7	27.9	0.54	0.53	0.45	15.0	13.9	10.3
Average			215.6	52.2	19.1	0.51	0.52	0.46	10.9	10.9	8.4
Median			215.6	52.2	19.1	0.51	0.52	0.46	10.9	10.9	8.4
TMC Group NV	EUR	8.89	19.1	40.9	11.2	0.95	0.98	0.76	12.8	24.3	7.3
Premium (+)/Discount (-)			-91%	-22%	-41%	85%	89%	67%	17%	124%	-12%
Software services companies											
CTAC NV	EUR	2.66	22.2	15.6	n.a.	0.67	0.39	n.a.	9.6	5.4	n.a.
ICT Automatisering NV	EUR	4.17	11.0	8.9	5.2	0.28	0.23	0.06	5.5	3.3	n.a.
Logica Plc	GBP	1.16	11.2	10.8	9.7	0.64	0.67	0.53	7.8	7.9	6.0
Ordina N.V.	EUR	3.54	44.3	18.6	12.6	0.36	0.36	0.23	5.8	5.1	3.0
Average			14.8	11.8	7.4	0.53	0.43	0.30	7.6	5.5	6.0
Median			11.2	10.8	7.4	0.64	0.39	0.30	7.8	5.4	6.0
TMC Group NV	EUR	8.89	19.1	40.9	11.2	0.95	0.98	0.76	12.8	24.3	7.3
Premium (+)/Discount (-)			71%	280%	50%	47%	155%	158%	63%	351%	22%
Engineering construction companies											
ARCADIS NV	EUR	13.20	12.1	12.7	11.7	0.58	0.50	0.47	6.8	6.0	5.8
Grontmij NV	EUR	18.03	9.4	9.7	9.4	0.47	0.48	0.36	5.7	5.9	4.7
Average			10.8	11.2	10.6	0.53	0.49	0.42	6.2	6.0	5.3
Median			10.8	11.2	10.6	0.53	0.49	0.42	6.2	6.0	5.3
TMC Group NV	EUR	8.89	19.1	40.9	11.2	0.95	0.98	0.76	12.8	24.3	7.3
Premium (+)/Discount (-)			78%	265%	6%	80%	101%	83%	104%	308%	39%
Engineering services companies											
Alten SA	EUR	16.23	16.6	11.6	9.1	0.58	0.57	0.50	8.2	6.6	4.7
Altran Technologies SA	EUR	2.68	44.7	12.8	7.4	0.50	0.54	0.50	13.8	10.1	7.1
Average			30.6	12.2	8.3	0.54	0.55	0.50	11.0	8.4	5.9
Median			30.6	12.2	8.3	0.54	0.55	0.50	11.0	8.4	5.9
TMC Group NV	EUR	8.89	19.1	40.9	11.2	0.95	0.98	0.76	12.8	24.3	7.3
Premium (+)/Discount (-)			-38%	236%	35%	76%	77%	53%	16%	191%	25%

Source: Reuters Knowledge, SNS Securities Research

In our view, a premium is justified as its earnings are more depressed due to the company's strategy to focus on mid-term growth. The strategy should start to yield when markets recover as it enables the company to report above average growth and margins. This effect becomes visible in our 2011 estimates, as TMC's valuation premium compared to the other professional secondment companies basically turns into a discount.



Limited upside

We reiterate our Hold recommendation on TMC Group.

The company will have to work its way through a very difficult period. As the focus is on growth, it temporarily accepts strong margin pressure. We do not expect earnings to recover until 2011. However, with sufficient skilled professionals and the organization structure in place, TMC will be more than ready to benefit from an upturn in demand.

TMC's financial position is healthy with a net debt of EUR 0.9m in FY08. The total debt consists of a subordinated loan that does not have any covenants. Moreover, strong cash inflow from working cap releases should provide sufficient cash to redeem the debt next year, in our view. Therefore, we believe that the company has sufficient financial reserves to finance the current downturn and keep a temporary overcapacity for mid-term growth.

We do see risks in a potential impairment on Adapté. TMC did not take any impairment at the FY09 report based on several assumptions (15% operating CAGR as of 2010) that could be too aggressive. Although non-cash and ratios remain at acceptable levels even with a full impairment, it could be received negatively by the market.

We expect TMC to be well positioned in order to fully benefit from a market recovery. However, shareholders should be patient as we do not consider any upturn likely before 2011. In the meantime, earnings will be hurt by the lower productivity. We prefer the earlier cyclical generalist staffing companies at the moment and set a PT of EUR 9.50 for TMC.

Upcoming Events Calendar

Date	Event Type	Description	Period
21/08/09	Results	Interim 2009 Results	2009H1

Source: AMI



The Member Company (TMC) NV: Summary tables

PROFIT & LOSS (EURm)	2006	2007	2008e	2009e	2010e	2011e
Sales	14.1	27.4	42.3	37.9	35.4	41.9
Cost of Sales & Operating Costs (excl. Pers. Expenses)	-11.2	-22.2	-36.2	-35.1	-34.0	-37.5
Personnel Expenses	0.0	0.0	0.0	0.0	0.0	0.0
Non Recurrent Expenses/Income	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	2.9	5.1	6.2	2.8	1.4	4.4
EBITDA (adj.)*	2.9	5.1	6.2	2.8	1.4	4.4
D & A	0.0	-0.3	-0.6	-0.6	-0.6	-0.5
EBIT	2.8	4.9	5.6	2.2	0.9	3.8
EBIT (adj.)*	2.8	4.9	5.6	2.2	0.9	3.8
Net Financial Interest	-0.1	-0.1	-0.2	-0.1	-0.1	0.1
Other Financials	0.0	0.0	0.0	0.0	0.0	0.0
Associates	0.0	0.0	0.0	0.0	0.0	0.0
Other Non Recurrent Items	0.0	0.0	0.0	0.0	0.0	0.0
Earnings Before Tax (EBT)	2.7	4.8	5.5	2.1	0.7	3.9
Tax	-0.8	-1.2	-1.4	-0.5	-0.2	-1.0
<i>Tax rate</i>	<i>29.6%</i>	<i>25.7%</i>	<i>25.9%</i>	<i>26.0%</i>	<i>26.0%</i>	<i>26.0%</i>
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Net Profit (reported)	1.9	3.6	4.0	1.5	0.6	2.9
Net Profit (adj.)	1.9	3.7	4.3	1.9	0.9	3.2

CASH FLOW (EURm)	2006	2007	2008e	2009e	2010e	2011e
Cash Flow from Operations before change in NWC	1.9	4.1	3.9	2.1	1.1	3.4
Change in Net Working Capital	-1.6	-0.3	-2.3	0.3	0.1	-0.4
Cash Flow from Operations	0.4	3.8	1.6	2.4	1.3	3.0
Capex	-0.1	-0.8	-0.5	-0.2	-0.1	-0.2
Net Financial Investments	0.0	-8.3	-0.1	0.0	0.0	0.0
Free Cash Flow	0.3	-5.2	1.0	2.3	1.2	2.8
Dividends	0.0	0.0	0.0	-1.6	0.0	0.0
Other (incl. Capital Increase & share buy backs)	5.2	3.2	0.0	0.0	0.0	0.0
Change in Net Debt	5.5	-2.0	1.0	0.7	1.2	2.8
NOPLAT		3.6	4.2	1.7	0.6	2.9

BALANCE SHEET & OTHER ITEMS (EURm)	2006	2007	2008e	2009e	2010e	2011e
Net Tangible Assets	0.1	0.9	1.1	1.6	1.9	2.3
Net Intangible Assets (incl. Goodwill)	0.0	18.1	17.8	17.4	17.1	16.8
Net Financial Assets & Other	0.0	0.8	1.0	1.0	1.0	1.0
Total Fixed Assets	0.1	19.8	19.9	20.0	20.0	20.1
Net Working Capital	1.9	2.3	5.0	4.7	4.6	5.0
Shareholders Equity	6.8	19.5	23.4	24.0	25.0	28.3
Minorities Equity	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt	-4.8	1.8	0.9	0.2	-1.0	-3.8
Provisions	0.0	0.7	0.6	0.6	0.6	0.6
Other Net Liabilities or Assets	0.0	0.0	0.0	0.0	0.0	0.0
Net Capital Employed/Invested	2.0	22.1	24.9	24.7	24.6	25.1

GROWTH & MARGINS	2006	2007	2008e	2009e	2010e	2011e
<i>Sales growth</i>	<i>130.3%</i>	<i>94.7%</i>	<i>54.8%</i>	<i>-10.5%</i>	<i>-6.5%</i>	<i>18.2%</i>
<i>EBITDA growth</i>	<i>192.0%</i>	<i>80.0%</i>	<i>20.2%</i>	<i>-54.4%</i>	<i>-49.2%</i>	<i>205.2%</i>
<i>EBITDA (adj.)* growth</i>	<i>192.0%</i>	<i>80.0%</i>	<i>20.2%</i>	<i>-54.4%</i>	<i>-49.2%</i>	<i>205.2%</i>
<i>EBIT growth</i>	<i>191.4%</i>	<i>72.5%</i>	<i>15.1%</i>	<i>-60.5%</i>	<i>-61.7%</i>	<i>350.5%</i>
<i>EBIT (adj.)* growth</i>	<i>191.4%</i>	<i>72.5%</i>	<i>15.1%</i>	<i>-60.5%</i>	<i>-61.7%</i>	<i>350.5%</i>
<i>Net Profit growth</i>	<i>200.3%</i>	<i>93.8%</i>	<i>16.9%</i>	<i>-56.8%</i>	<i>-53.3%</i>	<i>265.5%</i>
<i>EPS adj. growth</i>		<i>69.4%</i>	<i>8.4%</i>	<i>-57.1%</i>	<i>-53.3%</i>	<i>265.5%</i>
<i>DPS adj. growth</i>			<i>+chg</i>	<i>-chg</i>		<i>+chg</i>
<i>EBITDA margin</i>	<i>20.3%</i>	<i>18.8%</i>	<i>14.6%</i>	<i>7.4%</i>	<i>4.0%</i>	<i>10.4%</i>
<i>EBITDA (adj.)* margin</i>	<i>20.3%</i>	<i>18.8%</i>	<i>14.6%</i>	<i>7.4%</i>	<i>4.0%</i>	<i>10.4%</i>
<i>EBIT margin</i>	<i>20.1%</i>	<i>17.8%</i>	<i>13.3%</i>	<i>5.9%</i>	<i>2.4%</i>	<i>9.1%</i>
<i>EBIT (adj.)* margin</i>	<i>20.1%</i>	<i>17.8%</i>	<i>13.3%</i>	<i>5.9%</i>	<i>2.4%</i>	<i>9.1%</i>



The Member Company (TMC) NV: Summary tables

RATIOS	2006	2007	2008e	2009e	2010e	2011e
Net Debt/Equity	-0.7	0.1	0.0	0.0	0.0	-0.1
Net Debt/EBITDA	-1.7	0.4	0.1	0.1	-0.7	-0.9
Interest cover (EBITDA/Fin.interest)	25.7	59.7	38.6	22.5	13.5	nm
Capex/D&A	415.4%	295.4%	90.8%	25.4%	18.3%	35.3%
Capex/Sales	0.8%	2.8%	1.2%	0.4%	0.3%	0.5%
NWC/Sales	13.6%	8.4%	11.9%	12.5%	13.0%	12.0%
ROE (average)	52.5%	28.2%	20.2%	7.9%	3.6%	12.0%
ROCE (adj.)		17.1%	17.5%	7.0%	2.7%	11.8%
WACC		10.6%	10.6%	10.6%	10.6%	10.6%
ROCE (adj.)/WACC		1.6	1.6	0.7	0.3	1.1

PER SHARE DATA (EUR)***	2006	2007	2008e	2009e	2010e	2011e
Diluted number of shares	3.3	3.9	4.0	4.0	4.0	4.0
EPS (reported)	0.59	0.96	1.01	0.38	0.14	0.71
EPS (adj.)	0.59	1.00	1.08	0.47	0.22	0.79
BVPS	2.09	5.03	5.80	5.95	6.21	7.03
DPS	0.00	0.00	0.40	0.00	0.00	0.21

VALUATION	2006	2007	2008e	2009e	2010e	2011e
EV/Sales	2.9	1.8	0.8	0.9	1.0	0.8
EV/EBITDA	14.2	9.8	5.3	12.8	24.3	7.3
EV/EBITDA (adj.)*	14.2	9.8	5.3	12.8	24.3	7.3
EV/EBIT	14.4	10.3	5.9	16.2	40.9	8.4
EV/EBIT (adj.)*	14.4	10.3	5.9	16.2	40.9	8.4
P/E (adj.)	23.7	13.1	7.4	19.1	40.9	11.2
P/BV	6.7	2.6	1.4	1.5	1.4	1.3
Total Yield Ratio	0.0%	0.0%	4.4%	0.0%	0.0%	
EV/CE	nm	2.4	1.4	1.5	1.5	1.3
OpFCF yield	0.8%	7.9%	4.9%	6.8%	3.5%	8.4%
OpFCF/EV	0.9%	7.6%	4.7%	6.8%	3.6%	9.3%
Payout ratio	0.0%	0.0%	39.6%	0.0%	0.0%	29.8%
Dividend yield (gross)	0.0%	0.0%	4.5%	0.0%	0.0%	2.4%

EV AND MKT CAP (EURm)	2006	2007	2008e	2009e	2010e	2011e
Price** (EUR)	14.0	13.1	8.0	8.9	8.9	8.9
Outstanding number of shares for main stock	3.2	3.7	4.0	4.0	4.0	4.0
Total Market Cap	45.4	48.6	32.0	35.8	35.8	35.8
Net Debt	-4.8	1.8	0.9	0.2	-1.0	-3.8
o/w Cash & Marketable Securities	5.0	2.2	2.1	1.3	1.3	3.8
o/w Short Term Debt	0.2	1.1	1.4	0.9	0.2	0.0
o/w Long Term Debt	0.0	2.9	1.7	0.6	0.1	0.0
Other EV components	0.0	0.0	0.0	0.0	0.0	0.0
Enterprise Value (EV adj.)	41	50	33	36	35	32

Source: Company, SNS Securities estimates.

Notes

* Where EBITDA (adj.) or EBIT (adj.) = EBITDA (or EBIT) +/- Non Recurrent Expenses/Income

**Price (in local currency): Fiscal year end price for Historical Years and Current Price for current and forecasted years

***EPS (adj.) diluted = Net Profit (adj.) / Avg DIL. Ord. (+ Ord. equivalent) Shs. EPS (reported) = Net Profit reported / Avg DIL. Ord. (+ Ord. equivalent) Shs.

Company Description:

TMC Group is a Dutch mid-sized professional technical secondment company. It provides highly educated professionals ranging from Higher Vocational Education to Ph D in the fields of technology, ICT, construction and civil engineering.

ESN Recommendation System

The ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a **total return**, measured by the upside potential (including dividends and capital reimbursement) over a **12 month time horizon**.

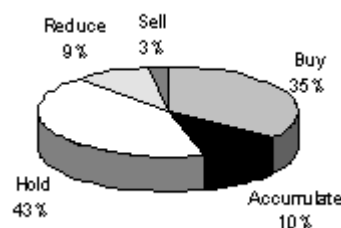
The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S)**.

Furthermore, in specific cases and for a limited period of time, the analysts are allowed to rate the stocks as **Rating Suspended (RS)** or **Not Rated (NR)**, as explained below.

Meaning of each recommendation or rating:

- **Buy:** the stock is expected to generate total return of **over 20%** during the next 12 months time horizon
- **Accumulate:** the stock is expected to generate total return of **10% to 20%** during the next 12 months time horizon
- **Hold:** the stock is expected to generate total return of **0% to 10%** during the next 12 months time horizon.
- **Reduce:** the stock is expected to generate total return of **0% to -10%** during the next 12 months time horizon
- **Sell:** the stock is expected to generate total return **under -10%** during the next 12 months time horizon
- **Rating Suspended:** the rating is suspended due to a capital operation (take-over bid, SPO, ...) where the issuer of the document (a partner of ESN) or a related party of the issuer is or could be involved or to a change of analyst covering the stock
- **Not Rated:** there is no rating for a company being floated (IPO) by the issuer of the document (a partner of ESN) or a related party of the issuer

SNS Securities Ratings Breakdown

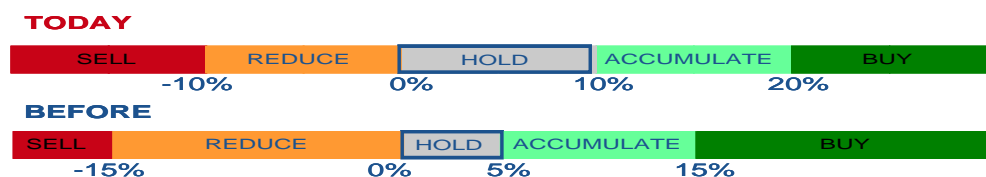


History of ESN Recommendation System

Since 18 October 2004, the Members of ESN are using an Absolute Recommendation System (before was a Relative Rec. System) to rate any single stock under coverage.

Since 4 August 2008, the ESN Rec. System has been amended as follow.

- Time horizon changed to 12 months (it was 6 months)
- Recommendations Total Return Range changed as below:



This report has been prepared by Frank van Wijk

This report has been submitted to the company to check for inaccuracies.

SNS Securities acts as a liquidity provider for the company and has an agreement with the company regarding the publication of research reports.

This report has been prepared by SNS Securities Research, which is part of SNS Securities N.V., a subsidiary of SNS Bank N.V. SNS Bank belongs to SNS REAAL Groep N.V. SNS Securities is registered with AFM, the Dutch Authority for the Financial Markets.

Analyst certification

The analyst or analysts who prepared this report hereby certifies or certify that (1) the views expressed in this report accurately reflect his, her or their personal views about all of the subject companies and securities in this report and (2) no part of his, her or their compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report. The analyst or analysts responsible for preparing this research report receives compensation that is based upon various factors including the profitability of SNS Securities, which includes investment banking activities.

Methodology

Our forecasts regarding the company's profit and loss account, balance sheet and/or cash flow statement are based on subjective views of relevant future company specific developments and market developments. Important variables are among others expected market growth, company's strategy and competitive position. In addition, company guidance is taken into account. Price targets and opinions in this report are based on a combination of discounted cash flow analysis, peer group analysis and/or historical valuation analysis, whereas the previously mentioned forecasts are used as input for these analyses. In addition industrial knowledge, company specific elements and/or market technical elements could play an important role to determine our price targets and opinions.

SNS Securities' policy is to update research reports as it deems appropriate, based on developments with the subject company, the sector or the market that may have a material impact on the research views or opinions stated herein. Regulatory, compliance or other reasons may prevent us to update research reports.

Since the research report contains more complete information concerning the analyst's views, investors should carefully read the entire research report and not infer its contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on among others individual circumstances.

For information on our rating distribution we would like to refer to our website www.snssecurities.nl

Other disclosures

SNS Securities acts as a liquidity provider for the following companies and has an agreement with these companies regarding the publication of research reports: Accell Group, Ackermans & van Haaren, Batenburg Beheer, Crown Van Gelder, Crucell, Ctac, DOCdata, DPA Flex Group, Eriks Group, Fornix, BioSciences, Galapagos, Gamma Holding, Heijmans, Holland Colours, ICT Automatisering, InnoConcepts, Jetix Europe, Kendrion, LBI International, Nedap, Newways Electronics International, Pharming Group, Rood Testhouse International, Sligro Food Group, Stern Groep, Tulip Computers and Van Lanschot.

SNS Securities has established procedures to prevent conflict of interest and to ensure the provision of high quality research based on research objectivity and independence.

Analysts of SNS Securities are not allowed to have an interest in any class of common equity securities of the companies they cover.

Please see the front page of this research report for the first date of publication. Price-related data is calculated using the closing price of the latest trading day before date of publication.

This report has been prepared by SNS Securities N.V. The information, tools and material presented in this report are provided to you for information purposes only and are not to be used or considered as an offer or a solicitation of an offer to buy or sell any of the securities described herein. SNS Securities N.V. and their affiliates may effect transactions in the securities described herein for their own account or for the account of others, may have positions with the issuer thereof, or any of its affiliates, or may perform or seek to perform securities, investment banking or other services for such issuer or its affiliates. This research report may not be photocopied, electronically redistributed or otherwise reproduced without the prior permission of SNS Securities N.V.

Our sales people, traders and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this research report. Our asset management department, our proprietary trading desk may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

Our research is disseminated primarily electronically, and, in some cases, in printed form. Electronic research is simultaneously available to all clients and several news providers.
© SNS Securities N.V.



SNS SECURITIES NV f. 020 42 04 186 t. 020 55 08 500

Dirk Jan van der Hoeden dirkjan.vanderhoeden@snssecurities.nl t. 020 55 08 536
chairman

Rob Hogenhuis rob.hogenhuis@snssecurities.nl t. 020 55 08 522 vice-
chairman

Jos Buijsman jos.buijsman@snssecurities.nl t. 020 55 08 558
managing director finance

Reinier Westeneng reinier.westeneng@snssecurities.nl t. 020 55 08 567
managing director

RESEARCH research@snssecurities.nl f. 020 42 13 052 t. 020 55 08 500

Martijn den Drijver martijn.den.drijver@snssecurities.nl t. 020 55 08 636 co-
head of research / software; small caps

Frank van Wijk frank.vanwijk@snssecurities.nl t. 020 55 08 805 co-
head of research / small caps; temporary staff

Maarten Altena maarten.altena@snssecurities.nl t. 020 55 08 639
banks; insurance; financial services

Victor Bareño victor.bareno@snssecurities.nl t. 020 55 08 822
technology; telecommunications

Danny van Doesburg danny.vandoesburg@snssecurities.nl t. 020 55 08 516
chemicals, oil-related

Han van Lamoen han.vanlamoen@snssecurities.nl t. 020 55 08 713
general

Edwin de Jong edwin.dejong@snssecurities.nl t. 020 55 08 569
construction

Cees Rijdsijk cees.rijdsijk@snssecurities.nl t. 020 55 08 517
analyst macro-research / investment strategy

Michel Veul michel.veul@snssecurities.nl t. 020 55 08 574
media, retail

Sep van de Voort sep.vandevoot@snssecurities.nl t. 020 55 08 521
analyst macro-research / investment strategy

Richard Withagen richard.withagen@snssecurities.nl t. 020 55 08 572
food & beverage; retail

Ilja Zaanen ilja.zaanen@snssecurities.nl t. 020 55 08 520
biotechnology

ASSET MANAGEMENT f. 020 4277805 t. 020 55 08 555

Bart Bontekoning bart.bontekoning@snssecurities.nl t. 020 55 08 701

Jan-Paul van der Ent janpaul.vanderent@snssecurities.nl t. 020 55 08 723

Paul Loos paul.loos@snssecurities.nl t. 020 55 08 508

Rob Uiterwijk rob.uiterwijk@snssecurities.nl t. 020 55 08 697

EQUITY & ADVICE f. 020 550 8596 t. 020 55 08 496

Niels van den Broek niels.vandenbroek@snssecurities.nl t. 020 55 08 905

Mark Kellerman mark.kellerman@snssecurities.nl t. 020 55 08 410

Pieter Jan Korteweg pieterjan.kortewegt@snssecurities.nl t. 020 55 08 412

Jos Limmen jos.limmen@snssecurities.nl t. 020 55 08 495

Ascalon Maharaj ascalon.maharaj@snssecurities.nl t. 020 55 08 499

Edwin Mijsen edwin.mijsen@snssecurities.nl t. 020 55 08 413

Kitty van de Nes kitty.vandenes@snssecurities.nl t. 020 55 08 414

Ben Scheen ben.scheen@snssecurities.nl t. 020 55 08 498

Kees Schlimmer kees.schlimmer@snssecurities.nl t. 020 55 08 497

Harrie Staarhof harrie.staarhof@snssecurities.nl t. 020 55 08 415

Henk Stenneberg henk.stenneberg@snssecurities.nl t. 020 55 08 494

Geurt Szabang geurt.szabang@snssecurities.nl t. 020 55 08 491

EQUITY SALES & TRADING f. 020 42 04 186 t. 020 55 08 440

Marc Bos marc.bos@snssecurities.nl t. 020 55 08 449

Alon Bromet alon.bromet@snssecurities.nl t. 020 55 08 466

Paul Brouwer paul.brouwer@snssecurities.nl t. 020 55 08 444

Stefan van Buuren stefan.vanbuuren@snssecurities.nl t. 020 55 08 475

Marcel Duijvekam marcel.duijvekam@snssecurities.nl t. 020 55 08 475

Erick van Engeland erick.vanengeland@snssecurities.nl t. 020 55 08 473

Robert Habets robert.habets@snssecurities.nl t. 020 55 08 421

Job Heere job.heere@snssecurities.nl t. 020 55 08 486

Ad van de Laar ad.vandelaar@snssecurities.nl t. 020 55 08 482

Maoz Lahat maoz.lahat@snssecurities.nl t. 020 55 08 493

Marco Laumen marco.laumen@snssecurities.nl t. 020 55 08 462

Marco Overmeer marco.overmeer@snssecurities.nl t. 020 55 08 443

Frank Schleeper frank.schleeper@snssecurities.nl t. 020 55 08 477

Sander Stortenbeek sander.stortenbeek@snssecurities.nl t. 020 55 08 428

Franklin Staupe franklin.staupe@snssecurities.nl t. 020 55 08 447

Martin Stuyvenberg martin.stuyvenberg@snssecurities.nl t. 020 55 08 478

Hedy Talens hedy.talens@snssecurities.nl t. 020 55 08 458

Robbert Thieme robbert.thieme@snssecurities.nl t. 020 55 08 469

Raoul Wasmoeth raoul.wasmoeth@snssecurities.nl t. 020 55 08 467

LIQUIDITY PROVIDING & PROP TRADING f. 020 42 04 186 t. 020 55 08 464

Roelof de Boer roelof.deboer@snssecurities.nl t. 020 55 08 446

Peter Bouw peter.bouw@snssecurities.nl t. 020 55 08 515

Luis Gutiérrez luis.gutiérrez@snssecurities.nl t. 020 55 08 816

DERIVATIVES f. 020 62 26 490 t. 020 55 08 450

Joost van Deventer joost.vandeventer@snssecurities.nl t. 020 55 08 487

Gerard van Eeten gerard.vaneeten@snssecurities.nl t. 020 55 08 468

Jeroen Hissink jeroen.hissink@snssecurities.nl t. 020 55 08 468

Marco Jansen marco.jansen@snssecurities.nl t. 020 55 08 451

Raphael Prins raphael.prins@snssecurities.nl t. 020 55 08 481

CAPITAL MARKETS f. 020 42 73 486 t. 020 55 08 519

Dirk-Jan de Graaff dirkjan.degraaff@snssecurities.nl t. 020 55 08 510

Hans Groenendijk hans.groenendijk@snssecurities.nl t. 020 55 08 509

Erik Joustra erik.joustra@snssecurities.nl t. 020 55 08 694

Luuk Strijers lucas.strijers@snssecurities.nl t. 020 55 08 819

Joost Wismans joost.wismans@snssecurities.nl t. 020 55 08 554

EXTERNAL ASSET MANAGEMENT SERVICES t. 020 55 08 755

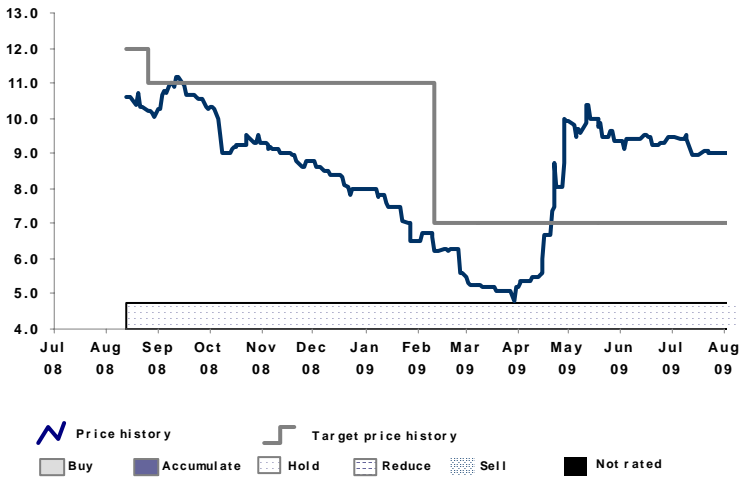
Rob de Haas rob.dehaas@snssecurities.nl t. 020 55 08 755
director



Recommendation history for THE MEMBER COMPANY (TCM) NV

Date	Recommendation	Target price	Price at change date
14-Aug-09	Hold	9.50	8.89
11-Feb-09	Hold	7.00	6.21
18-Dec-08	Hold	11.00	8.34
11-Mar-08	Hold	12.00	11.43
10-Mar-08	Not rated		11.32

Source: Factset & ESN, price data adjusted for stock splits.
 This chart shows SNS Securities continuing coverage of this stock; the current analyst may or may not have covered it over the entire period.
 Current analyst: Frank van Wijk (since 13/11/2007)



Disclaimer:

These reports have been prepared and issued by the Members of European Securities Network LLP ('ESN'). ESN, its Members and their affiliates (and any director, officer or employee thereof), are neither liable for the proper and complete transmission of these reports nor for any delay in their receipt. Any unauthorised use, disclosure, copying, distribution, or taking of any action in reliance on these reports is strictly prohibited. The views and expressions in the reports are expressions of opinion and are given in good faith, but are subject to change without notice. These reports may not be reproduced in whole or in part or passed to third parties without permission. The information herein was obtained from various sources. ESN, its Members and their affiliates (and any director, officer or employee thereof) do not guarantee their accuracy or completeness, and neither ESN, nor its Members, nor its Members' affiliates (nor any director, officer or employee thereof) shall be liable in respect of any errors or omissions or for any losses or consequential losses arising from such errors or omissions. Neither the information contained in these reports nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities or any options, futures or other derivatives related to such securities ('related investments'). These reports are prepared for the clients of the Members of ESN only. They do not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive any of these reports. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in these reports and should understand that statements regarding future prospects may not be realised. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in these reports. In addition, investors in securities such as ADRs, whose value are influenced by the currency of the underlying security, effectively assume currency risk. ESN, its Members and their affiliates may submit a pre-publication draft (without mentioning neither the recommendation nor the target price/fair value) of its reports for review to the Investor Relations Department of the issuer forming the subject of the report, solely for the purpose of correcting any inadvertent material inaccuracies. Like all members employees, analysts receive compensation that is impacted by overall firm profitability. For further details about the specific risks of the company and about the valuation methods used to determine the price targets included in this report/note, please refer to the latest relevant published research on single stock. Research is available through your sales representative. ESN will provide periodic updates on companies or sectors based on company-specific developments or announcements, market conditions or any other publicly available information. Unless agreed in writing with an ESN Member, this research is intended solely for internal use by the recipient. Neither this document nor any copy of it may be taken or transmitted into Australia, Canada or Japan or distributed, directly or indirectly, in Australia, Canada or Japan or to any resident thereof. This document is for distribution in the U.K. Only to persons who have professional experience in matters relating to investments and fall within article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 (the "order") or (ii) are persons falling within article 49(2)(a) to (d) of the order, namely high net worth companies, unincorporated associations etc (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied upon by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. The distribution of this document in other jurisdictions or to residents of other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. By accepting this report you agree to be bound by the foregoing instructions. You shall indemnify ESN, its Members and their affiliates (and any director, officer or employee thereof) against any damages, claims, losses, and detriments resulting from or in connection with the unauthorized use of this document.

For additional information and individual disclaimer please refer to www.esnpartnership.eu and to each ESN Member websites:

www.bancaakros.it
www.caixabi.pt
www.cajamadridbolsa.es
www.cmcics.com
www.danskeequities.com
www.degroof.be
www.equinet-ag.de
www.ibg.gr
www.ncb.ie
www.snssecurities.nl

Members of ESN (European Securities Network LLP)


Banca Akros S.p.A.
Viale Eginardo, 29
20149 Milano
Italy
Phone: +39 02 43 444 389
Fax: +39 02 43 444 302


Bank Degroof
Rue de l'Industrie 44
1040 Brussels
Belgium
Phone: +32 2 287 91 16
Fax: +32 2 231 09 04


Caixa-Banco de Investimento
Rua Barata Salgueiro, 33-5
1269-050 Lisboa
Portugal
Phone: +351 21 389 68 00
Fax: +351 21 389 68 98


Caja Madrid Bolsa S.V.B.
Serrano, 39
28001 Madrid
Spain
Phone: +34 91 436 7813
Fax: +34 91 577 3770


CM - CIC Securities
6, avenue de Provence
75441 Paris
Cedex 09
France
Phone: +33 1 4016 2692
Fax: +33 1 4596 7788


Danske Markets Equities
Holmens Kanal 2-12
DK-1092 Copenhagen K
Denmark
Phone: +45 45 12 00 00
Fax: +45 45 14 91 87


Equinet AG
Gräfenstraße 97
60487 Frankfurt am Main
Germany
Phone: +49 69 - 58997 - 410
Fax: +49 69 - 58997 - 299


Investment Bank of Greece
24B, Kifisias Avenue
151 25 Marousi
Greece
Phone: +30 210 81 73 000
Fax: +30 210 68 96 325


NCB Stockbrokers Ltd.
3 George Dock,
Dublin 1
Ireland
Phone: +353 1 611 5611
Fax: +353 1 611 5781


SNS Securities N.V.
Nieuwezijds Voorburgwal 162
P.O.Box 235
1000 AE Amsterdam
The Netherlands
Phone: +31 20 550 8500
Fax: +31 20 626 8064



European Securities Network LLP
Registered office c/o Withers LLP
16 Old Bailey - London EC4M 7EG