

## The Member Company

### Hold

Recommendation unchanged

Share price\*: EUR 10.70

Target price: EUR 12.00

Target Price unchanged

Reuters/Bloomberg ALTMC.AS/ALTMC.NA

Accounting Standard/Since IFRS/2004

Market capitalisation (EURm) 43.0

No. of shares (m) 4.0

Free float 7.0%

Daily avg. no. trad. sh. 12 mth 400

Daily avg. trad. vol. 12 mth (m) 0.01

Price high 12 mth (EUR) 14.26

Price low 12 mth (EUR) 10.40

Abs. perf. 1 mth -0.8%

Abs. perf. 3 mth -10.8%

Abs. perf. 12 mth -20.7%

(EUR)	12/08e	12/09e	12/10e
Sales (m)	41	45	48
EBITDA (m)	8	9	9
EBITDA margin	18.9%	18.8%	18.4%
EBIT (m)	7	8	8
EBIT margin	17.5%	17.5%	17.2%
Net Profit (adj.)(m)	6	6	7
ROCE	20.3%	22.0%	22.6%
Net debt/(cash) (m)	2	(3)	(7)
Debt Equity	6.1%	-9.0%	-20.8%
Debt/EBITDA	0.2	-0.3	-0.8
Int. cover(EBITDA/Fin. int)	94.6	(94.2)	(46.1)
EV/Sales	1.1	0.9	0.8
EV/EBITDA	5.7	4.7	4.1
EV/EBITDA (adj.)	5.7	4.7	4.1
EV/EBIT	6.1	5.1	4.4
P/E (adj.)	7.5	6.8	6.5
P/BV	1.7	1.5	1.3
FCF yield	7.7%	13.9%	14.8%
Dividend yield	0.0%	4.1%	4.3%
EPS (adj.)	1.42	1.58	1.64
BVPS	6.24	7.37	8.55
DPS	0.00	0.44	0.46

### Continued high organic growth

**The facts:** Professional secondment company TMC reported very decent 1H08 results slightly below our expectations. Management reiterated its FY08 guidance.

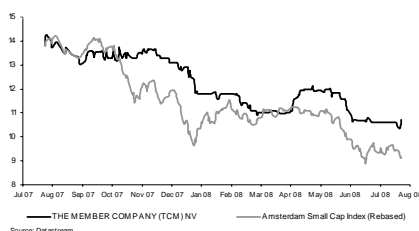
**Our analysis:** TMC reported net profit of EUR 2.3m (EUR 0.58 p.s.), falling slightly short of our estimated EUR 3.0m. Main reason was the sharp increase of SG&A costs, which were ahead of our estimates. Indirect personnel were sharply up from 56 to 74, as the company continues to invest in future growth.

Sales amounted to EUR 20.5m (+96%) in line with our estimate. The gross margin of 35.8% (+80bp) was in line with our estimate of 36.0%. EBIT increased to EUR 3.1m from EUR 2.0m compared to our estimate of EUR 4.1m, clearly reflecting the increase of indirect personnel.

On a divisional base, TMC Technology & ICT reported results in line with expectations. Sales growth of 48% was much stronger than expected. EBIT of EUR 2.2m was only slightly below expectations. Adapté clearly underperformed our expectations. Sales were down from EUR 5.7m in 1H07 to EUR 5.0m in 1H08. EBIT dropped from EUR 1.7m to EUR 1.0m, undershooting our estimate of EUR 1.6m.

Management reiterated its FY08 guidance, forecasting pro forma sales to increase by at least 25%.

**Conclusion & Action:** TMC reported very decent numbers, though slightly below our estimates. The company is able to continue its high organic growth (even better than expected) and is willing to invest in new capacity to continue its high growth pace, indicating that management remains positive for the short and mid-term future. We reiterate our Hold recommendation for TMC. The company is valued in line with its peers, which we consider justified at the moment. We do recognize the strong growth potential, but the company has to further build up its growth track record.



\*closing price as of 20/08/2008

Analyst(s):

Frank van Wijk, SNS Securities

frank.vanwijk@snssecurities.nl

+312 0 5508805