GROUP

Work Hard, Think Smart

THE MEMBER COMPANY (TMC) N.V.

(a public limited liability company incorporated in the Netherlands with its statutory seat in Eindhoven, the Netherlands)

Offering of up to 1,568,628 ordinary shares with a nominal value of EUR 0.08 per Share
Offer Price: in the range between EUR 12.75 per Share and EUR 14 per Share

This prospectus (the **"Prospectus"**) relates to the initial offering (the **"Offering"**) of up to 784,314 new ordinary shares, with a nominal value of EUR 0.08 per ordinary share (the **"New Shares"**) by The Member Company (TMC) N.V. (the **"Company", "TMC"** or **"the Issuer"**), a public company with limited liability incorporated in the Netherlands and up to 784,314 existing ordinary shares with a nominal value of EUR 0.08 per ordinary share in the Company (the **"Existing Shares",** and together with the New Shares, the **"Offer Shares"**) by Thijs Manders Beheer B.V., Mobion Holding B.V., Bridge Career Holding B.V. and Cumano B.V. (collectively the **"Selling Shareholders"** and each individually a **"Selling Shareholder"**). The Offering consists of (i) a public offer in the Netherlands (including to certain institutional investors) and (ii) an offer to certain institutional investors outside the Netherlands. As part of the Offering, there is a preferential allotment to employees of TMC of up to 5% of the Offer Shares being offered. In case the employees of the Company subscribe for more than 5%, allotment will take place among them with regard to the preferential allotment. For their remaining subscriptions employees will have no preferential allotment.

This document comprises a prospectus relating to the Company in the form of a single document within the meaning of Article 3 of the Directive 2003/71/EC (the **"Prospectus Directive"**). This Prospectus has been approved by the Netherlands Authority for Financial Markets (the **"AFM"**), which is the Dutch competent authority for the purpose of relevant implementing measures in the Netherlands.

Prior to the Offering there was no public market for the ordinary shares of the Company with a nominal value of EUR 0.08 per share (the **"Shares"**). Application has been made for admission to the Alternext segment (**"Alternext Amsterdam"**) of Euronext Amsterdam N.V. (**"Euronext"**). Alternext Amsterdam is a new *non-regulated market*. It is not a *regulated market*, as defined by the Markets in Financial Instruments Directive of 21 April 2004.

Prospective investors may subscribe for the Offer Shares for a period which is expected to commence on or about 14 November 2006 at 9 a.m. (CET) and is expected to end on or about 23 November 2006 at 4 p.m. (CET) (the **"Subscription Period")**. At the date of this Prospectus, the offer price per Offer Share (the **"Offer Price"**) is expected to be between EUR 12.75 and EUR 14. The Offer Price and the number of Offer Shares (excluding any Over-allotment Shares) offered will be determined by the Company, the Selling Shareholders and the Lead Manager after termination of the Subscription Period expected to be on or about 23 November 2006 based on interest from investors and will be announced in a press release and will be deposited with the AFM. The date on which trading of the Shares through Alternext Amsterdam will commence (the **"Admission Date"**) is expected to be on or about 24 November 2006. Payment for and delivery of the Offer Shares is expected to be made on or about 29 November 2006 (the **"Settlement Date"**). The number of Offer Shares (excluding any Over-allotment Shares) can be decreased or increased prior to the Settlement Date. Any decrease or increase in the number of Offer Shares being offered in the Offering will be announced in a press release and will be deposited with the AFM and published in a pricing statement, expected to be on or about 24 November 2006. Any acceleration or extension of the timetable for the Offering will be announced in a press release at least two hours before the expiration of the Subscription Period or, in the event of an extended Subscription Period, at least two hours before the expiration of the original Subscription Period. Any extension of the Subscription Period will be for a minimum of one full business day on which Euronext is open for business.

The Company will grant to the Lead Manager an option exercisable, in whole or in part, within 30 days of the commencement of trading of the Offer Shares through Alternext Amsterdam, to require it to issue additional New Shares representing a maximum of 15% of the number of Offer Shares to cover over-allotments (the **"Over-allotment Shares"**), if any, and short positions resulting from stabilisation transactions (the **"Over-allotment Option"**).

An investment in the Shares involves risks. See "Risk Factors" for a description of specific and material risks to be taken into account in considering whether to invest in the Shares. For a description of certain restrictions on transfer see "Important information – *Selling Restrictions"*. This Prospectus does not in any way constitute an offer to sell or an invitation to make an offer to buy any investment object to any person in any jurisdiction where this is prohibited pursuant to applicable law. See "Important information – *Selling Restrictions".*

Delivery of the Offer Shares will take place on or about the Settlement Date through the book-entry facilities of Nederlands Centraal Instituut voor Giraal Effecten Verkeer B.V. (**"Euroclear Netherlands"**), Clearstream Banking, societé anonyme, Luxembourg (**"Clearstream Banking"**) and Euroclear Bank S.A./N.V. (**"Euroclear Brussels"**), as operator of the Euroclear System, in accordance with their normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediate available funds.

If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all subscriptions for the Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be annulled. All dealings in Shares prior to settlement and delivery are at the sole risk of the parties concerned. Euronext Amsterdam does not accept any responsibility or liability for any loss or damage incurred by any person as a result of a withdrawal of the Offering or (the related) annulment of any transactions on Alternext Amsterdam by Euronext.

Lead Manager and Sponsor

Rabobank Nederland

The date of this Prospectus is 13 November 2006

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SUMMARY

This summary must be read as an introduction to this Prospectus. Any decision to invest in any of the Shares should be based on a consideration of the Prospectus as a whole, including any amendment and supplement thereto and the documents incorporated by reference therein. This summary is not complete and does not contain all the information that you should consider in connection with any decision relating to the Shares.

No civil liability attaches to the Company solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in a member state within the European Economic Area, the plaintiff may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

In this Prospectus, all references to "TMC", "the Company", "the Issuer", "we", "our" or "us" refer to The Member Company (TMC) N.V. or The Member Company (TMC) N.V. and its subsidiaries, depending on the context.

SUMMARY OF THE BUSINESS

Company overview

TMC is a provider of specialised high-end secondment services (*detachering*) to the ICT & technology driven industries in the Netherlands with a turnover of EUR 6.100 million and an EBIT of EUR 0.970 million in 2005 and a turnover of EUR 6.255 million and an EBIT of EUR 1.334 million for the first six months of 2006. TMC provides professionals for different stages in the development of high-tech and ICT related products, from R&D to industrialisation, installation, and field support. To this extent, TMC employed 124 professionals in 5 highly specialised areas as of 30 June 2006: embedded software, ERP software, industrial and field service engineering, physics and mechatronics.

Management believes that the key driver of TMC is its strong and distinguished business model based on the entrepreneurship of its direct employees. The business model is best described as "employeneurship" (*werkondernemerschap*), and is based on the following principles:

- Maintain long-term employment relationships with its employees;
- Direct employees share in individually generated surplus profit;
- Employees participate in soft-skill development programs to create entrepreneurial behaviour and business awareness; and
- Organised in focused business cells within a specific ICT or technological competence.

By implementing this model TMC believes it is able to mobilise (highly educated) talented technology professionals in tight ICT & technology labour markets. For these talented professionals interesting career opportunities will be created within and throughout different customers. A flexible workforce is highly valued by these customers. However, within the flexible workforce layer of these customers, stability (recruitment, competence management and management development) and quality of personnel is hard to manage by such customer. Therefore by mobilising talented professionals TMC offers its customers a solution to manage these problems within these flexible personnel layers.

TMC is a niche player providing high-tech specialised professionals, geographically focussing on the regions around Eindhoven, Delft, Enschede, Leuven and Aachen. In order to strengthen the relationship with its customers on senior management level, TMC on demand also provides executive search and interim management services for (senior) management or directors' positions within the respective areas in which its business cells are active.

The growth of TMC in recent years in terms of the number of business cells and employees underlines the recognition of the benefits of the TMC business model by its employees and customers.

TMC's business was initiated in June 2000 by Thijs Manders Beheer B.V., the personal holding company of Mr. M.H.H.P. Manders, current CEO of TMC, together with QPM B.V. and Vuhamij B.V., two investment companies, which are partly and indirectly owned by Mr. J.H.M. van Rijt. Initially, TMC focused on general recruitment and secondment services. In 2002, TMC decided to move away from general recruitment activities and to focus only on the technical contracting business in embedded software and ICT & technology recruitment in niche labour markets.

Market opportunity

The overall and specialised staffing and secondment markets are mainly driven by demand from larger international companies, governments, and institutions that increasingly value a flexible workforce. Even in declining market conditions ICT and technology driven companies continue to invest in technology development projects, in order to stay ahead of competition. TMC subsequently gains from the trends that; i) companies increasingly value flexible staff as it allows them to tailor their operations to market circumstances, and ii) the regulations regarding employee benefits, insurances, pension plans, and redundancy plans are making laying-off employees intensive and expensive.

TMC, as a provider of highly specialised secondment services, is active in the Dutch high-tech equipment and systems industry. The Dutch high-tech equipment and systems research is internationally highly regarded and contributes significantly to patent applications in the EU. Dutch high-tech companies rank high internationally in (niche) markets and are at the forefront in the integration of systems and technology. After a period of recession the demand for highly skilled technicians experienced strong growth during the second half of 2005, and is considered to continue to grow over the coming period.

Main business areas

TMC has implemented a Management Board, responsible for the business cells, supported by general staff functions such as finance and administration. TMC has 5 business cells each of them managed by a dedicated business driver (director). TMC's business cells include:

> ***TMC Embedded*** provides software professionals to companies that develop in-product software. TMC Embedded focuses on software development, software & system integration and software & system validation and verification. These services are targeted to clients in the field of: semiconductors, consumer electronics, telecommunication, manufacturing tools, security systems, medical systems and copy and printing systems.
>
> ***TMC ERP Professionals*** provides consultants related to the implementation and administration of ERP software (mainly specific SAP modules). These services are targeted to large companies active in the oil and gas, fast moving consumer goods, energy, technology, consumer products and public sectors.
>
> ***TMC Engineering Professionals*** provides secondment services in two domains: industrial, quality & manufacturing engineering and field service & maintenance engineering. The activities of industrial, quality & manufacturing engineering are mainly focussed on organising a production environment in a more effective and efficient way. The services of industrial engineering are targeted at assembly and production driven companies in the industrial, pharmaceutical, automotive, chemical and food processing sectors. The activities of field service & maintenance are mainly focussed on testing, installing and servicing complex machinery equipment such as high precision equipment, pharmaceutical, medical and food technology production equipment, but also process and semiconductor equipment.
>
> ***TMC Physics*** provides professionals within the entire physicist discipline. Its employees are active in the field of product and process modelling, thermal processing, applied chemical technologies, laser and optics, thin film and materials technology. These services are targeted to customers in the field of: nano-technology, high-tech machinery equipment, oil & gas industry, life sciences and pharmaceuticals
>
> ***TMC Mechatronics*** provides mechatronic engineers who are active in 'research and development of mechanical systems' and 'corresponding control or robotic systems.' Domains in which TMC Mechatronics is currently active include high precision actuators and sensors and high speed drive and control regulation. These services are targeted to customers in the field of: automotive and medical systems and high precision machinery equipment.

Strategy

TMC intends to accelerate the development of its position as a niche secondment provider of technology and ICT professionals by further leveraging on its entrepreneurial business model. It is

TMC's strategy to build partnerships with customers by providing professionals on demand in tight labour markets.

TMC aims to grow both organically and through acquisitions of companies that provide services in areas that are suitable for TMC's business model. In order to realise this growth, TMC will focus on four strategic initiatives:

1. Expansion of existing business cells;
2. Start-up of business cells in new segments;
3. Acquisitions of smaller and similar companies; and
4. Geographical expansion.

Risk factors

Before making any investment decision with regard to any Shares, prospective investors should carefully consider all of the information provided in this Prospectus and, in particular, the specific factors and risks set out under "Risk Factors". The most important risk factors are listed below.

Risks relating to our business

As a high-end secondment services provider, the Company is highly dependent upon its ability to attract and retain highly qualified employees who possess the skills and experience necessary to meet the high requirements set by the Company and its customers.

- Pursuant to certain of the Company's secondment contracts with its customers, after nine or twelve months, the customer may be allowed to offer employment to the Company's employees, in certain cases without the prior consent of the Company.
- Competition for individuals with proven professional skills or special industry know-how may be expected in periods of high demands for these individuals.
- The Company's activities are sensitive to changes in the ICT & technology markets and economic conditions in the countries in which the Company operates.
- The market for staffing and secondment services is highly competitive with few barriers to entry, potentially limiting the Company's ability to maintain or increase its market share or margins as a high-end secondment services provider.
- A significant amount of the Company's revenues is dependent on a limited number of key customers.
- The secondment contracts of the Company with its customers that are entered into for an indefinite period of time are subject to short termination periods.
- Some of the client contracts contain exclusivity arrangements which may prevent or restrict the Company from expanding its business in the sector of the respective client during the term of the contract and in some cases during a certain period after termination of the contract.
- Decline in the fees the Company can charge for its service contracts due to price reductions or other factors could adversely affect the Company's profitability.
- The Company may face litigation.
- The Company's ability to protect its trade name may be limited.
- The Company depends to a large extent on the members of its Management Board and its Senior Management.
- The Company may receive less revenue and incur the same level of costs due to the Company's inability to place its employees.
- TMC is a relatively young company that experienced a strong growth over the last two years. In order to keep pace with these developments TMC needs to continue to invest in the quality of our internal administrative organisation and processes.
- Further growth might strain the Company's resources.
- The Company may not be able to continue its current sustained growth of revenues and profitability.

- The Company may fail to effectively identify or execute strategic acquisitions, and if the Company does pursue such transactions, the Company will face certain risks inherent to such transactions.
- Due to the fact that the Company has erroneously not applied the ABU CAO and the Stiplu pension scheme, the Company is liable for the costs entailed by complying retroactively and will face additional costs for the period starting as of 30 June 2006 until these matters are resolved.

Risks relating to the Shares and the Offering

- Alternext Amsterdam is a new non-regulated market and the Company is expected to be the first issuer admitted to Alternext Amsterdam.
- The regulatory requirements of trading securities through Alternext Amsterdam might change following admission, and compliance with any such new or additional requirements could prove costly and time consuming for the Company.
- There may not be an active market for the Shares, which may cause the Shares to trade at a discount to the Offer Price and make it difficult to sell the Shares purchased by an investor.
- The Company's articles of association contain anti-takeover provisions that may prevent or discourage takeover attempts that may be favourable to shareholders.
- Future issuances of Shares may affect the market price of the Shares and could dilute the interests of existing shareholders.
- The market price of the Shares could be negatively affected by sales of substantial amounts of the Shares in the public markets.
- The Company cannot guarantee that dividends will be declared or paid out.
- The market price of the Shares may fluctuate widely in response to different factors.
- As a public company, the Company will incur increased expenses that the Company did not incur as a private company.
- Euronext may annul all transactions effected in the Shares if the Shares are not issued and delivered on the envisaged Settlement Date.

SUMMARY OF THE OFFERING

The Issuer	The Member Company (TMC) N.V.
The Offering	The Offering comprises the offer of up to 784,314 New Shares by the Company and up to 784,314 Existing Shares by the Selling Shareholders consisting of (i) a public offer in the Netherlands (including to certain institutional investors) and (ii) an offer to certain institutional investors outside the Netherlands.
Shares outstanding after the Offering	Immediately after the closing of the Offering (assuming no increase or decrease of the number of Offer Shares and no exercise of the Over-allotment Option), the Company will have 3,584,314 Shares outstanding immediately after the closing of the Offering (assuming no increase or decrease of the number of Offer Shares and full exercise of the Over-allotment Option), the Company will have 3,819,608 Shares outstanding.
The Selling Shareholders	Thijs Manders Beheer B.V., Mobion Holding B.V., Bridge Career Holding B.V. and Cumano B.V.
Preferential Employee Allotment	As part of the Offering, there is a preferential allotment to employees of TMC of up to 5% of the Offer Shares being offered. In case the employees of TMC subscribe for more than 5%, allotment will take place among them with regard to the preferential allotment. For their remaining subscriptions employees will have no preferential allotment.
Over-allotment Option	An option exercisable, in whole or in part, by the Lead Manager within 30 days of the commencement of trading of the Shares through Alternext Amsterdam, to require the Company to issue additional New Shares representing a maximum of 15% of the number of Offer Shares to cover over-allotments, if any, and short positions resulting from stabilisation transactions.
Subscription Period	The period which is expected to commence on or about 14 November 2006 at 9 a.m. (CET) and is expected to end on or about 23 November 2006 at 4 p.m. (CET), subject to acceleration or extension of the timetable for the Offering.
Offer Price	At the date of this Prospectus, the Offer Price is expected to be between EUR 12.75 and EUR 14 per Offer Share. The final Offer Price per Offer Share will be determined by the Company, the Selling Shareholders and the Lead Manager after termination of the Subscription Period, expected to be on or about 23 November 2006 based on interest from investors and to be announced in a press release.
Pricing Date	Expected to be on or about 23 November 2006, subject to acceleration or extension of the timetable of the Offering.
Allotment Date	Allotment will occur following the Subscription Period and is expected to take place on or about 24 November 2006.
Admission and Trading	Application has been made by the Company for admission to Alternext Amsterdam and trading of the Shares is expected to commence on 24 November 2006, the Admission Date. Prior to the Admission Date, there was no public market for the Shares.

Dividends	The Shares carry full dividend rights if and when declared from the date the holder acquires such rights. The Company does not anticipate paying any dividends for the foreseeable future. See "Dividend Policy".
Delivery, Settlement and Payment	The Shares will be entered into the collection depot (*verzameldepot*) and giro depot (*girodepot*) on the basis of the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*). Application has been made for the Shares to be accepted for delivery through the book-entry facilities of Euroclear Netherlands. The Shares will be deposited in Euroclear Netherlands. Delivery of the Offer Shares is expected to take place on 29 November 2006 through the book-entry facilities of Euroclear Netherlands, Clearstream Banking and Euroclear Brussels, as operator of the Euroclear System, in accordance with their normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediate available funds.
Settlement Date	Expected to be on 29 November 2006.
Voting Rights	Each Share entitles its holder to one vote at our shareholders' meetings. See "Description of Share Capital and Corporate Governance".
Use of Proceeds	The Company seeks admission to Alternext Amsterdam to gain access to the capital markets in order to fulfil its expected equity capital need to realise its growth strategy. Also admssion to Alternext Amsterdam will contribute to the Company's appearance in the market towards potential customers and it will create a market of its Shares. See "Reasons for the Offering and Use of Proceeds". The Company will not receive any proceeds from the sale of the Existing Shares by the Selling Shareholders in the Offering, all of which will be paid to the Selling Shareholders (subject to deduction of commission and expenses).
Lock-up Arrangements	Each of the Selling Shareholders and the Company has agreed with the Lead Manager that, without the prior written consent of the Lead Manager, it will not, subject to certain exceptions, during the 180 day period after the date of the Underwriting Agreement, issue, offer, sell, contract to sell, pledge or otherwise transfer or dispose of, or announce the proposed sale of, any Shares or ordinary Shares A. See "Plan of Distribution – *Lock-up arrangements".* In addition, the Selling Shareholders, Messrs. M.H.H.P. Manders, J.H.M. van Rijt, P.J.H.S. van Rijt, L.C.A.J. Jeuken and R.H.W. Roosen as indirect shareholders of the Company, as well as the intermediate holding entities controlled by them, have entered into a lock-up and preliminary meeting agreement. See "Plan of Distribution – *lock-up and preliminary meeting agreement".*
Security Codes	ISIN: NL0000290997 Common Code: 027436005 Euronext security code (Fondscode): 29099 Alternext Amsterdam Symbol: TMC
Lead Manager and Sponsor	Rabobank Nederland

SUMMARY COMBINED FINANCIAL INFORMATION

The summary combined financial information set forth below is that of The Member Company (TMC) N.V. and its subsidiaries. The summary combined financial information should be read in conjunction with the "Operating and Financial Review" and the combined financial information included in this Prospectus. The year-end combined financial statements have been audited by KPMG Accountants, independent auditors. The six months combined financial data is based upon unaudited condensed combined interim financial statements for the six months ended 30 June 2006 and 2005. The results for the six months period ended 30 June 2006 are not necessarily indicative of the results for the full year. The financial statements and accounts from which the summary combined financial information set forth below has been derived were prepared in accordance with IFRS for 2005 and 2004 and in accordance with Dutch GAAP for 2003 and 2004. See "Operating and Financial Review – *Statement of differences between IFRS and Dutch GAAP applicable to TMC".*

COMBINED INCOME STATEMENT		**Year ended 31 December**			**6 months ended 30 June**	
(EUR in thousands)	**2003**	**2004**	**2004**	**2005**	**2005***	**2006***
(*)Unaudited	**Dutch GAAP**	**Dutch GAAP**	**IFRS**	**IFRS**	**IFRS**	**IFRS**
Turnover	2,874	3,719	3,719	6,100	2,536	6,255
Net margin on turnover (EBIT)	79	520	520	970	402	1,334
Profit before tax	29	475	475	918	383	1,324
Net income	34	300	300	637	266	890

COMBINED BALANCE SHEET		**As of 31 December**			**As of 30 June**	
(EUR in thousands)	**2003 GAAP**	**2004 GAAP**	**2004**	**2005**	**2005***	**2006***
ASSETS						
Non-current assets	87	9	9	25	25	40
Current assets	665	1,434	1,434	2,294	2,294	4,451
Total assets	**752**	**1,443**	**1,443**	**2,319**	**2,319**	**4,491**
LIABILITIES						
Non-current liabilities	0	100	100	0	0	0
Current liabilities	803	1,270	1,270	1,829	1,829	3,091
Total liabilities	**803**	**1,370**	**1,370**	**1,829**	**1,829**	**3,091**
Equity attributable to equity holders	-51	73	73	490	490	1,400
Minority interests	0	0	0	0	0	0
Total liabilities & equity	**752**	**1,443**	**1,443**	**2,319**	**2,319**	**4,491**

COMBINED CASH FLOW DATA		**Year ended 31 December**			**6 months ended 30 June**	
(EUR in thousands)	**2003**	**2004**	**2004**	**2005**	**2005***	**2006***
(*) Unaudited	**Dutch GAAP**	**Dutch GAAP**	**IFRS**	**IFRS**	**IFRS**	**IFRS**
Net Cash from operating activities	207	233	233	224	39	-573
Net Cash from investing activities	-14	73	73	-8	-3	-2
Net Cash from financing activities	0	-76	-76	-215	0	0
Net increase in cash and cash equivalents	**193**	**230**	**230**	**1**	**36**	**-575**
Capital expenditures	-6	-8	-8	-23	-3	-22

NET FINANCIAL INDEBTEDNESS		**As of 31 December**			**As of 30 June**	
(EUR in thousands)	**2003**	**2004**	**2004**	**2005**	**2005***	**2006***
(*) Unaudited	**Dutch GAAP**	**Dutch GAAP**	**IFRS**	**IFRS**	**IFRS**	**IFRS**
Cash and cash equivalents	68	283	283	303	318	203
Short-term financial debt	-546	-840	-840	-979	-1,490	-1,123
Long-term financial debt	0	-100	-100	57	0	63
Net financial debt	**-478**	**-657**	**-657**	**-619**	**-1,172**	**-857**

RISK FACTORS

Prospective investors should carefully consider the risk factors below, together with the other information contained in this Prospectus and incorporated herein by reference, before making an investment in the Shares. The occurrence of any of the following events could materially adversely affect the business, financial condition and results of operations of the Company. In such circumstances, the market price of the Shares could decline and investors could loose all or part of their investment. Although the Company believes the risks and uncertainties described below are the Company's most material risks and uncertainties, they are not the only ones the Company may face. Additional risks and uncertainties not currently known to the Company or that it currently deems immaterial may also have a material adverse affect on the Company's business, results of operations and financial condition and could negatively affect the price of the Shares.

Risks relating to TMC's business and industry

The Company depends on its ability to attract and retain highly qualified employees

As a high-end secondment services provider, the Company is highly dependent upon its ability to attract and retain highly qualified employees who possess the skills and experience necessary to meet the high requirements set by the Company and its customers. The Company must continually evaluate and upgrade its base or available qualified personnel to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills, experience and/or special industry know-how may be expected in periods of high demands for such individuals. There can be no assurance that such highly qualified personnel will continue to be available to the Company in sufficient numbers and on terms of employment acceptable to the Company. Competition for highly qualified employees in the ICT & technology industry is strong, and the loss of a substantial number of highly qualified employees or the inability of the Company to retain and to recruit, train and motivate these highly qualified employees, could have a material adverse effect on the Company's business, financial condition and results of operations. In this respect, it should be noted that the Company's employees are not obliged to remain with the Company for a specified period of time and may choose to leave the Company at any time. Some of the employment contracts of direct personnel do not contain a competition clause. As a result, such employees of the Company may decide to join a competitor or a customer for whom he has worked, or otherwise compete directly or indirectly with the Company. The employment agreements of each of the members of the Management Board contain competition clauses.

Furthermore, increases in compensation or benefits resulting from competition for such highly qualified employees may have a negative effect on the Company's business, results of operations and financial condition. The Company may also be negatively affected by economic conditions during periods of strong growth. For example declining unemployment levels can make it harder for the Company to attract suitable highly qualified employees. The occurrence of these circumstances could have a material adverse effect on the Company's business, results of operations and financial condition.

In addition, pursuant to some of the Company's secondment contracts with its customers, after nine or twelve months, the customer may be allowed to offer employment to the Company's employees, in some cases without the prior consent of the Company. As a result, the employees could choose to leave the Company following such offer.

The Company's activities are sensitive to changes in the ICT & technology markets and economic conditions in the countries in which the Company operates

The Company is a provider of high-end secondment services to the ICT & technology markets primarily in the Netherlands, Germany and Belgium. The secondment and staffing services providers industry is affected by general economic conditions. Demand is dependent on the economic conditions in the countries and the sector in which the Company operates. Demand for the Company's high-end secondment services is also sensitive to changes in the ICT & technology markets. A downturn in these markets or a general economic downturn in the countries in which the Company operates may adversely affect the Company's high-end secondment services, as its customers may reduce their use of the Company's employees. The Company's revenues and results are dependent on one sector and the Company is therefore not able to divide the risks between various sectors. As a result, a significant downturn in the ICT & technology markets could have a material adverse effect on the Company's business, results of operations and financial condition.

The staffing and secondment services providers market is highly competitive with few barriers to entry

The market for staffing and secondment services in the countries in which the Company operates, in particular in the Netherlands, is highly competitive with few barriers to entry, potentially limiting the Company's ability to maintain or increase its market share or margins as a high-end secondment services provider. The Company generally expects competition to remain strong in the future. As a high-end secondment services provider, the Company competes with large, international staffing and secondment services providers and smaller, more localised and/or specialised companies. In addition, the Company may compete with other companies that may enter the market in which the Company operates.

The Company believes that its ability to compete successfully in the staffing and secondment services providers and engineering and software consultancy firms market for ICT & technology depends on numerous factors, including availability of candidates, brand awareness, price and quality and speed of customer service. In the staffing and secondment market in which the Company operates as a high-end secondment provider, it competes for customers and qualified employees with other firms offering these specific secondment services. Certain of the Company's competitors may have greater marketing and financial resources than the Company or may be prepared to accept lower margin contracts than the Company. There can be no assurance that the Company will not encounter increased competition in the future, which could have a negative effect on the Company's business, results of operations and financial condition.

The Company derives a significant amount of its revenues from a limited number of key customers

A significant amount of the Company's revenues is dependent on a limited number of key customers. These key customers are Philips, ASML and Océ. The Company's three largest customers accounted for a significant percentage of the Company's total revenues for the financial year 2005. See "Operating and Financial Review – *Factors affecting TMC's results of operation"* and "Operating and Financial Review – *Customer base".*

The Company's relationship with its key customers could be adversely affected by a number of factors, including but not limited to an inability to agree mutually acceptable terms, such as pricing. If, as a result, the Company's commercial relationship with a key customer terminates for any reason, or a key customer significantly reduces its business with the Company and the Company is unable to enter into similar relationships with other parties, the Company's business, results of operations and financial condition could be adversely affected.

Most of the customer contracts are subject to a short notice period and some of these contracts contain exclusivity arrangements

The contracts of the Company with its customers are entered into for either an indefinite or a definite period of time and are subject to a short notice period. In specific circumstances, contracts may be terminated with immediate effect. If one or more customers would terminate its contract with the Company and the Company would be unable to enter into a similar contract with another party, the Company's business, results of operations and financial condition could be adversely affected.

Further, some of the client contracts contain exclusivity arrangements which may prevent or restrict the Company from expanding its business in the sector of the respective customer during the term of the contract and in some cases during a certain period after termination of the contract. However, the Company believes that such exclusivity arrangements have a limited adverse effect on the Company's business, results of operations and financial condition.

Decline in the fees the Company can charge for its service contracts due to price reductions or other factors could adversely affect the Company's profitability

The level of fees the Company can charge in relation to the employees seconded by the Company is subject to a number of factors, including its customers' perception of the quality of the Company's employees and competition from other staffing and secondment services providers and engineering and software consultancy firms. The Company could experience decreases in the level of fees it is able to charge to its customers. As a result of such fee decreases, the Company's business, results of operations and financial condition could be adversely affected.

The Company may face litigation and the Company's insurance policies may be insufficient to cover losses from third-party liabilities

The Company concentrates its business solely on providing high-end secondment services. An inherent risk of this activity includes possible claims by customers against the Company for worker errors and omissions, misuse of client proprietary information, theft of client property, other criminal activity or torts and/or similar claims. The Company may also be subject to claims made directly by its employees and/or fines or administrative sanctions by governmental authorities, relating to discriminations or, violations of (collective) employment conditions and/or employment (tax) related laws and regulations. Although the Company has, to date, not been subject to liability claims in this respect, any claims arising against the Company may leave the Company liable to pay damages and attorneys' fees, take up Management Board and/or Senior Management time and also significantly damage its reputation and therefore adversely affect the Company's business, results of operations and financial condition.

To reduce exposure, the Company maintains, and is often required by law or by its customers, insurance covering general liability, workers' compensation claims, errors and omissions and employee theft. This type of coverage is generally subject to conditions and may not continue to be available on acceptable terms, or at all. The amounts of this coverage may also be inadequate to cover liabilities to which the Company may become subject. If the Company's insurance coverage proves to be inadequate, this could have a negative effect on its business, results of operations, financial condition and future prospects.

Intellectual property rights

According to a trade name examination, the trade name of the Company is not considered to be unique and distinguishing. As a result, the Company's ability to protect its trade name may be limited.

Successful intellectual property infringement claims against the Company could subject it to liability and material disruption in the conduct of its business. Furthermore, the Company cannot be certain that its trademark, brand name, software and business know-how do not infringe trademarks, copyright, patents or confidential information held by others. The occurrence of these circumstances could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company depends on the members of its Management Board and its Senior Management

The Company is highly dependent upon the performance of the members of the Management Board and Senior Management because of their experience in the ICT & technology staffing and secondment services industry. The Company cannot be certain that these members will continue to make their services available in the future. Although Mr. L.C.A.J. Jeuken, Mr. R.H.W. Roosen, Mr. P. van den Tillaart and Mr. M.H.H.P. Manders have committed themselves by agreeing to remain employed with the Company until at least 2011, such agreement may not be enforceable in court due to the fact that an employee may always terminate his employment agreement taking into account the applicable termination period. The members of the Management Board may terminate their employment with the Company with a notice period of one month. The employment agreements with Senior Management can generally be terminated by the senior manager taking into account the statutory notice period under Netherlands law. In addition, some of the Company's Senior Management are new to their positions within TMC and thus, although highly experienced in their profession, may take time to fully grow into their new roles. If a member of the Management Board or Senior Management decides to leave the Company, it may be difficult to attract a qualified new member. The Company's failure to retain the members of its Management Board and its Senior Management could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company may receive less revenues and incur the same level of costs due to the Company's inability to place its employees

Due to the fact that the Company's business model encourages to enter into permanent employment agreements with the Company's employees, the Company will have to pay the salaries of its employees, even if it cannot place these employees with customers. If the Company would not be able to place an employee with a customer, the Company will not receive any revenues with respect to this employee, whereas the base salary costs for such employee will remain the same. Although the Company's productivity (invoiced hours as a percentage of total employed hours, excluding holidays) was 98.6% in 2003, 100% in 2004 and 95.1% in 2005 and 100.4% for the six months ended 30 June 2006, the Company cannot guarantee that it will be able to continue to do so in the future. Failure by the Company to do so could have a material adverse effect on its business, results of operations and financial condition.

Further growth might strain the Company's resources

The Company's strategy involves organic growth and growth through acquisitions. This expansion might strain the Company's management, operational, business development and financial resources. Failure by the Company to manage growth successfully in a manner that minimises these strains on its resources could disrupt the Company's operations and interfere with the implementation of its strategy. If the Company is unable to successfully attract new personnel or otherwise fails to successfully manage its growth, its business results of operations and financial condition could be adversely affected.

TMC is a relatively young company that experienced a strong growth over the last two years. In order to keep pace with these developments TMC needs to continue to invest in the quality of its internal administrative organisation and processes.

Until now the Company was privately owned and experienced a strong growth over the last two years. In the past, due to the limited size of its activities, there was no legal obligation for an audit to be performed on these statutory financial statements. In order to keep pace with its growth, TMC invested in its internal administrative organisation and processes. In April 2004 a controller was employed and because of the growth of the Company, the accounting and controlling department expanded over the years. Recently TMC recruited a CFO in order to invest further in the quality of its internal administrative organisation. In order to keep pace with these developments TMC needs to continue to invest in its internal administrative organisation and processes. If the Company doesn't succeed to keep pace with its internal administrative organisation and processes in relation to its growth, this could have a negative effect on its business, results of operations and financial condition.

The Company may not be able to continue its current sustained growth of revenues and profitability

The Company has experienced sustained growth of revenues and its profitability during the last years. In particular, TMC Mechatronics B.V. and TMC Physics B.V. are relatively young business cells that experienced a strong growth since their start of business. The Company cannot guarantee that this growth will continue. The future development and success of the Company's business depend on the future level of demand for its employees and its ability to attract and retain highly qualified employees. If demand for the Company's employees does not grow as anticipated, or if the Company loses market share for any reason, the Company's business, results of operations and financial condition could be adversely affected.

The Company may fail to effectively identify or execute strategic acquisitions, and if the Company does pursue such transactions, the Company will face certain risks inherent to such transactions

Until now, the Company has only grown organically. In the future, the Company aims to grow both organically and through acquisitions of companies that provide services in areas that are suitable for the Company's business model. The Company may not be able to identify suitable candidates for such acquisitions, or if the Company does identify suitable candidates, the Company may not be able to complete any transactions on acceptable terms, or at all.

If the Company makes such acquisitions, it will face risks inherent to such transactions. For example, the Company could face difficulties in managing and integrating newly acquired operations or in realising cost, revenue or other anticipated benefits from the acquired entity, including the loss of key employees.

If the Company pursues acquisitions in the future and fails to successfully integrate or manage any of these transactions, the Company's business, results of operations and financial condition could be adversely affected.

Changes in laws and regulations

The Company is subject to laws and regulations in the countries in which it operates. Any amendment in these laws and regulations may have an adverse effect on the Company's business, results of operations and financial condition, requiring it to make additional costs or limit its activities and/or growth.

Due to the fact that the Company has erroneously not applied the ABU CAO and the Stiplu pension scheme, the Company is liable for the costs entailed by complying retroactively and will face additional costs for the period starting as of 30 June 2006 until these matters are resolved.

It appears that the Company has erroneously not applied the collective bargaining agreement with the staffing industry (**"ABU CAO"**) which, since the incorporation of the Company in June 2000, has been declared generally binding (*algemeen verbindend verklaard*) three times: (i) as of 14 July until 31 December 2003, (ii) as of 28 July 2004 until 4 April 2005, and (iii) as of 13 September 2005 until 1 April 2007. In addition, the collective bargaining agreement for the Company's regular office staff has also been declared generally binding (*algemeen verbindend verklaard*) three times: (i) as of 28 March until 31 March 2003, (ii) as of 24 September until 31 December 2004 and (iii) as of 6 October until 31 December 2005. It has further appeared that as from the year 2004 until the present, the Company has put in place its own pension scheme for employees rather than the obligatory pension scheme of the Foundation Company Pension Fund for long-term temporary employees (*Stichting Bedrijfspensioenfonds voor langdurige uitzendkrachten,* **"Stiplu"**). The Company has recently initiated consultations with its own employees and Stiplu in order to resolve these matters and has made a calculation, supported by Watson Wyatt, of the amount of additional costs entailed by complying retroactively with the relevant rules of the ABU CAO and the Stiplu pension scheme. Should it turn out that TMC has to meet these conditions a liability to the ABU CAO of EUR 93,075 and to the Stiplu of EUR 165,650 will be incurred for the period ended 30 June 2006. Management believes that this amount is sufficient to cover its retroactive payment obligations resulting from the foregoing, if any. However, the Company may face additional costs for the period starting as of 30 June 2006 until these matters are resolved.

When the need for new capital arises, there is no guarantee that it can be acquired at advantageous conditions, or that such acquired capital will be sufficient to finance future operations

There is a possibility that new additional capital will be required in the future for the funding of the Company's business. When the need for new capital arises, there is no guarantee that it can be acquired at advantageous conditions, or that such acquired capital will be sufficient to finance future operations.

The Company will not apply all the provisions of the Dutch Corporate Governance Code in full

On 9 December 2003, a committee commissioned by the Dutch government (*Commissie Tabaksblat*) published a Dutch Corporate Governance Code (the **"Dutch Corporate Governance Code"**).The Company will not apply all principles and best practice provisions of the Dutch Corporate Governance Code in full. See "Description of Share Capital and Corporate Governance – *Corporate Governance".*

Risks relating to the Shares and the Offering

Alternext Amsterdam is a new non-regulated market and the Company is expected to be the first issuer admitted to Alternext Amsterdam

The Shares will be admitted to Alternext Amsterdam, a new *non-regulated* market, meaning that it is subject to a body of rules laid down by the market operator, Euronext, and applicable to all participants. It is not a *regulated market,* as defined by the Markets in Financial Instruments Directive of 21 April 2004. Alternext Amsterdam was launched by Euronext in Amsterdam on 30 May 2006 and its future success and liquidity in the market for the Shares cannot be guaranteed. The Company is expected to be the first issuer to be admitted to Alternext Amsterdam. The Alternext Amsterdam rules, laid down in the Rule Book entitled Alternext Amsterdam – Non Regulated Market-Rules (**"Alternext Amsterdam Rules"**) are less demanding than those of Eurolist.

Furthermore, companies admitted to Alternext Amsterdam do not have to comply with certain rules and regulations that only apply to a regulated market, including but not limited to the compliance with the Disclosure of Major Holdings and Equity Interests in Issuing Institutions Act (*Wet melding* *zeggenschap en kapitaalbelang in effectenuitgevende instellingen*) and the public offer rules as laid down in or pursuant to the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*). See "Description of Share Capital and Corporate Governance – *Disclosure of holdings"* and "Description of Share Capital and Corporate Governance – *Public offer rules".*

An investment in securities admitted to Alternext Amsterdam might carry a higher risk than an investment in securities listed on Eurolist. See "Market Information". The regulatory requirements of trading securities through Alternext Amsterdam might change following admittance, and compliance with any such new or additional requirements could prove costly and time consuming for the Company.

There may not be an active market for the Shares, which may cause the Shares to trade at a discount to the Offer Price and make it difficult to sell the Shares purchased by an investor

There is currently no public market for the Shares. The Company cannot assure that an active trading market for the Shares will develop and, if it develops, how liquid that market will be. Also, the relatively small size of the Offering and the relatively small market capitalisation may increase the volatility of the share price. A substantial majority of the Shares will continue to be held indirectly by the Selling Shareholders, a substantial number of such Shares being subject to lock-up periods of 180 day and 2 years following the date of the Underwriting Agreement. See "Plan of Distribution – *Lock-up arrangements"* and "Plan of Distribution – *Lock-up and preliminary meeting agreement"*. The Offer Price and the number of Shares offered in the Offering will be determined by negotiations between the Company, the Selling Shareholders and the Lead Manager, based on interest from investors. The Company cannot guarantee that the Offer Price will correspond with the price at which the Shares will trade in the public market subsequent to the Offering or that the price of the Shares available in the public market will reflect the Company's actual performance.

The Articles of Association contain anti-takeover provisions that may prevent, discourage or delay takeover attempts that may be favourable to shareholders

The Articles of Association have anti-takeover provisions that may have the effect of preventing, discouraging or delaying a change of control. On the date of the Prospectus, the authorised share capital of the Company consists of 6,000,000 Shares, 3,000,000 ordinary shares class A (**"Ordinary Shares A"**) and 5,000,000 preference shares (**"Preference Shares"**), each with a nominal value of EUR 0.08 per share. The *Stichting Preferente Aandelen TMC* (the **"Foundation Preference Shares TMC"**) is entitled to acquire from the Company up to 5,000,000 Preference Shares in the Company's share capital (the **"Call-option"**). The Foundation Preference Shares TMC has the right to exercise the Call-option at any time wholly or partly. When exercising the Call-option, the Foundation Preference Shares TMC is entitled to acquire Preference Shares up to a maximum of 100% of the Company's total issued share capital, excluding issued Preference Shares (the **"Other Shares"**). The issuance of preference shares in this manner would cause substantial dilution of the voting power of any shareholder, including a shareholder attempting to gain control of the Company, and could therefore have the effect of preventing, discouraging or delaying a change of control that might have otherwise resulted in an opportunity for shareholders to sell the Shares at a premium to the then-prevailing market price. See "Description of Share Capital and Corporate Governance". This anti-takeover measure may have an adverse effect on the market price of the Shares. The issuance of additional Other Shares by the Company in the future without increasing the number of Preference Shares in the Company's authorised share capital and under the Call-option at the same time, may result in the number of Preference Shares to be acquired by the Foundation Preference Shares TMC under the Call-option not equalling 100% of the Other Shares anymore, thereby reducing the ability of the Foundation Preference Shares TMC to prevent, discourage or delay takeover attempts accordingly.

Immediately following the Offering, the Selling Shareholders will own a substantial majority of the Shares, and thus be able to exercise substantial influence over the Company

Immediately after the Offering, the Selling Shareholders will own approximately 56.24% of the Shares, assuming no increase or decrease of the initial number of Offer Shares and no exercise of the Over-allotment Option. Because the Selling Shareholders will own a majority of the Shares, investors may not be able to exercise as much influence over the Company as they might otherwise. The Selling Shareholders can exert substantial influence over certain actions requiring shareholders approval, including but not limited to the appointment, suspension and dismissal of the members of the

Management Board and Supervisory Board, payments of dividends, if any, and resolutions of the Management Board having a significant impact on the identity or nature of the Company.

In addition, three of the four members of the Management Board, have (direct or indirect) interests in three of the four Selling Shareholders. See "Principal and Selling Shareholders". Through their indirect majority stake in the Company, the Selling Shareholders will have the ability to substantially influence the Company's operations and affairs. The interests of the Selling Shareholders could conflict with the interests of the Company's other shareholders, and the Selling Shareholders might make decisions or undertake transactions with the Company that could materially adversely affect an investment in the Shares. The Selling Shareholders will have a preliminary meeting with each other shortly before each general meeting of shareholders of the Company (the **"General Meeting of Shareholders"**) which will take place during a period of 5 years from the first day of trading of the Shares through Alternext Amsterdam. See "Plan of Distribution – *Lock-up and preliminary meeting agreement".*

The Selling Shareholders are subject to certain contractual restrictions undertaken by them towards the Company for a period of 2 years following Settlement Date to collectively retain a minimum interest in the Company. See "Plan of Distribution – *Lock-up and preliminary meeting agreement".* However, this lock-up is subject to certain carve-outs and may be waived by the Company. As a result, no investment decision should be made on the basis that any of the Selling Shareholders will retain any interest in the Company following the Offering.

Additionally, the disposition of the Shares by the Selling Shareholders may, among other events, depending on the specific circumstances, constitute a change of control in the Company under certain of the Company's agreements. This could result in the termination or amendment of such agreements or require the Company to renegotiate such agreements on terms that are less favourable to the Company. To the extent any of the Company's material agreements are terminated, there can be no assurance this would not have a material adverse effect on the Company's business, results of operations and financial condition.

Future issuances of Shares may affect the market price of the Shares and could dilute the interests of existing shareholders

The Company might issue Shares in future offerings structured as private placements or in connection with acquisitions. Under Netherlands law, in such circumstances it may not be possible for existing shareholders to participate in such future share issues, which may dilute the existing shareholders' interests in the Company (see "Description of Share Capital and Corporate Governance – *Issue of shares and pre-emption rights"*). Moreover, the Company might issue preference shares with rights or privileges senior to those of the Shares. The issuance of additional shares by the Company, or the possibility of such issuance, might cause the market price of the Shares to decline.

The market price of the Shares could be negatively affected by sales of substantial amounts of the Shares in the public markets

Sales of a substantial number of Shares in the public markets following this Offering, or the perception that such sales might occur, could cause the market price of the Shares to decline and could impair the Company's ability to raise capital through a future sale of, or pay for acquisitions using, the Shares. The Selling Shareholders are subject to certain contractual restrictions undertaken by them towards the Company for a period of 180 days and 2 years following Settlement Date to collectively retain a minimum interest in the Company. See "Plan of Distribution – *Lock-up and preliminary meeting agreement".*

The Company cannot guarantee that dividends will be declared or paid-out

The Company does not anticipate paying dividends in the near future. Furthermore, the payment of any dividend and any future increases in the Company's dividend payments will depend upon a number of factors, including but not limited to the successful management of its business, its results of operations and its financial condition. In addition, the Company's ability to pay dividends is dependent on its subsidiaries' ability to pay the Company dividends, which ability might be limited by such subsidiaries' results of operations. Therefore, there can be no guarantee that the Company will be able to pay any dividends or, if the Company does pay dividends, that the dividends that the Company pays will increase over time.

The market price of the Shares may fluctuate widely in response to different factors

The market price of the Shares may be subject to wide fluctuations in response to many factors, including variations in the results of operations of the Company, divergence in financial results from stock market expectations, changes in earnings estimates by analysts, a perception that other market sectors might have higher growth prospects, general economic conditions, legislative changes in the Company's sector and other events and factors outside the Company's control. The market value of a Share might vary considerably from its underlying net asset value. In addition, stock markets have from time to time experienced extreme price and volume volatility which, in addition to general economic and political conditions, could adversely affect the market price for the Shares.

As a public company, the Company will incur increased expenses that the Company did not incur as a private company

As a result of being a Dutch company admitted to Alternext Amsterdam, the Alternext Amsterdam Rules as well as certain legislation applicable to listed companies will apply to the Company. The Company expects to incur significant legal, accounting and other expenses that the Company did not incur as a private company. For example, the Company will incur increased costs associated with public company reporting requirements in the Netherlands.

As the Shares will be admitted to and traded through Alternext Amsterdam on an "as-if-and-when-issued" basis as of the Admission Date until the envisaged Settlement Date, Euronext may annul all transactions effected in the Shares if the Shares are not issued and delivered on the envisaged Settlement Date

As of the Admission Date until the envisaged Settlement Date, the Shares will be admitted to and traded through Alternext Amsterdam on an "as-if-and-when-issued" basis. Investors that wish to enter into transactions in the Shares prior to the envisaged Settlement Date, whether such transactions are effected through Alternext Amsterdam or otherwise, should be aware that the Settlement Date may not take place on or about 29 November 2006, or at all, if certain conditions are not satisfied or waived or if certain events occur on or prior to such date. Such conditions include the receipt of legal opinions and comfort letters and such events include the suspension of trading through Alternext Amsterdam or a material adverse change in the Company's financial condition or business affairs or in the financial markets.

If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all subscriptions for the Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be annulled. All dealings in Shares prior to settlement and delivery are at the sole risk of the parties concerned. Euronext Amsterdam does not accept any responsibility or liability for any loss or damage incurred by any person as a result of a withdrawal of the Offering or (the related) annulment of any transactions on Alternext Amsterdam by Euronext.

IMPORTANT INFORMATION

In this Prospectus, all references to "TMC", "the Company", "the Issuer", "we", "our" or "us" refer to The Member Company (TMC) N.V. or The Member Company (TMC) N.V. and its subsidiaries, depending on the context.

Certain terms used in this Prospectus are explained in "Annex A-Glossary".

Responsibility statement

The Company accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither the Lead Manager, nor the Sponsor makes any representation or warranty, express or implied, as to the accuracy or completeness of information set forth in this Prospectus. Accordingly, neither the Lead Manager, nor the Sponsor assumes any responsibility for the accuracy or completeness of the information set forth in this Prospectus.

Notice to investors

In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of this Prospectus, including the risks involved. Each person contemplating making an investment in the Shares must make its own investigation and analysis of the Company and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to such person in connection with such investment. No person is authorised to give any information or to make any representations in connection with the Offering other than those contained in this Prospectus or any supplement to this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Selling Shareholders, the Lead Manager or the Sponsor.

No prospective investor should consider any information in this Prospectus to be investment, legal or tax advice. Each prospective investor should consult its own counsel, accountant and other advisors for such advice. Neither the Company nor the Lead Manager nor the Sponsor makes any representation to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares by such offeree or purchaser under appropriate investment or similar laws. The Lead Manager and the Sponsor are acting solely for the Company and the Selling Shareholders and no-one else in connection with the Offering and are not responsible to any other person for providing the protections afforded to their respective clients or for providing advice in relation to the Offering.

Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct at any time subsequent to its date.

Presentation of financial information

The following financial information of TMC is included in this Prospectus:

- the audited combined financial information for the financial years ended 31 December 2003 and 2004 on the basis of Dutch Generally Accepted Accounting Principles (**"Dutch GAAP"**);
- the audited combined financial statements for the financial year ended 31 December 2005 (with audited combined financial information for the financial year ended 31 December 2004 for comparison purposes) on the basis of International Financial Reporting Standards (**"IFRS"**); and
- the reviewed but unaudited combined interim financial information for the six months ended 30 June 2006 (with unaudited combined interim financial information for the six months ended 30 June 2005 for comparison purposes) on the basis of IFRS.

See "Index to Combined Financial Information".

The combined financial information for the financial years ended 31 December 2003 and 2004 on the basis of Dutch GAAP and the combined financial statements for the financial years ended 31 December 2004 and 2005 on the basis of IFRS have been audited by KPMG Accountants N.V. (**"KPMG Accountants"**).

With respect to the Dutch GAAP combined financial information 2003 and 2004, KPMG Accountants has performed a full scope audit that has resulted in a disclaimer of opinion (*oordeelonthouding*). The disclaimer of opinion has been issued because of a fundamental limitation in the scope of the audit. This fundamental limitation can be specified in two matters that affected the opinion:

a. KPMG Accountants was appointed as the auditor of the Company as of 17 July 2006. KPMG Accountants concluded that in 2006 they were not able to verify the presence and functioning of the internal controls in the years 2003 and 2004; and

b. in the years 2003 and 2004 the Company was in the early start-up phase and thus limited in size and operations. KPMG Accountants concluded that in those years it was not possible for the Company to maintain appropriate internal controls without incurring disproportional costs.

In their opinion they concluded that they are unable to express an opinion about whether the combined financial statements taken as a whole give a true and fair view. Their audit has however not revealed any irregularities in the combined financial statements.

The statutory financial statements for the years ended 31 December 2003, 31 December 2004 and 31 December 2005 of the individual legal entities TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V. and TMC Engineering Professionals B.V. were not audited. Due to the limited size of these companies there was no legal obligation for an audit to be performed on these statutory financial statements.

The report of KPMG Accountants in respect of the financial year ended 31 December 2005 on the basis of IFRS expresses an unqualified opinion.

KPMG Accountants has reviewed, but not audited, the combined interim financial information for the six months ended 30 June 2005 and 2006.

The audit reports and review report are included in this Prospectus in the form and context in which they are included, with the consent of KPMG Accountants. KPMG Accountants has been appointed as our independent auditors as of 17 July 2006. KPMG Accountants is a member of the Royal Nivra (*Koninklijk Nederlands Instituut van Registeraccountants*). KPMG Accountants is located at Pettelaarpark 34, 5216 PD 's-Hertogenbosch, the Netherlands.

The individual financial statements of:

- TMC Embedded B.V. for the financial years ended 31 December 2003, 2004 and 2005;
- TMC ERP Professionals B.V. for the financial years ended 31 December 2003, 2004 and 2005;
- TMC Engineering Professionals B.V for the financial years ended 31 December 2004 and 2005; and
- TMC Physics B.V. for the financial year ended 31 December 2005,

can be obtained free of charge on the Internet at www.historyoffinance.com, and are incorporated into this Prospectus by reference. Witlox Advies N.V. (**"Witlox Advies"**) issued a compilation report on the statutory financial statements 2003 and 2005 and an unqualified review opinion on the statutory financial statements 2004. Witlox Advies has been appointed as the independent accountant of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V. TMC Engineering B.V., and TMC Mechatronics B.V. until 4 July 2006. Each of these reports is incorporated by reference in this Prospectus in the form and context in which it is included, with the consent of Witlox Advies. Witlox Advies is a member of the Royal Nivra (*Koninklijk Nederlands Instituut van Registeraccountants*). Witlox Advies is located at Burgemeester Burgerslaan 42, 5245 NH Rosmalen, the Netherlands.

Prospective investors should consult their own professional advisors for an understanding of the differences between IFRS and Dutch GAAP. See "Operating and Financial Review – *Statement of differences between IFRS and Dutch GAAP applicable to TMC"*.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, in certain instances the sum of the numbers in a column or a row in tables contained in this Prospectus may not conform exactly the total figure given for that column or row.

Economic and industry data

In the chapter "Business" the Company has derived certain economic and industry data from Programme for High-tech Systems (August 2006), Research Centre for Education and Labour Markets (ROA), Horizon, Zuidoost-Nederland. The Company has relied on the accuracy of such data without carrying out an independent verification thereof. Accordingly, the Company accepts responsibility only for accurately reproducing such data and disclaims responsibility for the further accuracy thereof. As far as the Company is aware, no facts have been omitted from such data that would render it inaccurate or misleading.

Stabilisation

In connection with the Offering, the Lead Manager, as stabilising manager, or any person acting for it may (but will be under no obligation to), to the extent permitted by law, over-allot or effect other transactions which stabilise or maintain the market price for the Shares at a higher level than might otherwise prevail in the open market. Such transactions may be effected through Alternext Amsterdam, the over-the-counter market or otherwise. There is no assurance that such stabilisation will be undertaken and, if it is, it may commence as early as of the commencement of the trading of the Shares and may be discontinued at any time without prior notice and will end no later than 30 days after the commencement of trading of the Shares. Save as required by law, the stabilising manager does not intend to disclose the extent of any over-allotments and/or stabilisation transactions under the Offering.

Incorporation by reference

The following documents are incorporated by reference into this Prospectus:

- www.historyoffinance.com
- the articles of association of the Company dated 1 November 2006 (Dutch version only, the **"Articles of Association"**);
- the individual unaudited financial statements of TMC Embedded B.V. for the financial year ended 31 December 2003 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Embedded B.V. for the financial year ended 31 December 2004 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Embedded B.V. for the financial year ended 31 December 2005 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC ERP Professionals B.V. (at that time named TMC Executives Recruitment B.V.) for the financial year ended 31 December 2003 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC ERP Professionals B.V. (at that time named TMC Executives Recruitment B.V.) for the financial year ended 31 December 2004 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC ERP Professionals B.V. for the financial year ended 31 December 2005 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Engineering Professionals B.V. (at that time name TMC Telecom B.V.) for the financial year ended 31 December 2003 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Engineering Professionals B.V. for the financial year ended 31 December 2004 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Engineering Professionals B.V. for the financial year ended 31 December 2005 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Physics B.V. (at that time named TMC Executives Recruitment Amsterdam B.V.) for the financial year ended 31 December 2003 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Physics B.V. (at that time named TMC Executives Recruitment Amsterdam B.V.) for the financial year ended 31 December 2004 on the basis of Dutch GAAP;
- the individual unaudited financial statements of TMC Physics B.V. for the financial year ended 31 December 2005 on the basis of Dutch GAAP;

These documents can be obtained free of charge from the internet at www.historyoffinance.com. Copies of this Prospectus may be obtained free of charge by sending a request in writing or by fax to TMC or Rabobank Alternext Desk, see "General Information – *Prospectus*".

No incorporation of website

The contents of the Company's website do not form part of this Prospectus.

Forward-looking statements

Certain statements in this Prospectus are not historical facts and are "forward-looking" statements that relate to, among other things, the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, as well as assumptions thereof. These statements are based on the Company's current view with respect to future events and financial performance.

Words such as "believe", "anticipate", "estimate", "expect", "intend", "predict", "project", "could", "may", "will", "plan" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Such forward-looking statements appear in "Summary", "Operating and Financial Review", "Business" and other sections of this Prospectus.

By their very nature, forward-looking statements involve uncertainties and are subject to certain risks, including, but not limited to, the risks and uncertainties described in the "Risk Factors", the occurrence of which could cause the Company's actual results to differ from those predicted in such forward-looking statements and from past results. The forward-looking statements speak only as of the date of this Prospectus. Except as otherwise required by applicable law or rules, the Company does not undertake any obligation to update or revise forward-looking statements contained in this Prospectus, whether as a result of new information, future events or otherwise. The Company does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

Withdrawal of the Offering

If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation and Euronext may cancel transactions in Shares that have occurred. All dealings in the Shares prior to the Settlement Date, prior to settlement and delivery, are at the sole risk of the parties concerned.

Selling restrictions

No action has been taken by the Company, the Selling Shareholders, the Lead Manager or the Sponsor that would permit, other than under the Offering, an offer of Shares or possession or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required.

The distribution of this Prospectus and the Offering may, in certain jurisdictions, be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. Neither the Company nor the Lead Manager accepts any (legal) responsibility for any violation by any person, whether or not a potential subscriber or purchaser of Shares of any such restrictions.

European Economic Area

With respect to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a **"Relevant Member State"**), the Lead Manager will represent and agree that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **"Relevant Implementation Date"**) it has not made and will not make an offer of the Shares to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Shares to the public in that Relevant Member State at any time:

- in the period beginning on the date of publication of a prospectus in relation to Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive;

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than EUR 43,000,000; and (3) an annual turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts; or
- in any other circumstances which do not require the publication of a prospectus by the Company pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Shares to the public" in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

The Shares have not been and will not be registered or approved under the UK Financial Services and Markets Act 2000, as amended ("**FSMA**"), or with any securities regulatory authority of the United Kingdom. This Prospectus has not been approved by an authorised person in the United Kingdom and has not been registered with the Registrar of Companies in the United Kingdom. The Shares may not be offered or sold in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments – as principal or agent – for the purpose of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of Section 86 (1) of the FSMA. In addition, this Prospectus is being distributed only to, and is directed only at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) falling within Article 49(2) (a) to (d) of the Order and (iii) to whom it may otherwise lawfully be distributed (all such persons together with qualified investors (within the meaning of Section 86(7) of the FSMA) being referred to as "relevant persons"). This Prospectus must not be acted on or relied on in the UK by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only in the UK to relevant persons, and will be engaged in only with such persons.

United States

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), the securities laws of any state or other jurisdiction of the United States and are being offered and sold in reliance on exemptions from the registration requirements of the Securities Act and such securities laws. Accordingly, the Shares may not be offered, sold, pledged or otherwise transferred in the United States or to or for the account of a U.S. person (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable securities laws of any state or other jurisdiction of the United States.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

The Company seeks admission to Alternext Amsterdam to gain access to the capital markets in order to fulfil its expected equity capital needs to realise its growth strategy. Also admission to Alternext Amsterdam will contribute to the Company's appearance in the market towards potential customers and it will create a market of its Shares. Given the size of the Company and the characteristics of Alternext Amsterdam, the Company applies for admission to a capital market which is tailored to small and mid sized companies.

The Company expects to raise approximately EUR 10 million of gross proceeds from the issue of New Shares in the Offering, assuming no decrease or increase of the initial number of New Shares and no exercise of the Over-allotment Option. The net proceeds the Company will receive from the issue of New Shares in the Offering are estimated to be approximately EUR 9.08 million, after deducting the estimated underwriting commissions, fees and expenses incurred in connection with the Offering. These net proceeds are based on the Offer Price at the mid-point of the offer price range.

TMC intends to use the net proceeds received from the Offering for (i) acquisitions; (ii) expansion of existing business cells; (iii) start-up of new business cells; and (iv) geographical expansion. This in order to support its strategy to accelerate the development of its business and to further strengthen its position as a provider of specialised high-end secondment services to the ICT & technology driven industries in the Netherlands. With regard to acquisitions, TMC formulated distinct acquisition criteria and attractive business areas to accelerate the growth in order to add value to its current business (see "Business – *Strategy*").

The Company will not receive any of the proceeds of the Offering represented by the Existing Shares, all of which will be paid to the Selling Shareholders (after deduction of commissions, fees and expenses).

DIVIDEND POLICY

The Company intends to retain future earnings, if any, to finance the growth and development of its business. As a result the Company does not anticipate paying any dividends for the foreseeable future.

The dividend policy will be reviewed from time to time and payment of any future dividends will be effectively at the discretion of the Management Board after taking into account various factors such as the business prospects, cash requirements, financial performance and plans for expansion.

In addition, payment of future dividends may be made only if our shareholders' equity exceeds the sum of the called up and paid-in share capital plus the reserves to be maintained by law and by the Articles of Association.

CAPITALISATION

The following table sets forth the Company's unaudited combined cash and cash equivalents and capitalisation as of 30 September 2006 as follows:

- on an actual basis; and
- on a pro forma basis as adjusted to reflect the receipt of the net proceeds from the Offering therefore, after deducting the estimated underwriting commission, fees and expenses incurred in connection with the Offering, assuming no decrease or increase of the initial number of Offer Shares and no exercise of the Over-allotment Option.

The following table should be read in conjunction with "Reasons for the Offering and Use of Proceeds", "Operating and Financial Review", "Selected Combined Financial Information" and the combined financial information and related notes appearing elsewhere in this Prospectus.

Note that the pro forma financial information is prepared for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent TMC's actual financial position or results.

CAPITALISATION

(EUR in thousands)		**Actual (as of 30 September 2006)**		**Unaudited (Pro forma)**
Equity attributable to shareholders		1,926		11,009
Minority interests		0		0
Total equity		**1,926**		**11,009**
Bank overdraft	14		14	
Interest bearing loans and borrowings	874		874	
Trade and other payables	1,814		1,814	
Short-term loans and borrowings		**2,702**		**2,702**
Long-term loans and borrowings		**0**		**0**
Financial debt		**2,702**		**2,702**
Total capitalisation		**4,628**		**13,711**
Cash and cash equivalents		**205**		**9,288**

SELECTED COMBINED FINANCIAL INFORMATION

The selected combined financial information set forth below is that of TMC. The selected combined financial information should be read in conjunction with "Operating and Financial Review" and the combined financial information and notes thereto included elsewhere in this Prospectus.

This information has been extracted without material adjustment from:

- the combined financial information for the financial years ended 31 December 2003 and 2004 on the basis of Dutch GAAP;
- the combined financial statements for the financial year ended 31 December 2005 on the basis of IFRS, including comparative financial statements for the year 2004 on the basis of IFRS; and
- the condensed combined interim financial statements for the six months ended 30 June 2006 on the basis of IFRS, including comparative financial statements for the six months ended 30 June 2005.

KPMG Accountants has conducted audit work and review procedures on the combined financial statements and provided us with the following assurance conclusions:

- With respect to the Dutch GAAP combined financial information 2003 and 2004, KPMG Accountants has performed a full scope audit that has resulted in a disclaimer of opinion. The disclaimer of opinion has been issued because of a fundamental limitation in the scope of the audit. This fundamental limitation can be specified in two matters that affected the opinion:

  a. KPMG Accountants was appointed as the auditor of the Company as of 17 July 2006. KPMG Accountants concluded that in 2006 they were not able to verify the presence and functioning of the internal controls in the years 2003 and 2004; and

  b. in the years 2003 and 2004 the Company was in the early start-up phase and thus limited in size and operations. KPMG Accountants concluded that in those years it was not possible for the Company to maintain appropriate internal controls without incurring disproportional costs.

  In their opinion they concluded that they are unable to express an opinion about whether the combined financial statements taken as a whole give a true and fair view. Their audit has however not revealed any irregularities in the combined financial statements.

  The statutory financial statements for the years ended 31 December 2003, 31 December 2004 and 31 December 2005 of the individual legal entities TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V. and TMC Engineering Professionals B.V. were not audited. Due to the limited size of these companies there was no legal obligation for an audit to be performed on these statutory financial statements.

- With respect to the combined financial statements 2005 on the basis of IFRS, KPMG has performed a full scope audit and issued an unqualified auditors' opinion in which they concluded that the combined financial statements 2005 give a true and fair view and has been prepared, in all material respects, in accordance with International Financial Reporting Standards as adopted by the European Union.
- With respect to the condensed combined interim financial statements for the six months ended 30 June 2006, KPMG has performed a review and issued a review opinion in which they concluded that nothing has come to their attention that causes them to believe that the condensed combined interim financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

The six months combined financial data is based upon the condensed combined interim financial statements for the six months ended 30 June 2006 and 30 June 2006. The results for the six months period ended 30 June 2006 are not necessarily indicative for the results for the full year. See "Operating and Financial Review – *Statement of differences between IFRS and Dutch GAAP applicable to TMC*".

COMBINED INCOME STATEMENT DATA

(EUR in thousands) (*Unaudited)	Year ended 31 December				6 months ended 30 June	
	2003 Dutch GAAP	**2004 Dutch GAAP**	**2004 IFRS**	**2005 IFRS**	**2005* IFRS**	**2006* IFRS**
Turnover	2,874	3,719	3,719	6,100	2,536	6,255
Direct cost	-1,804	-2,345	-2,345	-4,001	-1,668	-4,095
Gross margin on turnover	**1,070**	**1,374**	**1,374**	**2,099**	**868**	**2,160**
Indirect personnel expenses	-269	-306	-306	-501	-203	-448
Depreciation on tangible fixed assets	-2	-5	-5	-7	-3	-7
General and administrative expenses	-720	-543	-543	-621	-260	-371
Total operating costs	**-991**	**-854**	**-854**	**-1,129**	**-466**	**-826**
Net margin on turnover (EBIT)	**79**	**520**	**520**	**970**	**402**	**1,334**
Financial income	2	2	2	2	1	1
Financial expenses	-52	-47	-47	-54	-20	-11
Net financing costs	**-50**	**-45**	**-45**	**-52**	**-19**	**-10**
Profit before tax	**29**	**475**	**475**	**918**	**383**	**1,324**
Income tax expense	5	-175	-175	-281	-117	-434
Net income	**34**	**300**	**300**	**637**	**266**	**890**

COMBINED BALANCE SHEET DATA

(EUR in thousands) (*Unaudited)	Year ended 31 December 2003 Dutch GAAP	2004 Dutch GAAP	2004 IFRS	2005 IFRS	As of 30 June 2006* IFRS
ASSETS					
Property, plant and equipment	5	9	9	25	40
Financial fixed assets	82	0	0	0	0
Total non-current assets	**87**	**9**	**9**	**25**	**40**
Trade and other receivables	597	1,151	1,151	1,991	4,248
Cash and cash equivalents	68	283	283	303	203
Total current assets	**665**	**1,434**	**1,434**	**2,294**	**4,451**
Total assets	**752**	**1,443**	**1,443**	**2,319**	**4,491**
LIABILITIES					
Issued capital	73	73	73	73	93
Retained earnings	-124	0	0	417	1, 307
Total equity attributable to equity holders	**-51**	**73**	**73**	**490**	**1,400**
Interest-bearing loans and borrowings from related parties	0	100	100	0	0
Total non-current liabilities	**0**	**100**	**100**	**0**	**0**
Bank overdraft	16	1	1	20	496
Interest-bearing loans and borrowings from related parties	530	839	839	959	627
Trade and other payables	257	430	430	850	1 968
Total current liabilities	**803**	**1,270**	**1,270**	**1,829**	**3,091**
Total liabilities	**803**	**1,370**	**1,370**	**1,829**	**3,091**
Total equity and liabilities	**752**	**1,443**	**1,443**	**2,319**	**4,491**

COMBINED CASH FLOW DATA

(EUR in thousands) (*Unaudited)	Year ended 31 December 2003 Dutch GAAP	2004 Dutch GAAP	2004 IFRS	2005 IFRS	6 months ended 30 June 2005* IFRS	2006* IFRS
Cash flows from operating activities						
Operating profit	79	520	520	970	402	1,334
Financial income	2	2	2	2	1	1
Financial expenses	-52	-47	-47	-54	-20	-11
Profit before tax	29	475	475	918	383	1,324
Income tax expense	5	-175	-175	-281	-117	-434
Net income	**34**	**300**	**300**	**637**	**266**	**890**
Depreciation property, plant and equipment	2	5	5	7	3	7
Cash flow from operations before operating working capital	**36**	**305**	**305**	**644**	**269**	**897**
Trade and other receivables	58	-552	-552	-828	-440	-1,751
Current-account liability to related parties	79	-2	-2	-12	-11	-506
Trade and other payables	34	482	482	420	221	787
Cash flow from operating working capital	**171**	**-72**	**-72**	**-420**	**-230**	**-1,470**
Net cash from operating activities	**207**	**233**	**233**	**224**	**39**	**-573**
Cash flows from investing activities						
Proceeds of the issue of share capital	0	0	0	0	0	20
Acquisition of property, plant and equipment	-6	-8	-8	-23	-3	-22
Disposal of subsidiary	0	0	0	15	0	0
Deferred taxes	-8	81	81	0	0	0
Net cash from investing activities	**-14**	**73**	**73**	**-8**	**-3**	**-2**
Cash flows from financing activities						
Proceeds from long-term borrowings	0	100	100	120	0	0
Repayment of borrowings due within one year	0	0	0	-100	0	0
Dividends paid	0	-176	-176	-235	0	0
Net cash from financing activities	**0**	**-76**	**-76**	**-215**	**0**	**0**
Net increase in cash and cash equivalents	**193**	**230**	**230**	**1**	**36**	**-575**

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the rest of the document, including our combined financial information and related notes thereto beginning on page F-1 (see "Index to Combined Financial Information") and "Selected Combined Financial Information".

One should read the following discussion about TMC's financial condition and results of operations in conjunction with TMC's unaudited combined half-year figures for the periods of six months that ended 30 June 2005 and 2006 and the accompanying notes (prepared in accordance with IFRS). Furthermore, the reader should take notice of TMC's combined financial statements for the year that has ended 31 December 2005 and the accompanying notes. For the year 2005 the financial statements are derived from TMC's statutory financial statements for this year. TMC's combined financial information for the years that have ended 31 of December 2003 and 2004 and its accompanying notes have been prepared in accordance with Dutch GAAP and are derived from TMC's statutory financial statements of the relevant year. IFRS differs in certain significant respects from Dutch GAAP, though in the case of TMC there is no significant difference between Dutch GAAP and IFRS. See also paragraph "*Statement of difference between IFRS and Dutch GAAP applicable to TMC*" in this chapter.

TMC was formally established as a group by a legal restructuring which was completed on 4 July 2006. This Prospectus provides the combined financial condition and results of operations as if this new group structure already existed before 4 July 2006. TMC was owned decentralised by individual shareholders. Nevertheless TMC was managed in accordance with the current management structure of TMC. Therefore Management believes the operating and financial review represents the combined financial condition and the results of operations.

Our combined financial statements consist of the combined financial data (assets, liabilities, income and expenses) of the following companies, belonging to TMC since 4 July 2006.

- TMC Embedded B.V.
- TMC ERP Professionals B.V.
- TMC Engineering Professionals B.V.
- TMC Physics B.V.
- TMC Mechatronics B.V.

For a further understanding of our business, see "Business".

This discussion and analysis contains forward-looking statements that are subject to known and unknown risks and uncertainties. Our actual results and the timing of events could differ materially from those expressed in or implied by such forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Prospectus, particularly under the headings "Important Information – *Forward-looking statements*" and "Risk Factors".

Overview

The Company is a provider of specialised high-end secondment services to the ICT & technology driven industries in the Netherlands with a turnover of EUR 6.100 million and an EBIT of EUR 0.970 million in 2005 and a turnover of EUR 6.255 million and an EBIT of EUR 1.334 million for the first six months of 2006. TMC provides professionals for different stages in the research and development of high-tech and ICT related products, from R&D to industrialisation, installation, and field support. To this extent, TMC employed 124 professionals (direct personnel) in 5 highly specialised areas as of 30 June 2006: embedded software, ERP software, industrial & field service engineering, physics and mechatronics. TMC focuses on the continuity of its customers' flexible technical workforce, based on its entrepreneurial professional model (*werkondernemerschap*). This model contains the following distinguishing elements: (i) long-term relationships between the Company and its employees; (ii) profit sharing by its employees; (iii) focussed soft-skill coaching to develop entrepreneurial behaviour and business awareness with its employees; and (iv) operating entrepreneurial business cells. By implementing this model TMC believes it is able to mobilise (highly educated) talented technology professionals in tight ICT & technology labour markets. For these talented professionals interesting career opportunities will be created within and throughout different customers. A flexible workforce is highly valued by these customers. However, within the flexible workforce layer of these customers, stability (recruitment, competence management and management development) and quality of personnel is hard to manage by such customer. Therefore by mobilising talented professionals TMC offers its customers a solution to manage these problems within these flexible personnel layers.

TMC is a niche player providing high-tech specialised professionals, geographically focussing on the regions around Eindhoven, Delft, Enschede, Leuven and Aachen. In order to strengthen the relationship with its customers on senior management level, TMC on demand also provides executive search and interim management services for (senior) management or directors' positions within the respective areas in which its business cells are active.

Our turnover for the financial year ended 31 December 2005 amounted to EUR 6.100 million and we realised a net margin on turnover (EBIT, earnings before interest and taxes) of EUR 0.970 million, corresponding with 15.9% of turnover, and a net income of EUR 0.637 million. These key figures are determined in accordance with IFRS and are as follows for the six months period ended 30 June 2006:

(EUR in thousands)		**IFRS 6 months ended 30 June 2006**		**IFRS 6 months ended 30 June 2005**
Turnover		6,255		2,536
EBIT	21.3%	1,334	15.8%	402
Net income	14.2%	890	10.5%	266

Our most important asset for generating revenues is our base of highly skilled professionals. As at 30 June 2006, the number of employees in TMC, converted into full-time equivalents amounted to 140 (year-end 2005: 84). This workforce can be divided into the following staff categories:

	30 June 2006	**Year-end 2005**
Management	5	5
Sales	4	4
Administration	7	5
Professionals	124	70
Total FTE	140	84

Management has overall responsibility whereas management and sales have joint responsibility for the following activities: recruitment and account field management. Administration is responsible for HR operations, back office and finance & accounting.

Major events

Group restructuring

In the preparation for this Offering, TMC has completed a reorganisation. See "Related Party Transactions". Before 4 July 2006, the (decisive) control of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Engineering Professionals B.V., TMC Mechatronics B.V. and TMC Physics B.V. was not concentrated in a single entity, because the share capital of these companies was divided over several shareholders and none of these shareholders individually owned the majority of the voting rights. Therefore, these companies could not be considered as a group and, consequently, the financial data of these companies was previously not (jointly) consolidated on a higher level. Up to 4 July 2006, the shares of (and control of) the TMC companies were, directly or indirectly, ultimately held by the following entities: Thijs Manders Beheer B.V., Mobion Holding B.V., Bridge Career Holding B.V. and Cumano B.V. These (ultimate) shareholders agreed to reorganise the group structure in 2006 – inter alia – to establish that all shares of (and consequently the control of) the TMC companies are held by one holding company (TMC Holding B.V.), which in its turn is held by the Company. See "Related Party Transactions – *Reorganisation*".

For comparison reasons, the combined financial statements 2005 have been drawn up consisting of the TMC companies that are wholly owned subsidiaries of the Company since 4 July 2006. These combined financial statements have been prepared in accordance with the IFRS as endorsed by the European Union. The reason for implementing IFRS relates to Management's intention to publish transparent financial statements that can be compared with similar (including listed companies), that operate on an international basis.

For an overview of the history of TMC's business, see "Business".

Accounting policies and presentation of financial information

Basis for financial presentation

The Company was incorporated on 4 July 2006, therefore we are not able to present a track record of the historical financial statements of the Company as such. Furthermore, no historical consolidated financial statements, including the figures of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Engineering Professionals B.V., TMC Mechatronics B.V. and TMC Physics B.V. have been drawn up previously for statutory purposes, because the control of these entities was not concentrated in one single entity. As these separate statutory financial statements do not account for intra-group eliminations (for intercompany balance sheet positions, intercompany balance sheer sales and intercompany balance sheet cost allocations), investors should read them in conjunction with the other information contained in this Prospectus with respect to our historical results of operations and financial condition, upon a combined basis. These historical statutory financial statements of the companies belonging to TMC are incorporated into this Prospectus by reference and can be obtained free of charge from the internet at www.historyoffinance.com.

With respect to the above mentioned and in connection with the restructuring of TMC, we have prepared financial information and accompanying notes on a combined basis, taking into account the restructuring as if it had occurred on 1 January 2003. This has resulted in the following combined financial statements, consisting of the financial data of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Engineering Professionals B.V., TMC Physics B.V. and (only concerning the six months ended 30 June 2006) TMC Mechatronics B.V. on a combined basis:

- Combined financial information for the financial years ended 31 December 2003 and 2004 on the basis of Dutch GAAP;
- Combined financial statements for the financial year ended 31 December 2005 on the basis of IFRS, including comparative financial statements for the year 2004 on the basis of IFRS; and
- Condensed combined interim financial statements for the six months ended 30 June 2006 on the basis of IFRS, including comparative financial statements for the six months ended 30 June 2005.

The combined financial information for the financial years 2003 and 2004 have been prepared on the basis of the statutory financial statements 2002, 2003 and 2004 of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Engineering Professionals B.V. and TMC Physics B.V., adjusted to exclude intercompany turnover, costs, fees and intercompany balance sheet positions and take into account adjustments with regard to some accruals and provisions. Furthermore, the accompanying notes have been altered and extended compared to the statutory accounts to meet the standard disclosure requirements for "large" companies in the Netherlands. Accounting and audit firm Witlox Advies issued a compilation report on the individual Dutch GAAP statutory financial statements 2003 and 2005 and an unqualified review opinion on the statutory financial statements 2004. The 2005 IFRS combined financial statements include, in addition to the above mentioned adjustments, all adjustments that we believe are necessary for a presentation of financial information on the basis of IFRS.

Audit and review procedures and conclusions thereon

KPMG Accountants has conducted audit work and review procedures on the combined financial statements and provided us with the following assurance conclusions:

- With respect to the Dutch GAAP combined financial information statements 2003 and 2004, KPMG Accountants has performed a full scope audit that has resulted in a disclaimer of opinion. The disclaimer of opinion has been issued because of a fundamental limitation in the scope of the audit. This fundamental limitation can be specified in two matters that affected the opinion:

a. KPMG Accountants was appointed as the auditor of the Company as of 17 July 2006. KPMG Accountants concluded that in 2006 they were not able to verify the presence and functioning of the internal controls in the years 2003 and 2004; and

b. in the years 2003 and 2004 the Company was in the early start-up phase and thus limited in size and operations. KPMG Accountants concluded that in those years it was not possible for the Company to maintain appropriate internal controls without incurring disproportional costs.

In their opinion they concluded that they are unable to express an opinion about whether the combined financial statements taken as a whole give a true and fair view. Their audit has however not revealed any irregularities in the combined financial statements.

The statutory financial statements for the years ended 31 December 2003, 31 December 2004 and 31 December 2005 of the individual legal entities TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V. and TMC Engineering Professionals B.V. were not audited. Due to the limited size of these companies there was no legal obligation for an audit to be performed on these statutory financial statements.

- With respect to the combined financial statements 2005 on the basis of IFRS, KPMG Accountants has performed a full scope audit and issued an unqualified auditors' opinion in which KPMG Accountants concluded that the combined financial statements 2005 give a true and fair view and has been prepared, in all material respects, in accordance with International Financial Reporting Standards as endorsed by the European Union.
- With respect to the condensed combined interim financial statements for the six months ended 30 June 2006, KPMG Accountants has performed a review and issued a review opinion in which they conclude that nothing has come to their attention that causes them to believe that the condensed combined interim financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as endorsed by the European Union.

Accounting principles and policies

In this paragraph we discuss the accounting principles and policies with respect to the most significant balance sheet and profit and loss items, as applied by TMC in preparing their financial statements in accordance with Dutch GAAP (combined financial information 2003 and 2004) and IFRS (combined financial statements 2005 and condensed combined interim financial statements for the six months ended 30 June 2006). Reference is made to the combined financial information 2003, 2004, 2005 and (interim) 2006 for a complete overview and details.

Turnover

Our turnover is generated by providing specialised high-end secondment services to the ICT & technology driven industry. TMC provides professionals for different stages in the development of high-tech and ICT products. In principal, secondment services are not provided on basis of fixed price contracts (neither budget ceiling contracts), but are charged to customers on an hourly basis. No contractual performance commitments are agreed upon with respect to the services performed by the professionals, the commitments are therefore limited to professional efforts under responsibility of the client.

The majority of our secondment contracts are agreed with, and invoiced to, companies residing in the Netherlands. However, the actual location where our professionals perform their services under responsibility of our clients is not limited to the Netherlands. Frequently, TMC professionals are seconded in other countries in Europe, specifically Germany, Belgium, France and the United Kingdom. Furthermore, professionals are, mainly in the business cell TMC Engineering Professionals, also seconded in countries outside Europe.

Turnover, revenue from services rendered as specified above, is recognised if the following criteria are met:

- Persuasive evidence of an existing contract;
- The service has been rendered; and
- There is certainty concerning the recovery of the consideration due.

Normally, these criteria are satisfied at the moment the service is delivered and, if required, acceptance has been obtained. In the turnover, as stated in the combined financial statements, all intercompany turnover between entities within TMC is excluded.

Direct costs

Direct costs consist of cost attributed directly to the services rendered, with personnel cost as the main cost item. In our definition, direct costs include the following major components:

- Gross salaries (including bonuses) of our professionals;
- Compulsory social security contributions and contributions to defined contribution pension plans concerning our professional staff;
- Costs of hired professionals (temporary employees); and
- Other direct costs, primarily other personnel expenses such as car costs, coaching and marketing expenses.

Our direct costs do not include a mark-up for overhead expenses.

Operating costs

Our operating costs mainly consist of:

- **Indirect personnel expenses**, comprising of gross salaries, social security contributions, pension costs and other personnel costs of management and administrative staff.
- **General and administrative expenses**, including re-allocations from affiliated companies as the major cost item. This recharge relates, besides management fees, to the allocation of office rent, accountancy, interest, advertising, travelling and other expenses.

Under the accrual basis of accounting, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and are recorded in the relating period.

Net financing costs

Net financing costs primarily consist of interest expenses on (short-term) borrowings and financing facilities from credit institutions, current accounts with related parties and loans from shareholders.

Net financing costs do not include fair value adjustments on derivatives, loans, or other financial instruments. TMC does not make use of derivative financial instruments to hedge exposure to fluctuations in foreign exchange rates and interest rates.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted, at the date of the balance sheet, and any adjustment to tax payable in respect to previous years. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. The deferred tax asset resulting form the loss in 2002 was calculated at the tax rates of the years in which the loss was compensated.

Trade and other receivables

The principal part of TMC's total assets consists of trade and other receivables. Trade and other receivables are stated at nominal value less impairment losses. Impairment losses relate to provisions for bad debtors, determined upon individual judgment of the outstanding balances. The major part of trade and other receivables consist of outstanding invoices on clients and turnover to be invoiced.

Interest-bearing loans and borrowings from related parties

Interest-bearing loans and borrowings from related parties primarily relate to current accounts with, and trade payables to, related parties. Furthermore, a loan from shareholders is included for EUR 0.1 million, for which repayment is due 31 December 2006. Interest rates vary from 4% to 5% on these loans and borrowings. All debts have been redeemed on 2 October 2006. See “Related Party Transactions – *Other related party transactions*”.

Under Dutch GAAP, interest-bearing loans and borrowings are stated at nominal value and under IFRS at amortised costs. However, our assessment of the valuation at amortised costs revealed no significant impact compared to the valuation at nominal value.

Factors affecting TMC’s results of operations

General trends

In the normal course of business, the development of TMC’s results of operations is influenced and affected by general trends and cycles. TMC, and the specialised staffing and secondment market in general, face several global trends such as the globalisation and consolidation of the staffing and secondment service, industry companies increasingly value flexible staff as it allows them to tailor their operations to market circumstances and as a tool to evaluate and select employees that add sufficient value for permanent employment, and the development of Internet to improve recruitment processes. Reference is made to the “Business” chapter for a complete overview of these general trends.

Cycles

Cyclical movements of the overall economy traditionally have a strong influence on the market conditions of the secondment services industry. However, the niche market for highly technical skilled employees is considered less cyclical. Even in declining market conditions high-tech companies continue to invest in technology development projects in order to stay ahead of competition. Management believes that this will cause a growing demand for high-tech secondment services and it believes such growth to continue in the coming years.

Cost structure

Generally TMC’s internal services are centrally managed, however certain functions were performed by an affiliated company, namely TMC Executives Holding B.V. Through this company, a fee was allocated to TMC (six months ended 30 June 2005 and 2006: EUR 0.25 million; full year 2004 and 2005: EUR 0.5 million). This amount included a management fee for the general director and the allocation of housing expenses, central office and sales costs, audit expenses and other overhead charges. We consider this to be in accordance with the expected cost structure on a stand-alone basis.

Customer base

Our customer base comprises of approximately 40 customers, mainly consisting of larger technological industrials based in the Netherlands. Of this base, 3 customers can be considered as key customers from whom TMC generates the major part of its total turnover. We have excellent and long-term relationships with these 3 customers and Management believes to continue to do business with these customers. Although the dependency on the 3 major customers decreased in 2004 and 2005, TMC remains highly dependent on its top 3 customers given the fact that these clients account for 79% of turnover in 2005 and 82% for the six months ended 30 June 2006. Growth has been realised in 2005 and 2006 mainly through new customers of which Management believes a substantial part will be recurrent business. Some of our customers are organised in separate product divisions, each with its own preferred supplier portfolio and with its own budgets and supplier selection criteria. Therefore these product divisions have to be regarded as separate customers.

Our key customers in high-tech include the following companies (in alphabetical order):

- ASML;
- Assembléon;
- bioMérieux;
- Bosch Rexroth;
- Convenience Food Systems (CFS);
- FEI Company;
- Goss International;

- International Automotive Components;
- NXP Semiconductors;
- Océ;
- OTB Group;
- Philips (several divisions);
- Siemens;
- Stork;
- Thales;
- ThyssenKrupp;
- TNO;
- Total;
- VanDerLande Industries.

Termination of recruitment activities

By the end of 2005, the recruitment activities regarding ERP employees were terminated. Reference is made to the chapter "Business" for details. The contribution of these activities to total EBIT was limited to 3% and 6% in 2004 and 2005 respectively. The contribution to total EBIT in 2003 amounted to approximately EUR 70,000 and can be considered significant. In addition, a one-off recruitment fee is included in EBIT 2005 of approximately EUR 43,000.

Development of new business

We have expanded our business segments with our new activities in TMC Engineering Professionals (2004), TMC Physics (2005) and TMC Mechatronics (2006). Reference is made to the chapter "Business". Specifically, the activities of TMC Engineering Professionals and TMC Physics contributed significantly to the increase of overall turnover in 2005. However, because tariffs (hourly rates) of these new activities are lower compared to the traditional business (TMC ERP Professionals and TMC Embedded), the overall average realised tariff decreased in 2005.

Change of tariff structure, non-recurring tariff agreements and one-off costs

Our earnings before interest and taxes have been influenced by several non-recurring or one-off items during the past years. Below we discuss the most significant of these items.

We revised the tariff structure of TMC Embedded in 2004. This resulted in a positive adjustment in 2004 including a retrospective adjustment relating to net margin on turnover (EBIT) for 2003. We estimate the effect of this adjustment on EBIT in 2003 at approximately EUR 40,000.

In 2004, a fixed tariff (per hour) was agreed upon with one key customer of TMC ERP Professionals which exceeds the regular tariffs. This excessive fee can be considered non-recurring, and positively influenced EBIT 2004 for an amount of approximately EUR 80,000.

In 2005, a small number of third party personnel was recruited from a number of major job agency firms by TMC Engineering Professionals. See "Operating and Financial Review – *Net margin on turnover (EBIT)".* This resulted in some EUR 40,000 one-off costs that adversely affected EBIT 2005.

Results of operations for the six months ended 30 June 2006 and June 2005

The following table presents our results of operation for the six months ended 30 June 2006 and the six months ended 30 June 2005. These figures are extracted from the condensed combined interim financial statements for the six months ended 30 June 2006 on the basis of IFRS. TMC monitors the financial performance of its business by market segments, which activities are managed through separate legal entities ("business cells") on the basis of turnover and net margin on turnover (EBIT, earnings before interests and taxes).

(EUR in thousands) (* Unaudited)	IFRS* 6 months ended 30 June 2006		IFRS* 6 months ended 30 June 2005	
Turnover	6,255		2,536	
Direct costs	-4,095		-1,668	
		2,160		868
Operating costs				
Indirect personnel expenses	-448		-203	
Depreciation	-7		-3	
General and administrative expenses	-371		-260	
		-826		-466
Net margin on turnover (EBIT)		1,334		402
Net financing costs		-10		-19
Profit before tax		1,324		383
Income tax expense		-434		-117
Net income (attributable to shareholders)		890		266

Turnover by business cell

Turnover by business cell is specified as follows:

(EUR in thousands) (* Unaudited)	IFRS* 6 months ended 30 June 2006	IFRS* 6 months ended 30 June 2005
TMC Embedded	2,171	1,448
TMC ERP Professionals	818	573
TMC Engineering Professionals	1,571	515
TMC Physics	1,743	–
TMC Mechatronics	33	–
I/C elimination	-81	–
Total turnover	6,255	2,536

Turnover for the six months ended 30 June 2006 increased with EUR 3.72 million (146.6%) from EUR 2.54 million for the six months ended 30 June 2005 to EUR 6.26 million the six months ended 30 June 2006.

All business cells showed a growth in turnover, but the increase was primarily the result of an increase in turnover of the following business cells (turnover of the six months ended 30 June 2006 compared to turnover of the six months ended 30 June 2005):

TMC Embedded:	EUR 0.7 million (49.9%);
TMC Engineering Professionals:	EUR 1.1 million (205.0%); and
TMC Physics:	EUR 1.7 million (new business)

The development of new business activities in 2004 (TMC Engineering Professionals) and 2005 (TMC Physics) significantly contributed to the growth of turnover in 2006. Consequently, a better spread of total turnover to the business cells has been realised. Although TMC Embedded still is the business cell with the largest contribution to total turnover, the relative share of this business cell decreased from 57.1% for the six months ended 30 June 2005 to 34.7% for the six months ended 30 June 2006.

TMC Embedded

TMC Embedded showed a strong growth for the six months ended 30 June 2006 of 49.9% compared to the turnover for the six months ended 30 June 2005. This development is primarily due to the expansion of the number of professionals engaged and, to a lesser extent, to an improvement of tariffs.

TMC ERP Professionals

TMC ERP Professionals increased its turnover with 42.8% compared to the six months ended 30 June 2005 and realised a strong recovery from the decline in turnover in 2005 that was due to an internal merger and a hiring freeze at a major customer. This recovery resulted from the efforts, commenced in 2005, to realise a better spread of sales against improving tariffs with less dependency on the top 3 customers.

TMC Engineering Professionals

TMC Engineering Professionals was able to continue the strong growth path of 2005. Turnover increased 205% (EUR 1.1 million) compared to the six months ended 30 June 2005 to EUR 1.57 million for the six months ended 30 June 2006. This already exceeds the total turnover, realised for the full year 2005 and primarily relates to the further expansion of the (direct) professional staff from approximately 27 employees as at 31 December 2005 to some 33 employees as at 30 June 2006. This growth is primarily the result of continuous strategic initiatives of implementing the employeneurs-concept with different customers by acting as first supplier.

TMC Physics

The activities of TMC Physics commenced in September 2005. Directly from the start of its activities, turnover grew rapidly to EUR 1.7 million for the six months ended 30 June 2006. This is primarily due to the fact that our entrepreneurial professional model appeared to be a very successful tool to fill in the significant number of vacancies for physician professionals' major customer. By means of our entrepreneurial professional model we were able to engage 46 physicians for this major customer.

TMC Mechatronics

The activities with regard to the mechatronics business cell started as late as April 2006. Consequently, the contribution to total turnover was limited and amounted to EUR 33,632 for the six months ended 30 June 2006.

Direct costs and gross margin on turnover

Direct costs increased with EUR 2.43 million compared to the six months ended 30 June 2005 to EUR 4.1 million for the six months ended 30 June 2006. This development is in line with the development of turnover and is primarily due to the strong growth of the number of professionals engaged with 81 employees to 124 professionals as of 30 June 2006 (30 June 2005: 43 professionals).

Gross margin on turnover for the six months ended 30 June 2006 was 34.5% and slightly improved compared to the six months ended 30 June 2005 (34.2%). Despite the fact that the standard tariffs for the business cells that contributed to the increase in turnover (TMC Physics and TMC Engineering Professionals) are relatively low. Gross margin for 2005 was adversely influenced by EUR 40,000 due to one-off costs (reference is made to the paragraph "*Factors affecting TMC's results of operations*" in this chapter). After normalisation for these one-off costs the gross margin on turnover for the six months ended 2005 was 35.8%.

Indirect personnel expenses

Indirect personnel expenses amounted to EUR 0.45 million for the six months ended 30 June 2006 and are significantly higher (120.6%) than the indirect personnel expenses for the six months ended 30 June 2005. This increase relates to the expansion of the sales and administration department as well as the management staff. In total the number of employees of the sales and administration department was expanded with 9 employees to 17 employees as of 30 June 2006.

General and administrative expenses

Despite the start-up of new business activities and the strong development of existing activities, our general and administrative expenses remained at a relatively low level. These expenses increased EUR 0.11 million to EUR 0.37 million for the six months ended 30 June 2006. Consequently, general and administrative expenses as a percentage of gross result decreased from 29.9% for the six months ended 30 June 2005 to 17.2% for the six months ended 30 June 2006. An allocation of EUR 250,000 from an affiliated company is included for the six months period ended 30 June 2006 as well as 2005. Reference is made to the section "*Cost structure*" in the paragraph "*Factors affecting TMC's results of operations*" in this chapter for details on this allocation.

Net margin on turnover (EBIT) by business cell

EBIT by business cell is specified as follows:

(EUR in thousands) **(* Unaudited)**	**IFRS* 6 months ended 30 June 2006**	**% of turnover**	**IFRS* 6 months ended 30 June 2005**	**% of turnover**
TMC Embedded	232	10.7	145	10.0
TMC ERP Professionals	79	9.6	69	12.0
TMC Engineering Professionals	407	25.9	188	36.5
TMC Physics	615	35.3	–	–
TMC Mechatronics	–	–	–	–
Other (including eliminations)	1	–	–	–
Total net margin on turnover (EBIT)	1,334	21.3	402	15.9

General

For the six months ended 30 June 2006 our net margin on turnover (EBIT) amounted to

EUR 1.33 million. The increase of EUR 0.93 million compared to the six months ended 30 June 2005 is the result of the increase of turnover (+146%). EBIT as a percentage of turnover increased from 15.9% for the six months ended 30 June 2005 to 21.3% for the six months ended 30 June 2006, primarily due to a limited increase of our operating costs to 13.2% of turnover.

EBIT of the business cells TMC Embedded and TMC ERP Professionals was negatively influenced by the fact that a fee of EUR 250,000 from an affiliated company was completely allocated to these two segments (EUR 50,000 to TMC ERP Professionals and EUR 200,000 to TMC Embedded). Furthermore, the personnel expenses for (general) administrative staff and back-office are primarily allocated to these business cells. In order to limit the level of indirect costs of our new business cells during their start-up phase we apply this allocation method. In the new structure, overhead charges and costs of indirect staff will be equally spread over and allocated to all business cells.

TMC Embedded

EBIT on turnover of TMC Embedded was 10.7% for the six months ended 30 June 2006 and is relatively low compared to the business cells TMC Engineering Professionals and TMC Physics. This is for a substantial part due to the allocation method concerning overhead costs and management fees (see *"General"* in this paragraph) and furthermore to the different bonus structure for TMC Embedded compared to the other business cells.

TMC ERP Professionals

EBIT on turnover of TMC ERP Professionals was 9.6% for the six months ended 30 June 2006 and is relatively low compared to the business cells TMC Engineering Professionals and TMC Physics. This is for a substantial part due the allocation method concerning overhead costs and management fees (see *"General"* in this paragraph) and furthermore to the different productivity level and bonus structure for TMC ERP Professionals compared to the other business cells. In addition, the relatively high costs of recruitment activities also affected EBIT of ERP Professionals.

TMC Engineering Professionals

The decrease of EBIT as a percentage of turnover in the business cell TMC Engineering Professionals from 36.5% for the six months period ended 30 June 2005 to 25.9% for the six months period ended 30 June 2006 is primarily due to the expansion of the account management department with one employee to a total number of 5 employees as of 30 June 2006. The bonus structure for TMC Engineering Professionals differs from the other (in specific TMC Embedded and TMC ERP Professionals) business cells.

TMC Physics

EBIT on turnover of TMC Physics was 35.3% for the six months ended 30 June 2006. As discussed above (see *"General"* in this paragraph) this is the result of Management's decision not to allocate the (central) overhead costs to the business cells in a start-up phase. Furthermore, the bonus structure for

TMC Physics differs from the other (in specific TMC Embedded and TMC ERP Professionals) business cells.

Income tax expense

The income tax expense for the six months ended 30 June 2006 amounts to EUR 0.43 million, resulting in an effective tax rate of 32.8% (2005: 30.5%).

Results of operations for the years ended 31 December 2005 and 31 December 2004

The following table presents our results of operations for years ended 31 December 2005 and 31 December 2004. These figures are extracted from the combined financial statements 2005 on the basis of IFRS. The combined financial statements 2005 are the first financial statements of TMC that are prepared on the basis of IFRS. This first time adoption of IFRS revealed no adjustments of our figures following from the conversion from Dutch GAAP to IFRS other than changes and adjustments of the accompanying notes to the IFRS combined financial statements 2005. TMC monitors the financial performance of its business by market segments, which activities are managed through separate legal entities (“business cells”) on the basis of net margin on turnover (EBIT, earnings before interests and taxes).

(EUR in thousands)		IFRS Year ended 31 December 2005		IFRS Year ended 31 December 2004
Turnover	6,100		3,719	
Direct costs	-4,001		-2,345	
		2,099		1,374
Operating costs				
Indirect personnel expenses	-501		-306	
Depreciation	-7		-5	
General and administrative expenses	-621		-543	
		-1,129		-854
Net margin on turnover (EBIT)		970		520
Net financing costs		-52		-45
Profit before tax		918		475
Income tax expense		-281		-175
Net income (attributable to shareholders)		637		300

Turnover by business cell

Turnover by business cell is specified as follows:

(EUR in thousands)	IFRS Year ended 31 December 2005	IFRS Year ended 31 December 2004
TMC Embedded	3,190	2,456
TMC ERP Professionals	1,001	1,125
TMC Engineering Professionals	1,557	138
TMC Physics	399	–
I/C elimination	-47	–
Total turnover	6,100	3,719

Turnover for the year 2005 increased EUR 2.38 million (64.0%) to EUR 6.1 million from EUR 3.72 million for the year 2004. This development is mainly driven by increased number of direct FTE (professionals) and limited realised tariff effects in 2005.

Our top three customers accounted for 79% of our total turnover for the year 2005 (2004: 89%).

All business cells, except TMC ERP Professionals, increased its turnover, as a result of further extension of TMC's entrepreneurial professional model among other strategic initiatives, but in particular TMC Embedded (increase of EUR 0.73 million) and TMC Engineering Professionals (increase of EUR 1.42 million) contributed to the growth in total turnover.

TMC Embedded

In 2005, TMC Embedded was still the main activity of TMC. The market for this business cell showed a clear recovery. Turnover generated by TMC Embedded increased EUR 0.73 million (29.9%) compared to 2004, due to the fact that TMC anticipated by increasing the number of professionals (direct FTE). Furthermore, TMC Embedded clearly gained from all sales efforts of the previous years. This resulted in market opportunities with obvious position improvements for the professionals with improved tariffs were a result of this. Moreover, it is used strategically to obtain a better spread of the professionals over our customer groups. This resulted in a firm extension of TMC Embedded's customer portfolio, extended with new customers. In 2005, TMC Embedded also invested in new projects at existing customers.

TMC ERP Professionals

Due to an internal merger and a hiring freeze at one of our major customers, turnover generated from this customer decreased significantly. Furthermore, 5 professionals were employed directly by a top three customer at year-end 2004 and in the beginning of 2005, where they were previously seconded by TMC. This resulted in a decrease of turnover of EUR 0.6 million from this client in 2005.

TMC was able to offset this effect by the recruitment of new personnel who were subsequently seconded at other existing and also new clients. In addition, we were able to compensate the lost business from the major customer by extending the SAP customer base. By this strategic initiative, TMC ERP Professionals realised a better spread of sales against higher margins.

TMC Engineering Professionals

A strong growth in turnover of EUR 1.42 million has been realised in this business cell, from EUR 0.14 million for the year 2004 to EUR 1.56 for the year 2005, primarily because more direct personnel was employed. It should be noted that 2004 was the start-up year of TMC Engineering Professionals and the activities commenced only in October 2004.

The growth is primarily the result of the strategic initiative of: i) implementing the entrepreneurial professional model; ii) acting as one of the first suppliers in this area; and iii) further developing a flexible pool for production and field service engineers.

Some of the key projects that TMC Engineering Professionals performed for several (major) customers are: i) transferring production capacity to the Far East; ii) involvement in building, installing and servicing food production equipment worldwide; and iii) qualifying and installing semiconductor systems worldwide.

TMC Physics

TMC Physics started in September 2005 with 8 professionals, based on a strategic alliance agreement with a top three customer. TMC initiated a flexible pool for physicist by implementing the entrepreneurial professional model. At year-end 2005 this business cell employed 15 professionals.

Direct costs and gross margin on turnover

For the year 2005, direct costs increased with EUR 1.66 million (70.6%) to EUR 4.0 million, compared to EUR 2.34 million for the year 2004. This is primarily due to the strong growth in the number of professionals increased with 37 to 70 professionals as per 31 December 2005 (2004 year end: 33 professionals). The majority of these new professionals were employed at TMC Engineering Professionals and TMC Physics. The remainder primarily relates to the autonomous growth of TMC Embedded.

The increase of direct costs (70.6%) are relatively low compared to the expansion from year-end 2004 to year-end 2005 of the number of professionals engaged (112.1%). This is due to the increased share of TMC Engineering Professionals and TMC Physics, whose personnel have lower salary costs on average compared to TMC Embedded and TMC ERP Professionals.

Gross margin on turnover for the year 2005 amounted to 34.4% and decreased compared to the year 2004 (36.9%). This as a result of hiring new direct personnel in anticipation to 2006 and the fact that the standard tariffs for the new business cells (TMC Physics and TMC Engineering Professionals) are relatively low. In addition, productivity of, in specific, TMC Embedded decreased compared to 2004, which was mainly caused by the non-utilisation of employees in-between secondments. Furthermore, the bonus structure of ERP Professionals has been adjusted during 2005.

Furthermore, the gross margin on turnover for 2005 was negatively influenced by EUR 40,000 one-off costs. Reference is made to the paragraph "*Factors affecting TMC's results of operations*" in this chapter.

Indirect personnel expenses

Indirect personnel expenses amounted to EUR 0.50 million for the year 2005 and increased 63.7% compared to the year 2004 (EUR 0.31 million). This increase primarily relates to the expansion of the office management department (including administration) from 2 employees at year-end 2004 to 5 employees at year-end 2005. Furthermore, management staff and the sales department were expanded with 1 employee each to 5 and 4 employees respectively at year-end 2005.

General and administrative expenses

Despite the set-up of new business activities and the strong development of existing activities, we have been able to maintain our general and administrative expenses at a relatively low level. These expenses only increased EUR 78,000 (14.3%) to EUR 0.62 million for the year 2005. In addition, there was an increase of housing costs by moving to a new location in Eindhoven.

Consequently, general and administrative expenses as a percentage of gross margin decreased from 39.5% for the year 2004 to 29.6% for the year 2005. A fee of EUR 500,000 from an affiliated company is included for the year 2005 as well as 2004, which represents the major part of total general and administrative expenses. Reference is made to the section "*Cost structure*" in the paragraph "*Factors affecting TMC's results of operations*" in this chapter for details on this allocation.

Net margin on turnover (EBIT) by business cell

EBIT by business cell is specified as follows:

(EUR in thousands)	**IFRS Year ended 31 December 2005**		**IFRS Year ended 31 December 2004**	
		% of turnover		**% of turnover**
TMC Embedded	332	10.4	143	5.8
TMC ERP Professionals	55	5.5	328	29.2
TMC Engineering Professionals	452	29.0	49	35.5
TMC Physics	131	32.8	–	–
Total net margin on turnover (EBIT)	970	15.9	520	14.0

General

For the year 2005, our net margin on turnover (EBIT) amounted to EUR 0.97 million. The increase in EBIT of EUR 0.45 million compared to the year 2004 is primarily the result of an increase of turnover level (+64%). EBIT as a percentage of turnover increased from 14.0% for the year 2004 to 15.9% for the year 2005, primarily because we could limit the increase of our operating costs to 32.2%.

EBIT of the business cells TMC ERP Professionals and TMC Embedded is negatively influenced by the allocation for overhead costs and management fees of EUR 500,000 from an affiliated company (EUR 100,000 to TMC ERP Professionals and EUR 400,000 to TMC Embedded) and the personnel expenses for (general) administrative staff and back-office, primarily allocated to these two segments.

TMC Embedded

EBIT on turnover of TMC Embedded improved mainly due to the fact that the indirect costs base could be maintained compared to 2004. This cost base is still relatively low compared to the business cells TMC Engineering Professionals and TMC Physics due to the allocation method concerning overhead costs and management fees and the different bonus structure for TMC Embedded.

TMC ERP Professionals

The decrease of EBIT in 2005 by 83.2% is a direct result of a volume decrease, lower labour utilisation as a result of the decrease in volume and an adjustment of the bonus system of TMC ERP Professionals.

In addition, the operating costs increased by 38.0% due to additional marketing costs to mobilise the SAP consultants according the entrepreneurial professional model within a short timeframe. In addition, selling costs increased by hiring a new account manager SAP.

In 2004, a fixed tariff (per hour) was agreed with one key customer of TMC ERP Professionals which exceeds the regular tariffs. This fee can be considered as non-recurring and has impacted EBIT positively in 2004 for an amount of approximately EUR 80,000.

TMC Engineering Professionals

The decrease of EBIT as a percentage of turnover to 29.0% for the year 2005 from 35.5% for the year 2004 is primarily due to the expansion of the indirect staff with 3 employees to a total number of 4 employees as of 31 December 2005, intensive recruitment and an advertising campaign. Furthermore, rental costs increased by moving into a new building in Eindhoven. As discussed above (see "*General*" in this paragraph) EBIT of TMC Engineering Professionals is positively affected by Management's decision not to allocate the (central) overhead costs to the business cells in a start-up phase.

TMC Physics

EBIT on turnover of TMC Physics amounted to 32.8% for the year 2005. This only reflects a period of some 5 months since the activities of this business cell commenced in August 2005. As discussed above (see "*General*" in this paragraph) EBIT of TMC Physics is positively affected by Management's decision not to allocate the (central) overhead costs to the business cells in a start-up phase.

Income tax expense

The income tax expense for the year 2005 amounted to EUR 0.28 million, resulting in an effective tax rate of 30.6% (2004: 36.8%). The effective tax rate for 2004 is relatively high due to the realisation of a deferred tax asset.

Results of operations for the years ended 31 December 2004 and 31 December 2003

The following table presents our results of operations for years ended 31 December 2004 and 31 December 2003. These figures are extracted from the combined financial information 2004 and 2003, prepared on the basis of Dutch GAAP. TMC monitors the financial performance of its business by market segments, which activities are managed through separate legal entities ("business cells") on the basis of turnover and net margin on turnover (EBIT, earnings before interests and taxes).

(EUR in thousands)	**Dutch GAAP Year ended 31 December 2004**		**Dutch GAAP Year ended 31 December 2003**	
Turnover	3,719		2,874	
Direct costs	-2,345		-1,804	
		1,374		1,070
Operating costs				
Indirect personnel expenses	-306		-269	
Depreciation	-5		-2	
General and administrative expenses	-543		-720	
		-854		-991
Net margin on turnover (EBIT)		520		79
Net financing costs		-45		-50
Profit before tax		475		29
Income tax expense		-175		5
Net income (attributable to shareholders)		300		34

Turnover by business cell

Turnover by business cell is specified as follows:

(EUR in thousands)	Dutch GAAP Year ended 31 December 2004	Dutch GAAP Year ended 31 December 2003
TMC Embedded	2,456	2,315
TMC ERP Professionals	1,125	559
TMC Engineering Professionals	138	–
Total turnover	3,719	2,874

We could establish autonomic growth after the challenges within the previous years. Main driver of growth was the introduction of TMC entrepreneurial professional model as strategic initiative for all segments in 2004.

Turnover for the year 2004 increased EUR 0.85 million (29.4%) to EUR 3.72 million from EUR 2.87 million for the year 2003. This development is mainly driven by the increased number of direct FTE (professionals) and –to a lesser extent- realised tariff effects.

Our top three customers account for 89% of our total turnover for the year 2004 (2003: 89%). All business cells increased their turnover, as a result of further extension of TMC entrepreneurial professional model among other strategic initiatives. Especially TMC ERP Professionals (increase of EUR 0.57 million) contributed to the growth in total turnover.

TMC Embedded

Revenue increased by EUR 0.14 million (6.1%) compared to 2003. Still it was difficult to operate in an unpredictable and very non-anticipating market. Nevertheless, we believe, in 2004 the bottom of the cycle had been reached and the market showed some increase in secondment replacement needs.

By continuous investment in the relation networking, TMC Embedded succeeded to extend the number of customers and the reallocation of new and existing projects at existing customers. Because of the specialisation of TMC Embedded and the growing appreciation for our service by our customers, another number of promotions for well performing professionals had been requested in 2004. This resulted in an improvement of our tariffs at some of our largest customers. Moreover, TMC Embedded became preferred supplier for most of its customers.

TMC ERP Professionals

A new market focus of TMC ERP Professionals turned into a positive effect on turnover. In 2004, turnover increased EUR 0.57 million (101.1%) to EUR 1.1 million compared to EUR 0.56 million for the year 2003. This increase of our volume was caused by extension of SAP consulting activities combined with the introduction of TMC's entrepreneurial professional model. Although the labour market for SAP consultants was still moderate, we could enter into professional interesting propositions with one of our major customers.

TMC Engineering Professionals

This business cell started in October 2004, initiated by the take-over of a limited number of employees from a number job agencies working for a strategic customer. In addition, TMC Engineering Professionals established a preferred contract with one major customer for managing the flexible pool of production and field-service engineers.

Direct costs and gross margin on turnover

For the year 2004, direct costs increased EUR 0.55 million (30.0%) to EUR 2.35 million compared to EUR 1.80 million for the year 2003. This is primarily due to the strong growth in the number of professionals engaged with 10 employees to 33 professionals as of 31 December 2004 (2003: 23 professionals). The majority of the new professionals were employed at TMC Engineering Professionals. The remainder primarily relates to the autonomous growth of TMC Embedded.

The increase of direct costs (30%) is relatively low compared to the expansion of professionals engaged (37.5%) from year-end 2003 to year-end 2004. This is due to the increased share of TMC

Engineering Professionals, whose personnel have on average lower salary costs and a different bonus structure compared to TMC Embedded and TMC ERP Professionals.

Gross margin on turnover for the year 2004 amounted to 36.9% and decreased slightly compared to the year 2003 (37.2%), due to the fact that the standard tariffs for the new business segment (TMC Engineering Professionals) are relatively low. This was compensated by an improvement of the tariffs by some of TMC Embedded's largest customers.

Indirect personnel expenses

Indirect personnel expenses amounted to EUR 0.31 million for the year 2004 and increased 13.8% compared to the year 2003 (EUR 0.27 million). This increase primarily relates to the expansion of the office management department.

General and administrative expenses

General and administrative expenses decreased EUR 0.14 million to EUR 0.85 million for the year 2004 compared to EUR 0.99 million for the year 2003. This primarily relates to a changed allocation structure of overhead costs and management fee, allocated by an affiliated company. This changed structure resulted in a decrease of cost allocation by EUR 0.15 million, from EUR 0.65 million for the year 2003 to EUR 0.5 million for the year 2004.

Net margin on turnover (EBIT) by business cell

EBIT by business cell is specified as follows:

(EUR in thousands)	**Dutch GAAP Year ended 31 December 2004**		**Dutch GAAP Year ended 31 December 2003**	
		% of turnover		**% of turnover**
TMC Embedded	143	5.8	34	1.5
TMC ERP Professionals	328	29.2	47	8.4
TMC Engineering Professionals	49	35.5	–	–
Other	–	–	-2	–
Total net margin on turnover (EBIT)	520	14.0	79	2.7

TMC Embedded

EBIT on turnover of TMC Embedded significantly improved from 1.5% for the year 2003 to 5.8% for the year 2004. This is primarily due to an improvement of the tariffs charged to customers of TMC Embedded. Also the decrease of the allocation for overhead costs by an affiliated company (reference is made to *"General and administrative expenses"* in this paragraph) had a significant positive impact on the EBIT as a percentage of turnover.

TMC ERP Professionals

As a result of the comparable costs level, increased utilisation and the effect of increased sales prices, TMC ERP Professionals could improve EBIT on turnover up to 29.2% compared to 8.4% in 2003. Another reason for this improvement is the decrease of the allocation for overhead costs by an affiliated company (reference is made to "*General and administrative expenses*" in this paragraph).

TMC Engineering Professionals

TMC Engineering Professionals realised an EBIT on turnover of 35.5% in 2004 during the three months period after the start-up of this new business cell in October 2004. EBIT of this business cell is significantly influenced (positive) by the fact that overhead costs of TMC are in principal charged to the other business cells (of which the allocation from an affiliated company is the main item) and no costs have been allocated to TMC Engineering Professionals.

Income tax expense

The income tax expense for the year 2004 amounted to EUR 0.18 million, resulting in an effective tax rate of 36.8% compared to a tax benefit for the year 2003 of EUR 5,000 (17.2%). The effective tax rate for 2004 is relatively high due to the realisation of a deferred tax asset. The taxable amount for 2003 is negative, due to the low profit before tax and, as a consequence, the relatively high impact of tax facilities. As a result a tax benefit on the result for the year 2003 is accounted for.

Cash flow

The following table presents our cash flow from operating, investing and financial activities for the periods indicated (based on an indirect cash flow calculation).

(EUR in thousands) (*Unaudited)	Year ended 31 December 2005 IFRS	2004 IFRS	2004 Dutch GAAP	2003 Dutch GAAP	6 months ended 30 June 2006* IFRS	2005* IFRS
Net cash from operating activities	224	233	233	207	-573	39
Net cash from investing activities	-8	73	73	-14	-2	-3
Net cash from financing activities	-215	-76	-76	–	–	–
Net increase in cash and cash equivalents	1	230	230	193	-575	36

General

The accounting principles adopted for the valuation of assets and liabilities and determination of the result are in principal based on the historical cost convention. Assets and liabilities are shown at nominal value. Turnover, direct costs and other operating costs are accounted for in the period to which they relate, based on the accrual and matching principal. Related cash flows are in general paid or received in the same period taken into account timing differences related to items such as accounts receivable, accounts payable and accruals.

As of 30 June 2006, our cash position (consisting of cash, cash equivalents and bank overdrafts) showed a negative balance of EUR 0.29 million compared to a positive balance of EUR 0.28 million as at 31 December 2005. The net cash position therefore decreased EUR 0.57 million during the six months period ended 30 June 2006 and relates, apart from a cash outflow of EUR 2,000 from investing activities, entirely to our cash flows from operating activities.

Cash flow for the six months ended 30 June 2006

Cash flow from operating activities

Cash flow from operating activities consists in principal of our operating profit including changes in our working capital and taking into account the income tax expense. During the six months ended 30 June 2006 we recorded a net cash outflow from operating activities of EUR 0.57 million compared to a net inflow of EUR 39,000 for the six months ended 30 June 2005. The specification is as follows:

(EUR in thousands) (* Unaudited)	IFRS* 6 months ended 30 June 2006		IFRS* 6 months ended 30 June 2005	
Operating profit	1,334		402	
Balance of financial income and expenses	-10		-19	
Income tax expense	-434		-117	
	890		266	
Adjustment for depreciation	7		3	
		897		269
Changes in operating working capital				
Trade and other receivables	-1,751		-440	
Current-liability to related parties	-506		-11	
Trade and other payables	787		221	
		-1,470		-230
Net cash flow from operating activities		-573		39

This net outflow is primarily due to the increased trade and other receivables. As at 30 June 2006, trade and other receivables (on third parties) amounted to EUR 3.63 million which is EUR 1.75 million higher compared to the position as at 31 December 2005. This is the result of the increased activity level of TMC (turnover for the six months ended 30 June 2006 exceeds total turnover for the full year 2005). The major customers of TMC have a standard payment term of some 60 days after invoice date. In addition, receivables relating to turnover to be invoiced are relatively high and amount to EUR 1.14 million as at 30 June 2006 compared to EUR 0.39 million at year-end 2005.

In general, an increased activity level also results in higher trade and other payables, which increase positively affects the operating cash flow. However, this positive effect on cash flow is only limited for TMC because the direct costs of TMC mainly consist of salary costs that are generally paid in the same month as the salary costs relate to (payment term is not usual for salary related costs).

TMC has access to several credit arrangements with major Dutch credit institutions that are permanently available for TMC in order to finance this gap. Further reference is made to the paragraph *"Off balance sheet items"* in this chapter for details on these arrangements.

The change in working capital with regard to current-liability to related parties, as stated in the table above, also include changes in receivables due from related parties for an amount of EUR 0.5 million.

Cash flow from investing and financing activities for the six months ended 30 June 2006

The net cash outflow from investing activities is limited to EUR 2,000 and EUR 3,000 for the six months ended 30 June 2006 respectively 30 June 2005. For the six months ended 30 June 2006 the net cash outflow consists of the acquisition of equipment for EUR 22,000 (outflow) and the proceeds of the issue of share capital of TMC Mechatronics B.V. for EUR 20,000 (inflow). No cash flow from financing activities was accounted during the six months ended 30 June 2006 neither 2005.

Cash flow for the years 2005 and 2004

Cash flow from operating activities

Cash flow from operating activities consists in principal of our operating profit including changes in our working capital and taking into account the income tax expense. During the year 2005 we recorded a net cash inflow from operating activities of EUR 0.22 million compared to a net inflow of EUR 0.23 million for the year 2004. The specification is as follows:

(EUR in thousands)	IFRS Year ended 31 December 2005		IFRS Year ended 31 December 2004	
Operating profit	970		520	
Balance of financial income and expenses	-52		-45	
Income tax expense	-281		-175	
	637		300	
Adjustment for depreciation	7		5	
		644		305
Changes in operating working capital				
Trade and other receivables	-828		-552	
Current-liability to related parties	-12		-2	
Trade and other payables	420		482	
		-420		-72
Net cash flow from operating activities		224		233

The positive impact on the net cash flow following from our result for the year 2005 amounted to EUR 0.64 million (year 2004: EUR 0.31 million) but is offset with EUR 0.42 million by the changes in our operating working capital for the year 2005 (2004: EUR 72,000). The negative impact on net cash flow from operating activities is due to the increase of trade and other receivables with EUR 0.83 million compared to year-end 2004. This directly relates to the higher activity level of TMC in 2005 (turnover EUR 6.1 million) compared to the year 2004 (turnover EUR 3.7 million). For an explanation of this effect, which is typical for TMC's operations, we refer to our discussion on the cash flow for the six months ended 30 June 2006.

Cash flow from investing and financing activities

Net cash outflow from investing activities amounted to EUR 8,000 for the year 2005. Cash inflow following from the disposal of shares (that were held by TMC in a company belonging to its own group) to an affiliated company, is included for EUR 15,000. The remaining cash outflow (EUR 23,000) relates to the acquisition of equipment. Net cash inflow for the year 2004 amounted to EUR 73,000 and consists primarily of the valuation of a deferred tax asset (EUR 81,000).

Cash outflow from financing activities amounted to EUR 0.22 million for the year 2005 (2004: EUR 76,000). This outflow relates for both years primarily to the contribution of dividend. The specification is as follows:

(EUR in thousands)	**IFRS Year ended 31 December 2005**		**IFRS Year ended 31 December 2004**	
Proceeds from long-term borrowings	120		100	
Repayments of borrowings due within one year	-100		–	
Dividends paid	-235		-176	
Net cash flow from financing activities		-215		-76

The proceeds from long-term borrowings relate to loans from shareholders. These loans are provided in 2004 (EUR 0.1 million) but are to be repaid no later than 31 December 2006. All debts have been redeemed on 2 October 2006.

Cash flow for the year 2003

The net cash inflow for the year 2003 amounted to EUR 0.19 million. This net inflow consists of EUR 0.21 million of net cash from operating activities and is primarily is the result of changes in working capital since the net income for the year 2003 only amounted to EUR 36,000. Cash outflow from investing activities was limited to EUR 14,000 and no cash flow was generated from financing activities during the year 2003.

Capital expenditures

As shown in our overview of cash flows from investing activities as specified in the preceding paragraph, capital expenditures of TMC are not significant over the past years. Capital expenditures have been limited to relatively small investments in office furniture and hardware. The specification is as follows:

	Year ended 31 December			**6 months ended 30 June**	**6 months ended 30 June**
(EUR in thousands) **(*Unaudited)***	**2005 IFRS**	**2004 IFRS**	**2003 Dutch GAAP**	**2005 IFRS***	**2006 IFRS***
Investments in office furniture	3	–	–	–	9
Investments in hardware	20	8	6	3	13
Total	23	8	6	3	22

Net financial indebtness

The following table presents the (net) financial indebtness of TMC as of 31 December in each of the years 2003, 2004 and 2005 and as of 30 June 2006 and 2005.

(EUR in thousands) (*Unaudited)	As of 31 December 2005 IFRS	2004 IFRS	2004 Dutch GAAP	2003 Dutch GAAP	As of 30 June 2005 IFRS*	2006 IFRS*
Cash at banks						
Cash and cash equivalents	303	283	283	68	318	203
Blocked bank account (included in other receivables)	57	–	–	–	–	63
Short term financial debt						
Bank overdraft	-20	-1	-1	-16	–	-496
Interest bearing loans and borrowings from related parties	-959	-839	-839	-530	-1,490	-627
Long term financial debt						
Interest bearing loans and borrowings from related parties	–	-100	-100	–	–	–
Net financial debt	-619	-657	-657	-478	-1,172	-857

Exposure to credit, interest rate and currency risks arises in the normal course of TMC's business. TMC does not use derivatives to hedge exposure to fluctuations in foreign exchange rates and interest rates. TMC primarily operates in the Netherlands and other EU-countries and therefore the exposure to currency risks is limited.

As of 30 June 2006, all cash at banks is at our free disposal except for the balance on our blocked bank account, amounting to EUR 63,000.

The bank overdraft relates to the credit facilities provided by Dutch financial institutions. The major part of the overdraft as at 30 June 2006 relates to the credit arrangement with De Lage Landen Trade Finance B.V. (**"DLL"**) financial institution. Reference is made to paragraph "*Liquidity and capital resources*" in this chapter for details on this arrangement. See also "Related Party Transactions – *Related party transactions*". The strong increase of this overdraft during the six months ended 30 June 2006 is due to the significant growth in turnover of TMC as explained in our discussion on the cash flow from operating activities for the six months ended 30 June 2006.

The interest bearing loans and borrowings from related parties consist in principal of current accounts between TMC and affiliated companies. The interest rate is to 4% on the average debt (during the financial year) in each current account. No security has been provided. Furthermore, EUR 100,000 of loans from shareholders are included in the interest bearing loans and borrowings from related parties in the amounts accounted for in the net financial debt as at 31 December 2005 and as at 30 June 2006.

The interest rate on the loans from shareholders (presented as long term debt as at 31 December 2004) is 5%. Full repayment is due in 2006. No security has been provided. All debts have been redeemed on 2 October 2006. See "Related Party Transactions – *Other related party transactions*".

Liquidity and capital resources

We believe that cash flow from our operating activities will be sufficient to satisfy our present working capital requirements taken into account the availability of our bank overdraft facilities. The strong growth of our activities and consequently strong increase in turnover exerts pressure on our working capital position. This directly follows from the normal course of our business, and results from the fact that our direct costs (salary and salary related costs) are normally expensed at (basically) the same time as these costs are accounted for. Actual receipt of the corresponding turnover is, however, for most of our major customers, standard two months due after invoicing to the customers.

To bridge this (temporary) gap, TMC has access to several credit arrangements with major Dutch financial institutions. Our main arrangement is a financing agreement with DLL. In accordance with this agreement, DLL provides a permanent credit facility to TMC with trade receivables as collateral. The credit limit is variable and is maximised at 85% of the outstanding balance of our trade receivables on (third party) customers, taken into conditions with regard to the concentration factor and aging structure of the receivables. Further reference is made to paragraph "*Off balance sheet items*" in this chapter for details on these arrangements. See also “Related Party Transactions – *Other related party transactions*”.

Anticipated sources and uses of liquidity

Our principal anticipated sources of liquidity are cash and cash equivalents, cash flow from operating activities, and our credit facility as described above and the Offering. Our primary needs for liquidity are to fund our present and future operations including the further autonomous expansion of our business activities. Furthermore, this need relates to future acquisitions, our service of our financial indebtness, lease and rental obligations and other long-term obligations and financial needs.

Off balance sheet items

Tax entity

As at 30 June 2006, TMC Embedded B.V. and TMC ERP Professionals B.V. were part of a fiscal entity for income tax purposes and turnover tax. TMC Executives Holding B.V. was at the top of this fiscal entity. Also TMC Engineering Professionals B.V. and TMC Physics B.V. were previously part of this fiscal entity but are since 21 September 2005 respectively 29 September 2005 independent liable to pay taxes. The standard conditions stipulate that each of the companies is liable for the income and VAT tax payable by all companies belonging to the fiscal entity for the period that the company was included in the fiscal entity. On 17 October 2006, TMC Executives Holding B.V. has agreed to indemnify and hold harmless the aforementioned companies for any claim by the Dutch tax authorities, for the tax liability of another entity that has been included in the same consolidated tax returns and for any claim by TMC Executives Holding B.V. itself or a related entity in respect of the utilisation of tax losses or the allocation of tax.

Financing agreement

TMC has a financing agreement with DLL financial institution. In accordance with this agreement, DLL provides a credit facility to TMC with regard to the working capital. The credit limit depends on the amount and composition, in specific aging structure, of outstanding trade receivables to third parties. In essence, the contracting party for DLL is an affiliated company, however, also the companies belonging to TMC have entered into this agreement. Consequently, these TMC companies are jointly and severally liable with regard to the terms of the credit facility.

Current account Rabobank

TMC has a current account facility with Rabobank of up to EUR 50,000. The TMC companies are jointly and severally liable with regard to this credit facility. In addition, TMC has pledged all its movable assets to Rabobank.

Labour and pension agreements

It appears that the Company has erroneously not applied the ABU CAO which, since June 2000, has been declared generally binding (*algemeen verbindend verklaard*) three times: (i) as of 14 July until 31 December 2003, (ii) as of 28 July 2004 until 4 April 2005, and (iii) as of 13 September 2005 until 1 April 2007. In addition, the collective bargaining agreement for the Company’s regular office staff has also been declared generally binding (*algemeen verbindend verklaard*) three times: (i) as of 28 March until 31 March 2003, (ii) as of 24 September until 31 December 2004 and (iii) as of 6 October until 31 December 2005. It has further appeared that as from the year 2004 until the present, the Company has put in place its own pension scheme for employees rather than the obligatory pension scheme of Stiplu. The Company has recently initiated consultations with its own employees and Stiplu in order to resolve these matters and has made a calculation, supported by Watson Wyatt, of the amount of additional costs entailed by complying retroactively with the relevant rules of the ABU CAO and the Stiplu pension scheme. Should it turn out that TMC has to meet these conditions a liability to the ABU CAO of EUR 93,075 and to the Stiplu of EUR 165,650 will be incurred for the period ended 30 June 2006. Management believes that this amount is sufficient to cover its retroactive payment obligations resulting from the foregoing, if any. However, the Company may face additional costs for the period starting as of 30 June 2006 until these matters are resolved.

Operational leases

TMC leases a number of cars under operating leases. The leases typically run for a period of 4 years. None of the leases includes contingent rentals. During the year ended 31 December 2005, EUR 398,000 was recognised as an expense in the income statement in respect of operating leases (2004: EUR 321,000). Non-cancelable operating lease rentals are payable for the period 2006 to 2011 of EUR 1.36 million.

Risk management and internal control

TMC risk management includes a process of measuring or assessing risk and then developing strategies to manage the risk. In general, the strategies employed include transferring the risk to third party, avoiding the risk, reducing the negative effect of the risk, and accepting some or all of the consequences of a particular risk. TMC risk management focuses on risks from physical or legal causes (e.g. natural disasters or fires, accidents, death, and lawsuits). TMC financial risk management, on the other hand, focuses on risks that can be managed using traded financial instruments.

Credit risk

Management of TMC has a credit policy in place and the exposure to credit risks is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Investments are only allowed in liquid securities and only with counterparties that have a credit rating equal to or better than TMC.

TMC has a limited number of major customers which substantially contribute to TMC's turnover and therefore has significant concentrations of credit risk. Policies are in place to ensure that services are only provided to customers with an appropriate credit history. Management monitors outstanding trade receivables closely on an ongoing basis.

Interest rate risk

The interest rate risks of TMC are limited to possible changes in the fair value of loans taken up and granted. The activities of TMC group are primarily financed through short-term debts to affiliated companies. Interest rates within TMC are fixed.

Organisation structure and financial control

Members of the management board of TMC form the risk management team and as such develop, initiate and coordinate the execution of risk management procedures, through, amongst others, the administrative organisation and internal controls. TMC risk management is a prioritisation process whereby the risks with the greatest loss and the greatest probability of occurring are handled first, and risks with lower probability of occurrence and lower loss will have a lower priority in risk avoiding.

In April 2004, a controller was employed, because in line with the growth of the Company, the accounting and controlling department expanded over the years. Also in the years 2005 and 2006 the number of employees of the accounting and controlling department further increased. As of 1 November 2006 a CFO is employed.

Management believes that currently the internal control measurements of TMC meet the required standards applicable for medium-sized companies as TMC. The risks are mitigated by a set of financial and operational controls like segregation of duties, authority limits and system access controls.

TMC is organised in focused business cells with a specific or technological competence, all structured in separate legal entities. TMC's philosophy is to limit each cell to approximately 50 employees in order to optimally benefit from the entrepreneurial environment that the business model creates. If a cell is about to grow beyond the 50 employees, TMC will consider to split the cell in logical technical competence areas. This structure enables a strong network between the professionals within the relevant business cells thereby enforcing continuity of employment and loyalty to TMC. This is further enhanced through quarterly meetings organised by the business cell management to share in depth technical knowledge and exchange technical issues in their specific competence. Management believes that because of this business model, TMC is optimally positioned to respond to the developments in the high-tech industry and to win preferred relationships with key technology driven companies.

TMC has implemented a Management Board, responsible for the business cells, supported by general staff functions such as finance and administration. Currently, TMC has 5 business cells, each of them managed by a dedicated business driver (director). Throughout the growing process of the business cell, the business driver will be supported by account manager(s) and, depending on the size of the cell, an office manager. A full grown cell of 50 employees will typically have two (senior) account managers and one office manager. The business driver and the account manager(s) are jointly responsible for recruitment, sales and field management. The office manager is responsible for operations and human resource activities.

TMC monitors the financial performance of its business cells on the basis of turnover and net margin on turnover (EBIT).

Statement of differences between IFRS and Dutch GAAP applicable to TMC

The combined financial statements 2005 are TMC's first financial statements prepared in accordance with IFRS. The IFRS accounting policies, of which the most important have been discussed in paragraph *"Accounting principles and policies"* of this chapter have been applied in preparing the combined financial statements for the year ended 31 December 2005, the comparative information presented in these financial statements for the year ended 31 December 2004, in the preparation of an opening IFRS balance sheet at 1 January 2004 and in preparing the condensed combined interim financial statements for the six months ended 30 June 2006.

In preparing its opening IFRS balance sheet, TMC has restated amounts reported previously in the statutory financial statements prepared in accordance with its old basis of accounting (Dutch GAAP) of the following TMC companies that are included in the combined financial statements:

- TMC Embedded B.V.
- TMC ERP Professionals B.V.
- TMC Engineering Professionals B.V.
- TMC Physics B.V.

No financial statements under Dutch GAAP have been previously prepared for TMC Mechatronics B.V. since this company was only established in April 2006.

The restatements of the financial figures of these companies from Dutch GAAP to IFRS have been limited to reclassifications of figures and (textual) adjustments and re-editing of accompanying notes to the IFRS combined financial statements. No adjustments with a significant impact on equity or net result have been identified. Furthermore, the reclassifications made for IFRS purposes have had no significant impact on the composition of equity and net result.

Working capital statement

The Company is of the opinion that the working capital available to the Company and its subsidiaries is sufficient for its present requirements, that is for at least the 12 months following the date of this Prospectus.

Third quarter statement

During the third quarter of 2006 TMC was able to expand its business further. New customers and assignments were acquired and TMC was able to increase the number of professionals (direct personnel) employed with 31. As of 30 September 2006, TMC employed 155 entrepreneurial professionals (*werkondernemers*) and had an indirect staff of 16 employees. All business cells contributed to the growth and TMC's turnover and EBIT levels developed in line with expected forecasts for the period ended 30 September 2006. Also the year to date 30 September 2006 results showed an improved cash flow development compared to the first half of 2006. Full year 2006 is expected to be more than double 2005 in terms of sales.

For the medium short term Management will focus on profitable and sustainable growth. TMC will leverage from the TMC branding and holding structure and gain from economies of scale. In addition, TMC aims to enlarge the regional coverage and industry diversification (e.g. oil & gas).

BUSINESS

Overview

The Company is a provider of specialised high-end secondment services to the ICT & technology driven industries in the Netherlands with a turnover of EUR 6.100 million and an EBIT of EUR 0.970 million in 2005 and a turnover of EUR 6.255 million and an EBIT of EUR 1.334 million for the first six months of 2006. TMC provides professionals for different stages in the research and development of high-tech and ICT related products, from R&D to industrialisation, installation, and field support. To this extent, TMC employed 124 professionals (direct personnel) in 5 highly specialised areas as of 30 June 2006: embedded software, ERP software, industrial & field service engineering, physics and mechatronics. TMC focuses on the continuity of its customers' flexible technical workforce, based on its entrepreneurial professional model (*werkondernemerschap*). This model contains the following distinguishing elements: (i) long-term relationships between the Company and its employees; (ii) profit sharing by its employees; (iii) focussed soft-skill coaching to develop entrepreneurial behaviour and business awareness with its employees; and (iv) operating entrepreneurial business cells. By implementing this model TMC believes it is able to mobilise (highly educated) talented technology professionals in tight ICT & technology labour markets. For these talented professionals interesting career opportunities will be created within and throughout different customers. A flexible workforce is highly valued by these customers. However, within the flexible workforce layer of these customers, stability (recruitment, competence management and management development) and quality of personnel is hard to manage by such customer. Therefore by mobilising talented professionals TMC offers its customers a solution to manage these problems within these flexible personnel layers.

TMC is a niche player providing high-tech specialised professionals, geographically focussing on the regions around Eindhoven, Delft, Enschede, Leuven and Aachen. In order to strengthen the relationship with its customers on senior management level, TMC on demand also provides executive search and interim management services for (senior) management or directors' positions within the respective areas in which its business cells are active.

History

Year 2000

TMC's business was initiated in June 2000 by Thijs Manders Beheer B.V., the personal holding company of Mr. M.H.H.P. Manders, current CEO of TMC, together with QPM B.V. and Vuhamij B.V., two investment companies which are partly and indirectly owned by Mr. J.H.M. van Rijt. Initially, TMC focused on general recruitment services. Due to the solid demand for high-tech expertise and ICT services, TMC revised its strategy towards delivering development capacity to the embedded software market. At year-end 2000, TMC already employed 15 senior embedded software engineers, 9 recruitment consultants and several career coaches.

Year 2001

Despite a decline in labour and high-tech markets, TMC showed healthy growth in 2001, resulting in about 40 professionals employed by TMC and active in the recruitment, assessment and contracting business at year-end.

Year 2002

In 2002, driven by a further economical decline, TMC decided to move away from general recruitment activities and to focus only on the technical contracting business in embedded software development and implementation. Minor revenues were gained from recruitment services, mainly for SAP personnel.

TMC considered the development of several business activities in new, ICT related, competence areas driven by specific market needs to be effected in the next years (see below). Each new business cell was initiated in close cooperation with a key customer.

Year 2003

In March 2003, TMC initiated activities in the ERP-business (SAP consulting services) with a small group of highly experienced SAP professionals. The ERP business activities were concentrated in TMC ERP Professionals B.V. This company was established in June 2000 under the name TMC Executive Recruitment B.V. The origin of TMC Executive Recruitment concerned the recruitment of SAP personnel for third parties, but this activity was gradually diminished as management realised recruitment for third parties was cannibalising its own existing or targeted personnel base. As a result, recruitment of SAP personnel was terminated at year-end 2005 and TMC Executive Recruitment B.V. was renamed into TMC ERP Professionals as of January 2006.

Year 2004

In October 2004, TMC commenced its business regarding engineering services in order to comply with customers' increased requests industrialisation and field services of specialised high-end machinery. Through TMC Engineering Professionals B.V., TMC engaged professionals in industrial service and field service engineering.

Year 2005

TMC initiated its business with regard to the contracting of professionals within the physicist discipline in August 2005. These activities are performed through TMC Physics B.V. TMC Physics has a different market and personnel base.

During 2005, TMC also initiated business activities with regard to executive search. These services with regard to the recruitment on management and executive level are mainly rendered upon fixed price agreements, contrary to the other activities.

Year 2006

TMC founded TMC Mechatronics B.V. in April 2006, a company which services a niche (labour) market in motion control in high-tech production equipment environments. Through TMC Mechatronics, due to customer requests, management introduced a new service line combining mechanical, electronic and software engineering knowledge.

In October 2006, TMC divested its 50% interest in TMC Technology Management B.V., as well as its 15% interest in TMC Assessment & Development B.V. See "Related Party Transactions – *Reorganisation".* These companies were engaged in interim management services and respectively career coaching and assessment. TMC decided to outsource these services because they are primarily of a supportive nature to TMC and not part of the core business of TMC. Both interests were sold and transferred at book value to the respective co-shareholders. Furthermore, TMC felt that outsourcing these services would contribute to higher flexibility from a performance as well as financial point of view. The divested companies may continue to use the brand name "TMC" but contractual arrangements to protect the brand name TMC against misuse have been agreed upon.

Industry overview

General characteristics and market trends

TMC is active in the specialised secondment market for highly technically skilled employees. The purpose of such a company is to intermediate between employers and candidates that fit the right profile for a specific job or project. Both the overall and the specialised staffing and secondment markets are mainly driven by demand from larger international companies, governments, and institutions that increasingly value a flexible workforce.

Cyclical movements, on the back of the overall economy, have traditionally influenced the market conditions of the secondment and staffing services industry. However, the niche market for highly technically skilled employees is considered less cyclical. Even in declining market conditions ICT & technology driven companies continue to invest in technology development projects, in order to stay ahead of competition. This is shown by the growing demand for staffing services in these areas, which is expected to continue to grow for the coming years. The foregoing is reinforced by rapid developments in the technology sector and in particular the high-tech sub sectors.

Companies increasingly value flexible staff as it allows them to tailor their operations to market circumstances. Market circumstances, including product life cycles getting shorter, require a company to be organised flexible in order to swiftly act upon market opportunities, and to slim down the workforce when it is not required in the business.

Regulations regarding employee benefits, insurances, pension plans, and redundancy plans are making laying-off employees intensive and expensive. For this reason, companies are looking for a fixed core of permanent employees, and a variable workforce that can be engaged when required.

Developments in the Dutch high-tech equipment and systems industry

TMC, as a provider of highly specialised secondment services, is active in the Dutch high-tech equipment and systems industry and the areas of their supplier base. The Dutch high-tech equipment and systems research is internationally highly regarded and contributes significantly to patent applications in the European Union. Dutch tech-companies rank high internationally in (niche) markets and are at the forefront in the integration of systems and technology. Large Dutch Original Equipment Manufacturers (OEMs) are companies like, ASML, ASM International, FEI Company, Océ, Philips, NXP Semiconductors, bioMérieux, Stork and Thales, which often hold a position in the top three of their respective markets. There are smaller OEMs that hold strong positions in the international market, like Assembleon and OTB Group. Around the OEMs, clusters of (small) suppliers to co-developer of both modules and new technologies like Bronkhorst High-Tech, CCM, Demcon, Frencken Group, KMWE, Bosch Rexroth and NTS Group. Combined these companies form a significant part of the technological industry in the Netherlands. Furthermore, this industry -including the suppliers – employs 140,000 people. The TMC customer base consists of several of these companies.

The last few years, the industry has faced a lack of well-trained engineers and researchers on the Dutch job market. The labour market for metal & electrical engineering professionals in the Netherlands is tightening. The demand for highly skilled labour is expected to increase over the coming period.

As a result of the strengthening economy the demand for the secondment of supporting technical personnel more than three folded over the period June – December 2005. The amount of job openings for supporting technicians was also three times as high in December 2005 when compared to June of the same year, this amount is expected to further increase in the near future. At this point, 20% of the companies included in a survey admitted to have large to severe problems in attracting new technicians. A substantial amount of these companies expected these problems to worsen even further over the coming period. All according to the Research Centre for Education and Labour Markets (ROA).

Strengthening the specialised knowledge infrastructure will inspire talented young people to choose a career in scientific and technological areas. Several public-private partnerships exist to stimulate innovation in the Dutch high tech equipment and systems industry, e.g. (currently initiated) Programme for High Tech Systems (HTS), ESI Institute or Brainport Eindhoven.

TMC is active in one of the technology and innovation hotspots in Europe

The South-east of the Netherlands is a centre of gravity in top technology. In this area more than EUR 2.3 billion is spent on R&D, an expenditure amounting to 30% of the total Dutch figure and constituting 45% (8.8% ASML, 34.8% Philips, 4.9% Océ) of the R&D expenditure made by companies in the Netherlands. The region is part of the Eindhoven – Leuven – Aachen top technology triangle. The economic spearheads of the region – clusters of mechatronics, automotive, medical technology and IT have developed prosperously. New technology areas, such as embedded systems, nanotechnology and life-sciences are explored, developed and applied.

TMC is active in firm growing technology areas

TMC's largest division is active in the embedded software market. The market for embedded software is expected to grow firmly during the following years and also on the long-term there is no reason to expect a decline in demand. Both the use for and hence the power of microprocessors used in machinery and apparatus is increasing, which makes that an increasing quantity and complexity of embedded software will be required the coming years. In contrast to hardware, the production of software is structurally labour intensive which will support the demand for expertise in this sector. TMC's most recent founded technology area, mechatronics, is also a market in the rise. The rise of the mechatronics business is supported by the increase in quality demands companies face these days. Also products have to be more compact, more precise, safe, reliable and contain more and more functions. This forces companies to more effectively control and manage their production processes and machines.

Business model

Management believes that the key driver of TMC is its strong and distinguished business model based on the entrepreneurship of its (direct) employees. Management believes that the business model enables TMC to mobilise tight labour markets. Management labels this business model as "employeneurship" (*werkondernemerschap*). The business model is based on the following principles:

- Firstly, TMC seeks to maintain long-term employment relationships with its employees. This normally results in an employment contract for an indefinite period between TMC and its employees. This enables TMC to provide its customers with highly specialised professionals on a continuous basis, thereby ensuring a higher level of stability in the customers' flexible workforce.
- Secondly, TMC's direct employees share in individually generated surplus profit. This implies that the employee receives a base salary and on top of that a percentage of in the difference between individually generated revenues and individual cost price. The individual cost price includes the employee's base salary and additional costs. In this way, TMC's employees will have a transparent overview in personally generated turnover, profit and costs, which is well appreciated by TMC's employees. As a result of this compensation and benefit format, entrepreneurial behaviour is stimulated.
- Thirdly, TMC's employees are trained on a continuing basis by personal coaches. This training activity has been outsourced to TMC Assessment & Development B.V. (which does not form a part of TMC). This gives them the opportunity to develop their soft skills, including entrepreneurial and communication skills. TMC developed a tailor-made assess and development tool (*TMC werkondernemerschapstest*). This leads to the creation of an entrepreneurial mindset, thereby facilitating a better interaction between customer and professional. TMC's dedication to its employees creates a mental commitment.
- Fourthly, TMC is organised in focused business cells with a specific ICT or technological competence. TMC's philosophy is to limit each cell to approximately 50 employees in order to optimally benefit from the entrepreneurial environment that the business model creates. If a cell is about to grow beyond the 50 employees, TMC will consider to split the cell in logical technical competence areas. This structure enables a strong network between the professionals within the relevant business cells thereby enforcing continuity of employment and loyalty to TMC. This is further enhanced through quarterly meetings organised by the business cell management to share in-depth technical knowledge and exchange technical issues in their specific competence.

The areas in which TMC is active are covered by the following business cells: TMC Embedded, TMC ERP Professionals, TMC Engineering Professionals, TMC Physics and TMC Mechatronics. Each business cell is exploited from within a separate legal entity: TMC Embedded and TMC Verification & Validation from within TMC Embedded B.V., TMC ERP Professionals from within TMC ERP Professionals B.V., TMC Engineering Professionals (Engineering & Field Service) from within TMC Engineering Professionals B.V., TMC Physics from within TMC Physics B.V. and TMC Mechatronics from within TMC Mechatronics B.V.

Management believes that because of this business model, TMC is optimally positioned to respond to the developments in the high-tech industry and to win preferred relationships with key technology driven companies. Although TMC's professionals work in the flexible personnel layers, they are often regarded as being key resources of a company. This is due to the fact that they are appointed to critical functions and projects, because of their in-depth knowledge and experience in the respective areas. This makes them part of the core activities on the customers' side, and highly valued in the customer's organisation.

TMC's business model makes it possible to position itself close to the fixed core of employees of the original equipment manufacturer in the technical areas embedded software, ERP software, industrial & field service engineering, physics and mechatronics. As a result of its focus on specific competences TMC is able to provide its customers with highly specialised technical professionals that contribute to the core business. Due to its specific positioning in the flexible workforce layer and close to its customers, TMC is able to anticipate on changing needs and technical developments at its customers. TMC's clear focus enables it to attract highly educated and specialised technical personnel and TMC is recognised by that by its customers and potential employees. As a result TMC is able to distinguish itself from regular providers of technical personnel.

DESCRIPTION OF SHARE CAPITAL AND CORPORATE GOVERNANCE

Set forth below is a description of the Company's ordinary share capital, summaries of certain provisions of the Articles of Association and certain requirements of Dutch legislation in effect on the date hereof. This summary does not purport to be complete and is qualified in its entirety by reference to the full Articles of Association and applicable provisions of Dutch law.

General

The Company was incorporated by TMC Executives Holding B.V., TMP Holding B.V., Bridge Career Holding B.V. and Cumano B.V. as TMC B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), under the laws of the Netherlands by a notarial deed dated 4 July 2006. TMC Executives Holding B.V. and TMP Holding B.V. are both no longer a shareholder of the Company. TMC Executives Holding B.V. and TMP Holding B.V. have sold and transferred their shares in the Company to Thijs Manders Beheer B.V. and Mobion Holding B.V. during the Reorganisation (see "Related Party Transactions"). For information about the ownership of the Shares as of the date of this Prospectus for each Selling Shareholder and the expected ownership for each Selling Shareholder immediately after the Offering, see "Principal and Selling Shareholders". The business address of TMC Executives Holding B.V., TMP Holding B.V., Bridge Career Holding B.V. and Cumano B.V. is Vestdijk 9, 5611 CA Eindhoven, The Netherlands.

On 1 November 2006 the Company converted into a public limited liability company (*naamloze vennootschap*) named The Member Company (TMC) N.V. The address of the Company is Vestdijk 9, 5611 CA Eindhoven, the Netherlands. The Company is registered in the Trade Register of the Chamber of Commerce and Industries for Oost-Brabant under number 17193176. The Company will continue to make use of the tradename "TMC".

Pursuant to Section 2 of the Articles of Association the objects of the Company are:

- to incorporate, to participate in, to finance or to have any other interest in, or to conduct the management of, other companies or enterprises;
- to furnish guarantees, provide security, warrant performance or in any other way assume liability, whether jointly and severally, or otherwise, for or in respect of obligations of group companies and any third party; and
- to do anything which is, in the widest sense of the word, connected with or may be conducive to the attainment of these objects.

Share capital

On the date of this Prospectus, the Company's authorised share capital consists of 6,000,000 Shares with a nominal value of EUR 0.08 per share, 3,000,000 Ordinary Shares A with a nominal value of EUR 0.08 per share (Ordinary Shares A and together with the Shares, the **"Ordinary Shares"**) and 5,000,000 Preference Shares with a nominal value of EUR 0.08 per share. The Company's issued share capital as of the date of this Prospectus consists of 2,800,000 issued and outstanding Shares, all of which are paid up in full, and zero Ordinary Shares A and zero Preference Shares.

Changes in share capital

- At incorporation on 4 July 2006, the Company's authorised share capital consisted of 900 ordinary shares with a nominal value of EUR 100 per share. The issued share capital consisted of 180 ordinary shares, of which 36 were owned by TMC Executives Holding B.V., 72 shares were owned by TMP Holding B.V. (both holding companies are indirectly owned by Mr. M.H.H.P. Manders, Mr. P.J.H.S. van Rijt and Mr. J.H.M. van Rijt), 36 shares were owned by Bridge Career Holding B.V. (a holding company owned by Mr. R.H.W. Roosen and 36 shares were owned by Cumano B.V. (a holding company owned by Mr. L.C.A.J. Jeuken). All issued shares were fully paid up.
- On 1 November 2006, the Company converted from a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) into a public limited liability company (*naamloze vennootschap*). The Company increased its authorised share capital to EUR 1,120,000, consisting of 6,000,000 Shares, 3,000,000 Ordinary Shares A and 5,000,000 Preference Shares. Book 2 of the Dutch Civil Code requires that a public limited liability company has an issued share capital of at least EUR 45,000. To comply with this requirement and to prepare for the Offering, the Company issued an additional 2,575,000 Shares, with a nominal value of EUR 0.08

per share, to the then existing shareholders on a pro-rata basis. These shares were paid out of surplus paid-in capital.

Except as disclosed in this section, there has been no change in the amount of issued share capital of the Company and no change in the capital of any subsidiary of the Company from 1 November 2006 until the date of this Prospectus.

Form and transfer of shares

The Shares, the Ordinary Shares A and any Preference Shares of the Company are in registered form and created under Netherlands law. They are available in the form of an entry in the share register of the Company without the issuance of a share certificate. Ordinary Shares A and Preference Shares can only be transferred by a notarial deed. Entitlement with respect to Shares forming part of a collective deposit (*verzameldepot*) and/or giro deposit (*girodepot*) on the basis of the Securities Giro Act (*Wet giraal effectenverkeer*) can only be transferred in the manner provided for by the Securities Giro Act. Any transfer of Preference Shares requires the approval of the Supervisory Board. A holder of Ordinary Shares A has the right to request the Management Board at any time to have each of his Ordinary Shares A converted into one Share by inclusion thereof in the collective deposit (*verzameldepot*) and giro deposit (*girodepot*) under the Securities Giro Act (*Wet giraal effectenverkeer*).

Issue of shares and pre-emption rights

Shares may be issued pursuant to a resolution of the General Meeting of Shareholders subject to prior approval by the Supervisory Board or by another corporate body of the Company designated to do so by a resolution of the General Meeting of Shareholders for a specified period, not exceeding five years. The delegation may be extended for periods not exceeding five years. Unless specified otherwise, the delegation is irrevocable. As long as another corporate body is authorised to issue shares, the General Meeting of Shareholders may not resolve to issue shares. Any resolution to issue shares, whether by the General Meeting of Shareholders or by the Management Board, if the authority to issue new shares has been delegated to it, requires the prior approval by the Supervisory Board.

In the event of an issue of Shares or Ordinary Shares A, only holders of Shares respectively Ordinary Shares A have a pre-emption right in proportion to the aggregate nominal amount of their shares. The issue of Preference Shares is not subject to any pre-emption right. A shareholder shall have no pre-emption right on shares issued for a non-cash contribution. In addition, a shareholder shall have no pre-emption right with respect to shares issued to employees of the Company or any of its subsidiaries. Pre-emption rights may be restricted or excluded by a resolution of the General Meeting of Shareholders or by another corporate body if so delegated, in each case with the prior approval of the Supervisory Board. This shall apply mutatis mutandis to the granting of rights to subscribe for shares, but shall not be applicable to the issue of shares to persons exercising a previously granted right to subscribe for shares.

Repurchase of shares by the Company

The Company may acquire fully paid shares in its share capital at any time for no consideration, or, subject to certain provisions of Dutch law and the Articles of Association, if (i) the shareholders' equity minus the payment required to make the acquisition, does not fall below the sum of called-up and paid-up share capital and any statutory reserves, and (ii) the Company and its subsidiaries would thereafter not hold shares and would not be a pledgee of shares with an aggregate nominal value exceeding 10% of its issued share capital.

An acquisition of shares for a consideration should be authorised by the General Meeting of Shareholders. Such authorisation may apply for a maximum period of 18 months and must specify the number of shares that may be acquired, the manner in which shares may be acquired and the price limit within which shares may be acquired. Shares held by the Company in its own capital may be disposed of by a resolution of the Management Board, subject to approval of the Supervisory Board.

Capital reduction

A General Meeting of Shareholders may, upon the proposal of the Supervisory Board, resolve to reduce the issued share capital. A resolution of the General Meeting of Shareholders to reduce the issued share capital shall designate the shares to which the resolution applies and shall make provisions for the implementation of such resolution. A resolution of the General Meeting of

Shareholders to reduce the issued share capital requires a majority of at least 2/3 of the votes cast, if less than 1/2 of the issued share capital is represented at the meeting.

General Meeting of Shareholders

The annual General Meeting of Shareholders shall be held within six months after the end of each financial year.

The General Meetings of Shareholders may be convened by the Management Board, subject to the time limit of 15 days before such General Meeting of Shareholders as stipulated in the Articles of Association. Shareholders that represent alone or in aggregate at least 10% of the Company's issued share capital may, pursuant to the Dutch Civil Code, request that a General Meeting of Shareholders be convened. An extraordinary General Meeting of Shareholders can be held whenever the Management Board or the Supervisory Board deems it necessary.

The Management Board may determine a record date to establish which shareholders are entitled to attend and vote in the General Meeting of Shareholders.

Voting rights

At the General Meeting of Shareholders, each of the Ordinary Shares and the Preference Shares confers the right to cast one vote. Each shareholder is entitled to attend the General Meeting of Shareholders either in person or through a written proxy, and to address such meeting and exercise voting rights, in accordance with the Articles of Association.

At the General Meeting of Shareholders, shareholders shall consider the following matters:

- the written annual report prepared by the Management Board (on yearly meeting);
- the adoption of the annual accounts;
- in connection with the adoption of the annual report, the formal release of the Management Board and the Supervisory Board from legal liability under Dutch law for their business role over the previous year (on yearly meeting);
- the appointment of Management Board members and Supervisory Board members, following a binding nomination by the Combined Meeting if a vacancy has arisen;
- any substantial change in the identity or character of the Company, including the transfer of the business or a major part of the business to a third party, important alliances and the acquisition or disposal of a major participation in another company if applicable; and
- any proposals placed on the agenda by the Management Board or shareholders who meet certain criteria.

Unless otherwise required by the Articles of Association or Dutch law, all resolutions of the General Meeting of Shareholders shall be adopted by an absolute majority of the votes cast as specified below.

The following matters may be decided by a majority of votes cast, unless less than half of the issued capital is represented at the meeting, in which case a 2/3 super majority is required:

- limitation or exclusion of pre-emptive rights or designation of the Management Board as the authorised corporate body to resolve on these matters; and
- reduction of the Company's share capital.

The following matters may be decided by a majority of the votes cast if the matters are proposed by the Management Board after approval of the Supervisory Board; otherwise, they require a 2/3 super majority approval at a meeting where at least 1/2 of the issued capital is represented:

- amendment of the Articles of Association; and
- dissolution of the Company.

A resolution to suspend or dismiss a member of the Management Board or Supervisory Board may be adopted by the General Meeting of Shareholders with an absolute majority, if such resolution is taken at the proposal of the Combined Meeting. If no such proposal has been made, a resolution to suspend or dismiss a member of the Management Board or Supervisory Board may be adopted by at least a 2/3 majority representing 1/2 of the issued capital.

The Company will publish a notice of each meeting of shareholders in a national daily newspaper distributed throughout the Netherlands and in the Daily Official List of Euronext.

The shareholders shall have the right to vote on shares that are subject to a right of usufruct (*vruchtgebruik*) or a right of pledge. The usufructuary or the pledgee shall, however, have the right to vote on shares if so determined upon the establishment of the usufruct or pledge.

Annual accounts

Annually, and within four months or a shorter period if required under Dutch law after the end of the Company's financial year (unless the General Meeting of Shareholders has extended this period by a maximum of six months on account of special circumstances), the Management Board is required to prepare the statutory financial statements, which must be accompanied by an annual report. All Management Board members and Supervisory Board members must sign the financial statements.

The General Meeting of Shareholders shall assign an auditor to audit the financial statements prepared by the Management Board, to report the outcome of the audit to the Supervisory Board and the Management Board and to issue a statement regarding the financial statements.

The financial statements, the annual report and the auditors' report must be made available to the shareholders for review as from the day of the notice convening the annual General Meeting of Shareholders. The financial statements shall be adopted by the General Meeting of Shareholders.

Dividends and other distributions

The profits that are made in a book-year shall first be used to distribute to the holders of Preference Shares a sum amounting to a percentage of the obligatory paid-up amount as at the commencement of the book-year in relation to which the distributions are made. This percentage is equal to the average of the Euribor-rate as applied by Rabobank or its legal successor calculated on the basis of the number of days this percentage applied during the book-year in relation to which the distributions are made, increased by a maximum of 300 basis points, to be determined by the Management Board, subject to approval of the Supervisory Board, at the time of the issuance of Preference Shares.

The Management Board shall, subject to the approval of the Supervisory Board, determine which part of the Company's profits for the year, if any, shall be placed in a reserve account after the distribution to the holders of the Preference Shares as described above has taken place. The remaining profits, if any, shall be available to General Meeting of Shareholders.

Distributions to shareholders may only be made insofar as the Company's shareholders' equity exceeds the sum of the paid-up and called-up share capital and the reserves required to be maintained by applicable law and the Articles of Association.

The Management Board may decide to announce one or more interim dividends as permitted under applicable law and the Articles of Association.

The Management Board may, subject to the approval of the Supervisory Board, decide that a dividend distribution shall be made wholly or partly in the form of the Company's shares or that the shareholders shall have the choice to receive distribution either in cash or in the Shares.

Distributions are payable as of the date determined by the Management Board, subject to the approval of the Supervisory Board. Distributions that have not been claimed within five years as from the second day after the date that they have become payable shall lapse.

Amendment to the Articles of Association and dissolution

The General Meeting of Shareholders may resolve to amend the Articles of Association or to dissolve the Company. Under Netherlands law any resolution to amend the articles of association may be passed by absolute majority. Amendments to the Articles of Association or the Company's dissolution each require a resolution of the General Meeting of Shareholders taken with a 2/3 majority at a meeting where at least 1/2 of the Company's issued nominal share capital is represented if not proposed by the Management Board and approved by the Supervisory Board. If such a proposal is made, an absolute majority is sufficient.

Liquidation

In the event of the Company's dissolution, the Company must be liquidated according to applicable Dutch law. During liquidation, the Articles of Association shall remain in force insofar as possible. The balance of the Company's equity remaining after payments of debts (and the costs of liquidation) shall be used to distribute to holders of Preference Shares the nominal amount paid-up on the holders'

Preference Shares, increased by a percentage of the obligatory paid-up amount on the Preference Shares as at the commencement of the book-year in relation to which the distributions are made. This percentage is equal to the average of the Euribor-rate as applied by Rabobank or its legal successor calculated on the basis of the number of days this percentage applied during the book-year in relation to which the distributions are made, increased by a maximum of 300 basis points, to be determined by the Management Board subject to the approval of the Supervisory Board at the time of the issuance of Preference Shares. This percentage is calculated over the time period that commences on the day following the period over which the latest dividend on the Preference Shares is distributed and ends on the day of the distribution described in this paragraph.

Any funds that remain after the distribution to the holders of the Preference Shares shall be distributed to holders of Shares and Ordinary Shares A in proportion to the nominal amount of each shareholders' shares.

Foundation "Stichting Preferente Aandelen TMC"

The Foundation Preference Shares TMC was incorporated on 2 November 2006. The object of the foundation is to support the interests of the Company and its enterprises conducted by the Company and group companies by securing the interests in the Company and its enterprises and all other persons involved. The foundation shall strive to attain this object by all appropriate means, particularly the acquisition of Preference Shares of the Company and the exercise of rights that attach to the Preference Shares. To this end, the Company has granted a Call-option to the Foundation Preference Shares TMC. The Foundation Preference Shares TMC has the right to exercise the Call-option at any time wholly or partly. When exercising the Call-option, the Foundation Preference Shares TMC is entitled to acquire Preference Shares up to a maximum of 100% of the Company's total issued share capital, excluding issued Preference Shares (the **"Other Shares"**). The issuance of additional Other Shares by the Company in the future without increasing the number of Preference Shares in the Company's authorised share capital and under the Call-option at the same time, may result in the number of Preference Shares to be acquired by the Foundation Preference Shares TMC under the Call-option not equalling 100% of the Other Shares anymore, thereby reducing the ability of the Foundation Preference Shares TMC to prevent, discourage or delay takeover attempts accordingly.

Members of the Foundation Preference Shares TMC

The Board of the Foundation Preference Shares TMC is currently composed of the following members:

Name	Age	Position
Emile Bogaerts	63	Chairman
Wim Dik	67	Vice-chairman
Hans Becks	56	Secretary

Emile Bogaerts

Mr. E.G.J.M. Bogaerts founded Bogaerts and Groenen Lawyers in 1974 with offices in Boxtel and Oisterwijk. Mr. E.G.J.M. Bogaerts was a partner of the law firm until 1 January 2003. As of 1 January 2003, Mr. E.G.J.M. Bogaerts is a judge within the court of 's-Hertogenbosch.

Wim Dik

Mr. W. Dik currently is a part-time professor at the Delft University of Technology. Mr. W. Dik has been CEO of KPN in the past, as well as a State Secretary Economic Affairs.

Hans Becks

Mr. H. Becks was educated at a business college (HEAO). He started his career in marketing and sales positions and subsequently worked more than 14 years for Adia International, currently Adecco as Deputy Managing Director. In 1990 he started Selector Europe, a recruitment business which he sold to Spencer Stuart in 1993. As of that time he was active as Senior Partner of Spencer Stuart which is the largest executive search firm in the world with 50 offices in 25 countries. He concentrates on advising corporate boards and often tackles the challenge of restructuring management teams of expanding companies undergoing rapid change. He was the Managing Partner of the Amsterdam office from 2000 to 2004.

Foundation "Werkondernemersparticipaties The Member Company (TMC)"

Foundation "Werkondernemersparticipaties The Member Company (TMC)" (the "**Employeneurs Foundation**") was incorporated on 2 November 2006. The object of the Employeneurs Foundation is to facilitate the preferential allotment to employees of TMC as set out herein. See "The Offering – *Preferential employee allotment".*

The board of the Employeneurs Foundation is currently composed of the following members:

Name	Age	Position
Thijs Manders	42	Chairman
Pieter van den Tillaart	35	Vice-chairman
Frank van Bakel	40	Secretary

Thijs Manders

See "Management and Employees – *Management board".*

Pieter van den Tillaart

See "Management and Employees – *Management board".*

Frank van Bakel

See "Management and Employees – *Senior management".*

Corporate Governance

The Company will apply all principles and best practice provisions laid down in the Dutch Corporate Governance Code, with exception of the following:

- Best practice provision II.1.1 provides that a member of the Management Board will be appointed for a maximum period of four years. The members of the Management Board of the Company have been appointed in 2006 for an indefinite period. Three of the four members of the Management Board are (co-)founder of the organisation and continue to be important shareholders of the Company. In addition, the Company believes that each of these individual members of the Management Board is able to make valuable long term contributions to the Company in terms of business concepts and relationships. Each of the members of the Management Board has committed themselves by agreeing to remain employed with the Company until at least 2011. However, the performance of each member will be evaluated periodically. With respect to future members of the Management Board, the Company will investigate whether it is possible to agree on an engagement for a definite period of time.
- The Company partly departs from best practice provision II.1.3 of the Dutch Corporate Governance Code, as it does not apply a code of conduct as part of its internal risk control system or a manual with respect to the financial reporting. Prior to the Reorganisation, the individual member companies of TMC were not of such a size requiring an internal risk control system or a manual with respect to the financial reporting. However, TMC will reconsider its internal and business control in view of the Reorganisation.
- The Company will not formulate regulations with respect to ownership of and transactions in securities by the members of the Management Board and the Supervisory Board, other than securities issued by the Company itself, thereby departing from best practice provisions II.2.6 and III.7.3. The Company is of the view that ownership of and transactions in securities issued by other companies is a private matter, except in the event of any conflict of interests.
- The Company does not apply principle II.2.11 in which it is stated that the Company will forthwith make public the material elements of the contracts between the Company and the members of the Management Board. The Company is of the view that such information is a private matter.
- The Company will not publish the remuneration report of the Supervisory Board on the Company's website, as provided in best practice provision II.2.13. The Company is of the view that such information is a private matter.
- Principle III.5 requires the appointment of an audit committee, a remuneration committee and a selection and designation committee in case the Management Board consists of more than four members. Since the Management Board of the Company consists of four members, the Company has not appointed any of such committees. For this reason, best practice provisions III.5.1, III.5.2, III.5.3, III.5.6, III.5.7, III.5.11, III.5.12, V.2, V.2.2, V.3.1 and V.4.2 are not (fully)

complied with by the Company. However, the Supervisory Board will fulfil the tasks allocated to the several committees, as provided in best practice provisions III.5.4, III.5.8, III.5.9, III.5.10, III.5.13 and V.1.2, to the Supervisory Board.

- The Company will not apply best practice provision IV.3.1, providing for the announcement by the Company of meetings with and presentations to analysts, investors and members of the press. In view of the limited size of the Company, analyst presentations will not be announced by means of websites and web casting will not be enabled at this point.
- The Company will not comply with best practice provision IV.1.1 in which it is stated that the General Meeting of Shareholders may dismiss a member of the Management Board or the Supervisory Board and/or may render a binding nomination for the appointment of a member of the Management Board or the Supervisory Board non-binding by resolution passed by absolute majority of the votes cast, representing at least one third of the issued capital, as the Articles of Association provide that such majority should constitute at least two thirds of the votes cast, representing at least one half of the issued capital.

Reference is also made to the Company's website (www.tmc.nl and www.themembercompany.nl), on which relevant information relating to corporate governance will be published.

Dutch Works Council Act

Pursuant to the Dutch Works Council Act an employer that employs 50 or more employees should establish a works council (*ondernemingsraad*). The number of employees employed by several of the Company's subsidiaries is expected to exceed 50 in the near future. Although obligatory, no sanctions are attached to non-compliance with such rule. However, the respective subsidiary should establish a works council upon request of a 'person concerned' (*belanghebbende*) within the meaning of the Dutch Works Council Act, such as an employee.

Rather than establishing multiple works councils on the level of several of the Company's subsidiaries, the Company prefers to establish a communal works council (*gemeenschappelijke ondernemingsraad*) for it and its subsidiaries together. In view hereof, TMC has initiated to inform its employees in this respect and, upon request of one or more of its employees, offered to facilitate the establishment of a communal works council.

Dutch squeeze-out proceedings

If a person or company or group company (the "**Controlling Entity**") holds a total of at least 95% of a company's issued share capital by nominal value for its own account, Dutch law permits the Controlling Entity to acquire the remaining ordinary shares in the Controlled Entity by initiating proceedings against the holders of the remaining ordinary shares. The price to be paid for such ordinary shares will be determined by the Enterprise Chamber of the Amsterdam Court of Appeal. A shareholder who holds less than 95% of the ordinary shares, but in practice controls the Controlled Entity's general meeting of shareholders, could attempt through a legal merger with another company, by subscribing to additional ordinary shares in the Controlled Entity (for example, in exchange for a contribution of part of its own business), through other form of reorganisation to raise its interest to 95% or to obtain through other means full ownership of the business of the Controlled Entity.

Market abuse regime

The market abuse regime set out in the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*, the "**Dutch Securities Act**"), which implements the EU Market Abuse Directive (2004/39/EC), is applicable to the Company, the members of the Management Board and the Supervisory Board of the Company, other key employees, to insiders of the Company and persons performing or conducting transactions in the Company's securities. In addition to the market abuse regime of the Dutch Securities Act, the Alternext Amsterdam Rules provide certain rules relating to the market abuse regime. Certain important market abuse rules set out in the Dutch Securities Act and the Alternext Amsterdam Rules that are relevant for investors are described hereunder.

The Company must make public "inside information" once the Company has made a request for admission to Alternext Amsterdam. Inside information is information that is specific and pertains directly or indirectly to the Company or the Company's securities or the trading thereof: (a) that has not been made public and (b) where disclosure could have a significant effect on the price of the securities in question or derivatives of those securities. The Company must also provide the AFM with this information at the time of publishing. Further, the Company must immediately publish the information on its website and keep it available on its website for at least two years.

It is prohibited for any person to make use of inside information within or from the Netherlands by conducting or effecting a transaction in the Company's securities or derivative securities.

Once the Company has made a request for admission to Alternext Amsterdam, its insiders within the meaning of Section 47a of the Dutch Securities Act are obliged to notify the AFM when they carry out or cause to be carried out, for their own account, a transaction in the Shares, Ordinary Shares A or in securities of which the value is at least in part determined by the value of such shares. Insiders of the Company within the meaning of Section 47a of the Dutch Securities Act are: (i) members of the Management Board, (ii) members of the Supervisory Board, (iii) persons who have a managerial position within the Company and in that capacity are authorised to make decisions which have consequences for the future development and prospects of the Company and can have access to inside information on a regular basis, (iv) spouses, registered partners or life partners of the persons mentioned under (i) to (iii), or other persons who live together with these persons as if they were married or as if they had registered their partnership, (v) children of the persons mentioned under (i) to (iii) who fall under their authority or children who are placed under the guardianship (*curatele*) of these persons, (vi) other relations by blood or marriage of the persons mentioned under (i) to (iii) who – on the date of the transaction – have shared a household with these persons for at least one year, and (vii) legal entities, trusts within the meaning of Section 1(c) of the Act on the Supervision of Trust Offices, or partnerships: (a) the managerial responsibility for which lies with a person as referred to under (i) to (vi), (b) which are controlled by such a person, (c) which have been incorporated or set up for the benefit of such a person, or (d) whose economic interests are in essence the same as those of such a person.

This notification must be made no later than the fifth week day after the transaction date on a standard form drawn up by the AFM. The notification obligation within the meaning of section 47a of the Dutch Securities Act does not apply to transactions based on a discretionary management agreement as described in section 8 of the Dutch Market Abuse Decree (*Besluit marktmisbruik*). The notification pursuant to section 47a of the Dutch Securities Act may be delayed until the moment that the value of the transactions performed for that person's own account, together with the transactions carried out of the persons associated with that person, reach or exceed the amount of EUR 5,000 in the calendar year in question. Non-compliance with the reporting obligations under the Dutch Securities Act could lead to criminal fines, administrative fines, imprisonment or other sanctions.

Pursuant to the rules against insider trading the Company has adopted rules governing the holding of and carrying out transactions in the Company's securities by members of the Management Board and Supervisory Board and the Company's employees. Further, the Company has drawn up a list of those persons working for the Company who could have access to inside information on a regular or incidental basis and has informed the persons concerned of the rules against insider trading and market manipulation including the sanctions which can be imposed in the event of a violation of those rules.

Disclosure of holdings

The Disclosure of Major Holdings and Equity Interests in Issuing Institutions Act (*Wet melding zeggenschap en kapitaalbelang in effectenuitgevende instellingen*) has come into force on 1 October 2006 and is only applicable in case of a listing of shares on a regulated market within the meaning of the Investment Services Directive (93/22/EC). Since Alternext Amsterdam is not a regulated market, this new act will not be applicable to the Company either.

Pursuant to the Alternext Amsterdam Rules the Company shall make public any situation where a person, acting alone or in concert, exceeds or falls below a major holding threshold of 50% or 95% of the Company's capital or voting rights. Such publication is only required in case the Company is informed of such fact.

Public offer rules

The rules provided in the Dutch Securities Act and the Dutch Securities Decree (*Besluit toezicht effectenverkeer 1995*) relating to public offers are only applicable if shares are listed on a regulated market within the meaning of the Investment Services Directive (93/22/EC). Since Alternext Amsterdam is not a regulated market, these rules do not apply to the Company.

Further, the Dutch legislation implementing the Takeover Directive (2004/25/EC) will not apply to Alternext Amsterdam either. Consequently, there will be no obligation for a shareholder or a group of shareholders acting in concert who can exercise, directly or indirectly, at least 30% of the votes in the shareholders meeting of the Company, to make an offer on all shares of the Company.

THE OFFERING

General

The Offering comprises an offering of up to 784,314 New Shares offered by the Company and up to 784,314 Existing Shares by the Selling Shareholders. The Offering consists of (i) a public offer in the Netherlands (including to certain institutional investors) and (ii) an offer to certain institutional investors outside the Netherlands. As part of the Offering, there is a preferential allotment to employees of TMC of up to 5% of the Offer Shares being offered. The Company will receive the net proceeds form the sale of the New Shares but will not receive any proceeds from the sale of Existing Shares, all of which will be paid to the Selling Shareholders. The expected date of issue of the New Shares will be on or shortly after the Pricing Date. The Offering has been fully underwritten on a back end basis (see below) by Rabobank Nederland. A summary of the principal terms of the Underwriting Agreement which contains these arrangements, is set out in "Plan of Distribution".

The following securities codes are used in relation to the Offering:

ISIN:	NL0000290997
Common Code:	027436005
Euronext Security Code (*Fondscode*):	29099
Alternext Amsterdam Symbol:	TMC

The New Shares will be credited as fully paid, will rank *pari passu* in all respects with and will carry the same voting and dividend rights as the Existing Shares.

We have granted the Lead Manager, an option, exercisable at any time from the date of the Underwriting Agreement until 30 days after the first date of trading of the Shares, pursuant to which the Lead Manager may require us to sell Over-allotment Shares at the Offer Price to cover over-allotments, if any, in connection with the Offering.

Admission and trading

Application has been made for admission to Alternext Amsterdam. It is expected that admission to trading of the Shares through Alternext Amsterdam will commence on an "as-if-and-when-issued" basis on the Admission Date, unforeseen circumstances excepted. Investors that wish to enter into transactions in the Shares prior to the Settlement Date, whether such transactions are effected through Alternext Amsterdam or otherwise, should be aware that the closing of the Offering may not take place on the Settlement Date or at all if certain conditions or events are not satisfied or waived or occur on or prior to such date. Such conditions include the receipt of comfort letters and legal opinions and such events include the suspension of trading on Euronext Amsterdam or a material adverse change in our financial condition or business affairs or in the financial markets. If closing of the Offering does not take place on the Settlement Date or at all, the Offering will be withdrawn, all subscriptions for the Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation and Euronext may cancel transactions that have occurred. All dealings in the Shares (including any Over-allotment Shares which may be part of the Over-allotment Option if this has been exercised prior to the Settlement Date), prior to settlement and delivery, are at the sole risk of the parties concerned.

Euronext does not accept any responsibility or liability for any loss or damage incurred by any person as a result of the trading on an "as-if-and-when-issued" basis as from the Admission Date until the Settlement Date.

Immediately after the closing of the Offering (assuming no increase or decrease of the number of Offer Shares and no exercise of the Over-allotment Option), the Company will have 3,584,314 Shares outstanding immediately after the closing of the Offering (assuming no increase or decrease of the number of Offer Shares and full exercise of the Over-allotment Option), the Company will have 3,819,608 Shares outstanding.

Timetable

The timetable below lists certain expected key dates for the Offering.

Event	Time and date
Publication date of this Prospectus	13 November 2006
Beginning of the Subscription Period	9 a.m. (CET) 14 November 2006
End of the Subscription Period	4 p.m. (CET) 23 November 2006
Expected Pricing Date	23 November 2006
Expected Allotment Date	24 November 2006
Expected Admission Date	24 November 2006
Expected Settlement Date	29 November 2006

Any acceleration or extension of the timetable for the Offering will be announced in a press release at least two hours before the expiration of the Subscription Period or, in the event of an extended Subscription Period, at least two hours before the expiration of the original Subscription Period. Any extension of the Subscription Period will be for a minimum of one full business day on which Euronext is open for business.

Offer Price

The Offer Price will be agreed between the Company, the Selling Shareholders and the Lead Manager after termination of the Subscription Period expected to be on or about 23 November 2006 based on interest from investors and taking into account market conditions and other criteria, including those listed below.

- A qualitative assessment of demand for the Shares;
- Our financial information;
- The history of, and prospects for, us and the industry in which we compete;
- An assessment of our management, its past and present operations and the prospects for, and timing of, our future revenues;
- The present state of our development; and
- The above factors in relation to other companies engaged in activities similar to ours.

The Offer Price will be deposited with the AFM and published in a press release on or about 24 November 2006.

Change of maximum number of Offer Shares

The number of Offer Shares being offered in the Offering can be increased or decreased prior to the Settlement Date. The actual number of Offer Shares offered in the Offering will be determined after taking into account the demand for the Offer Shares in the Offering and economic and market conditions, including those in the debt and equity markets.

The actual number of Shares offered in the Offering will be deposited with the AFM and published in a press release on or about 24 November 2006.

Subscription

The Subscription Period for prospective investors will begin on 14 November 2006 at 9 a.m. CET and will end on 23 November 2006 at 4 p.m. CET (subject to acceleration or extension). There are no restrictions that would prevent a potential investor to make multiple subscriptions. Each subscription may be withdrawn prior to closing of the Subscription Period.

Allotment

The allotment will to take place before the start of trading through Alternext Amsterdam on 24 November 2006, subject to acceleration or extension of the timetable for the Offering. You may receive a smaller number of Offer Shares than you applied to subscribe for. The Lead Manager may, at its own discretion and without stating the grounds, reject any subscriptions wholly or partly.

We expect to announce the Offer Price and the numbers of Offer Shares allocated to investors under the Offering in a press release on or about 24 November 2006. Concurrently with such announcement we will publish a pricing statement which will state the Offer Price and the aggregate number of New Shares to be issued by the Company and Existing Shares to be sold by the Selling Shareholders.

Preferential employee allotment

There is a preferential allotment to employees of TMC of up to 5% of the Offer Shares being offered. In case the employees of TMC subscribe for more than 5%, allotment will take place among them with regard to the preferential allotment. For their remaining subscriptions employees will have no preferential allotment.

Lead Manager, Sponsor, Paying Agent and Market Maker

Rabobank Nederland is acting as Lead Manager in connection with the Offering. Rabobank Nederland is also acting as Sponsor with respect to the application for admission to Alternext Amsterdam. Rabobank Nederland is also acting as Paying Agent. The address of Rabobank Nederland is Amstelplein 1, 1096 HA Amsterdam.

In its capacity as Lead Manager, Rabobank Nederland will enter into an underwriting agreement with the Company, the Selling Shareholders and the Employeneurs Foundation prior to the Admission Date pursuant to which the Lead Manager will agree to procure purchasers for the Offer Shares and to purchase at the Offer Price any such Offer Shares that have been allotted but for which no payment has taken place at the Settlement Date by the investors to whom the relevant Offer Shares have been allotted (the **"Underwriting Agreement"**). Rabobank Nederland will receive a commission of 3% over the gross proceeds of the Offering (including any proceeds from Over-allotment Shares, if any), with a minimum of EUR 600,000. In addition, the Company may award to Rabobank Nederland a discretionary fee of 0.5% over the above mentioned gross proceeds if it is pleased with the services provided by the Lead Manager in connection with the Offering. However, TMC is not obliged to do so.

In its capacity as Sponsor, Rabobank Nederland has entered into a sponsor and paying agent agreement with the Company pursuant to which Rabobank Nederland agrees to perform the services as paying agent and Sponsor for a period of 2 years following the Admission Date for a fixed annual fee of EUR 25,000. Clause 2.2 of the Rules governing Alternext Amsterdam provides that the Sponsor "shall guide and council the issuer (…) with respect to issues concerning the admission to Alternext, including the requirement on disclosing price sensitive information". In accordance with the interpretation of this provision by Euronext Amsterdam, Rabobank Nederland and the Company have agreed that this shall mean "general assistance and guidance to be provided by Rabobank Nederland (i) at the reasonable request of the Company or (ii) upon Rabobank Nederland becoming aware that the Company is not in compliance with the Alternext Amsterdam Rules (including, but not limited to, requirements regarding disclosure of price sensitive information). The foregoing obligation shall therefore *not* mean that Rabobank Nederland shall take action on its own initiative to ensure compliance by the Company with the Alternext Amsterdam Rules and/or other applicable laws and regulations, or that Rabobank Nederland shall implement information systems or other controlling mechanisms or procedures within the Company or take other actions to ensure compliance by the Company with the Alternext Amsterdam Rules and/or other applicable laws and regulations which is and remains at all times the responsibility of the Company.

In its capacity as market maker, Rabobank Nederland has entered into an agreement with the Company pursuant to which Rabobank Nederland has agreed to perform the services as market maker against no consideration.

Payment, delivery, clearing and settlement

The Shares will be entered into the collection depot (*verzameldepot*) and giro depot (*girodepot*) on the basis of the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*). Application has been made for the Shares to be accepted for delivery through the book-entry facilities of Euroclear Netherlands. The Shares will be deposited in Euroclear Netherlands. Delivery of the Offer Shares will take place on or about the Settlement Date through the book-entry facilities of Euroclear Netherlands, Clearstream Banking and Euroclear Brussels, as operator of the Euroclear System, in accordance with their normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediate available funds.

PLAN OF DISTRIBUTION

The Offering includes an offering of up to 1,568,628 Shares being offered and sold by means of (i) a public offer in the Netherlands (including to certain institutional investors) and (ii) an offer to certain institutional investors outside the Netherlands. As part of the Offering, there is a preferential allotment to employees of TMC of up to 5% of the Offer Shares being offered.

Under the terms and subject to the conditions contained in the Underwriting Agreement to be entered into prior to the Admission Date, the Lead Manager will agree to procure purchasers for the Offer Shares and to purchase at the Offer Price any such Offer Shares that have been allotted but for which no payment has taken place at the Settlement Date by the investors to whom the relevant Offer Shares have been allotted.

The Shares will be entered into the collection depot (*verzameldepot*) and giro depot (*girodepot*) on the basis of the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*). Application has been made for the Shares to be accepted for delivery through the book-entry facilities of Euroclear Netherlands. The Shares will be deposited in Euroclear Netherlands. Delivery of the Offer Shares will take place on or about the Settlement Date through the book-entry facilities of Euroclear Netherlands, Clearstream Banking and Euroclear Brussels, as operator of the Euroclear System, in accordance with their normal settlement procedures applicable to equity securities and against payment for the Offer Shares in immediate available funds. In addition to the Offer Price, purchasers of the Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase.

Prior to the Offering there was no public market in the Shares and no assurance can be given that an active trading market will develop or that the Shares will trade above the Offer Price.

As will be more fully set out in the Underwriting Agreement, TMC and the Selling Shareholders will indemnify the Lead Manager against certain liabilities in connection with the Offering, including liabilities under applicable securities laws. TMC and the Selling Shareholders will provide the Lead Manager with customary representations and warranties. The Underwriting Agreement will provide that the obligations of the Lead Manager are subject to certain conditions precedent, including the absence of any material adverse change in TMC's financial condition or business affairs. The Lead Manager will be entitled to terminate the Underwriting Agreement in certain circumstances on or prior to the closing of the Offering. Since the closing of the Offering will take place after the commencement of trading in the Shares through Alternext Amsterdam, a termination of the Underwriting Agreement may result in the cancellation of any trades in the Shares effected prior to such termination.

In connection with the Offering the Lead Manager and any of its affiliates acting as an investor for its own account may take-up Shares and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Offering. Accordingly references in this Prospectus to the Shares being issued offered or placed should be read as including any issue, offering or placement of such securities to the Lead Manager and any relevant affiliate acting in such capacity. The Lead Manager does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Lock-up arrangements

Each of the Selling Shareholders and the Company have agreed with the Lead Manager that, without the prior written consent of the Lead Manager, that for a period of 180 days following the date of the Underwriting Agreement except as expressly required by the Underwriting Agreement or save with the prior written consent of the Lead Manager, it will not, directly or indirectly, issue, agree to issue, offer, lend, pledge, transfer, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant (whether by way of warrant, convertible or exchangeable security or otherwise) any option to subscribe for or purchase any Shares.

Lock-up and preliminary meeting agreement

In addition to the lock-up arrangements set out under "Plan of Distribution – *Lock-up arrangements*" the Selling Shareholders, Messrs. M.H.H.P. Manders, J.H.M. van Rijt, P.J.H.S. van Rijt, L.C.A.J. Jeuken and R.H.W. Roosen as indirect shareholders of the Company, as well as the intermediate holding entities controlled by them, have entered into a lock-up and preliminary meeting agreement. In this agreement, the parties have agreed that each of the Selling Shareholders will participate in the sale of Existing Shares in the Offering in the following percentages, assuming no increase or decrease in the initial number of Offer Shares: Thijs Manders Beheer B.V. – 19.76%; Mobion Holding B.V. – 53.55%; Bridge Career Holding B.V. – 13.34%; Cumano B.V. – 13.34%. In deviation of the foregoing, the parties have agreed that, regardless of the amount of the Offer Price, Thijs Manders Beheer B.V.'s part of the proceeds of the Offering should at least amount to EUR 1,111,340, in connection with the fulfilment on Settlement Date of a payment obligation in the same amount to Mr. M.H.H.P. Manders' former spouse set out under "Related Party Transactions – *Reorganisation*", as a result of which Thijs Manders Beheer B.V.'s participation in the sale of Existing Shares may become higher than 19.76% and the participations of the other Selling Shareholders may decrease accordingly on a pro rata basis. Additionally, each of the parties to the agreement has undertaken towards each other and the Company not to sell, transfer, encumber or otherwise alienate, legally or economically, directly or indirectly, any Shares and not to vest any option- or other rights with respect to Shares if such alienation would or such vesting of (option)rights could reduce the amount of Shares directly or indirectly held by him below the number to be calculated in accordance with the next paragraph (the **"Lock-up"**). The Lock-up will remain in force during a period of 2 years from the first day of trading of Shares through Alternext Amsterdam. However, during this 2 year period each of the Selling Shareholders will be allowed to freely sell and transfer up to a maximum of 20% of its Shares covered by the Lock-up to one or more of the other Selling Shareholders subject to their unanimous consent. The Lock-up purports to ensure that the aggregate (direct and indirect) interests of the aforementioned parties in the capital of the Company will at least amount to 51% of the Company's total issued share capital during this 2 years period, subject to dilution as a result of possible further issuances of shares by the Company. In the agreement, the parties have also expressed their intention to continue to comply with the Lock-up voluntarily for a period of 3 years after expiration thereof. During this 3 years period, the parties will only be allowed to alienate, legally or economically, directly or indirectly, any Shares after obtaining each others' unanimous consent. During the entire aggregate period of 5 years referred to in the foregoing, the Selling Shareholders will at all times be free to dispose of their Shares in the event of a public offer being made with respect to all outstanding Shares.

Based on the Selling Shareholders' interests in the issued share capital of the Company after the Offering, assuming no increase or decrease in the initial number of Offer Shares and no exercise of the Over-allotment Option, the respective numbers of Shares covered by the Lock-up and referred to in the foregoing paragraph will be calculated as follows:

Selling Shareholder	Number of Shares covered by Lock-up
Thijs Manders Beheer B.V.	(33.98% x 51%) x (total number of issued Shares after the Offering)
Mobion Holding B.V.	(20.84% x 51%) x (total number of issued Shares after the Offering)
Bridge Career Holding B.V.	(22.59% x 51%) x (total number of issued Shares after the Offering)
Cumano B.V.	(22.59% x 51%) x (total number of issued Shares after the Offering)

The parties have agreed that, if Thijs Manders Beheer B.V.'s participation in the sale of Existing Shares will become higher than 19.76% as set out above, the number of its Shares covered by the Lock-up will decrease and the number of Shares held by the other Selling Shareholders covered by the Lock-up will increase accordingly.

The direct and indirect shareholdings in the capital of the Selling Shareholders are reflected by the organisation chart post-Reorganisation under "Related Party Transactions – *Post-Reorganisation*".

Additionally, the agreement provides that the aforementioned parties will have a preliminary meeting with each other shortly before each General Meeting of Shareholders of the Company which will take place during a period of 5 years from the first day of trading of the Shares through Alternext Amsterdam. During each preliminary meeting, the parties will consult with each other with respect to each item on the agenda of the forthcoming General Meeting of Shareholders and will use their best efforts to reach agreement as to casting a common vote during the General Meeting of Shareholders. If agreement is reached, the parties will cast their votes during the General Meeting of Shareholders in accordance therewith. However, in the event that agreement on casting a common vote cannot be reached between all parties to the lock-up and preliminary meeting agreement, each party will be free to cast votes during the General Meeting of Shareholders at his own discretion.

Stabilisation and Over-allotment

In connection with the Offering, the Lead Manager, as stabilising manager, or any person acting for it may (but will be under no obligation to), to the extent permitted by law, over-allot or effect other transactions which stabilise or maintain the market price for the Shares at a higher level than might otherwise prevail in the open market. Such transactions may be effected through Alternext Amsterdam, the over-the-counter market or otherwise. There is no assurance that such transactions will be undertaken and, if commenced, they may be discontinued at any time. Save as required by law, the stabilising manager does not intend to disclose the extent of any over-allotments and/or stabilisation transactions under the Offering.

Pursuant to the Underwriting Agreement, the Company will grant to the Lead Manager an option exercisable, in whole or in part, within 30 calendar days of the commencement of trading of the Shares through Alternext Amsterdam, to procure purchasers for, or failing which, to purchase additional Shares representing 15% of the number of Offer Shares to cover over-allotments, if any, and short positions resulting from stabilisation transactions.

Other relationships

Rabobank Nederland and its respective affiliates have from time to time engaged in, and may in the future engage in commercial banking, investment banking and financial advisory transactions and services in the ordinary course of their business with the Company or any parties related to the Company.

The Lead Manager and Sponsor will receive customary fees and commissions for these transactions and services and may come to have interests that may be aligned or could potentially conflict with an investor’s and/or the Company’s interests. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations (including those issued by the AFM).

TMC has a current account facility with Rabobank of up to EUR 50,000. See “Operating and Financial Review – *Current account credit institution*”. Furthermore, TMC has entered into an agreement with De Lage Landen for trade receivables funding. The Foundation Preference Shares TMC has entered into a facility agreement with Rabobank.

MARKET INFORMATION

The Shares will be admitted to Alternext Amsterdam, a new non-regulated market, rather than to a regulated market such as Eurolist. Alternext Amsterdam is not a regulated market, as defined by the Markets in Financial Instruments Directive of 21 April 2004.

Alternext Amsterdam was launched by Euronext in Amsterdam on 30 May 2006 and created to provide small and midsized companies access to the financial market. Alternext Amsterdam is a non-regulated market, meaning that it is subject to a body of rules laid down by the market operator, Euronext, in a rule book entitled "Alternext Amsterdam – Non Regulated market – Rules" and applicable to all participants. Alternext Amsterdam is not a regulated market, as defined by the Markets in Financial Instruments Directive of 21 April 2004.

Alternext Amsterdam's future success and liquidity in the market for the Shares cannot be guaranteed. The Company is expected to be the first issuer to be admitted to Alternext Amsterdam. Generally speaking, the Alternext Amsterdam Rules are less demanding than those of Eurolist and an investment in securities admitted to Alternext Amsterdam might carry a higher risk than an investment in securities listed on Eurolist. See "Risk Factors".

Furthermore, companies admitted to Alternext Amsterdam do not have to comply with certain rules and regulations that only apply to a regulated market, including but not limited to the Dutch Act on Disclosure of Major Holdings and Equity Interests in Issuing Institutions Act (*Wet melding zeggenschap en kapitaalbelang in effectenuitgevende instellingen*) and the public offer rules as laid down in the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*). The Company will not apply all principles and best practice provisions of the Dutch Corporate Governance Code in full. See "Description of Share Capital and Corporate Governance – *Disclosure of holdings*", "Description of Share Capital and Corporate Governance – *Public offer rules*" and "Description of Share Capital and Corporate Governance – *Corporate governance*".

The regulatory requirements of trading securities through Alternext Amsterdam might change following admission, and compliance with any such new or additional requirements could prove costly and time consuming for the Company.

TAXATION

General

The following is a summary of certain Netherlands tax consequences of the holding and disposal of Shares in the Company. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to such holder or prospective holder of Shares. Holders should consult with their tax advisors with regards to the tax consequences of investing in the Shares in their particular circumstances. The discussion below is included for general information purposes only.

In particular, this summary does not address tax considerations applicable to investors who will receive or have received these Shares as employment income, deemed employment income or otherwise as compensation. Please note that this summary also does not describe the tax considerations for holders of Shares if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Company as laid down in the Netherlands Income Tax Act 2001. Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (statutorily defined term), directly or indirectly, holds (i) an interest of 5 per cent or more of the total issued and outstanding capital of that company or of 5 per cent or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5 per cent or more of the company's annual profits and/or to 5 per cent or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis. Furthermore, this summary does not describe the tax considerations for holders of Shares if the holder has an interest in the Company that qualifies for the participation exemption as laid down in the Netherlands Corporate Income Tax Act 1969. The Netherlands participation exemption generally applies to entities holding at least 5 per cent of the Company's paid-up share capital.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and regulations, as in effect on the date hereof and as interpreted in published case law on the date hereof and is subject to change after such date, including changes that could have retroactive effect.

Withholding tax

Dividends distributed by the Company generally are subject to Netherlands dividend withholding tax at a rate of 25 per cent. The expression "dividends distributed" includes, among others:

- distributions in cash or in kind;
- liquidation proceeds, proceeds of redemption of Shares, or proceeds of the repurchase of Shares by the Company or one of its subsidiaries or other affiliated entities to the extent such proceeds exceed the average paid-in capital of those Shares recognised for purposes of Netherlands dividend withholding tax;
- an amount equal to the par value of Shares issued or an increase of the par value of Shares, to the extent that it does not appear that a contribution, recognised for purposes of Netherlands dividend withholding tax, has been made or will be made; and
- partial repayment of the paid-in capital, recognised for purposes of Netherlands dividend withholding tax, if and to the extent that the Company has net profits (in Dutch: *"zuivere winst"*), unless the holders of Shares have resolved in advance at a general meeting to make such repayment and the par value of the Shares concerned has been reduced by an equal amount by way of an amendment of the Articles of Association.

If a holder of Shares is resident in a country other than the Netherlands and if a double taxation convention is in effect between the Netherlands and such other country, such holder of Shares may, depending on the terms of that double taxation convention, be eligible for a full or partial exemption from, or refund of, Netherlands dividend withholding tax.

Individuals and corporate legal entities who are resident or deemed to be resident in the Netherlands for Netherlands tax purposes ("Netherlands resident individuals" or "Netherlands resident entities", as the case may be), including individuals who have made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands, can generally credit the Netherlands dividend withholding tax against their income tax or corporate income tax liability. The same generally applies to holders of Shares that are neither resident nor deemed to be resident of the Netherlands if the Shares are attributable to a Netherlands permanent establishment of such non-resident holder.

In general, the Company will be required to remit all amounts withheld as Netherlands dividend withholding tax to the Netherlands tax authorities. However, under certain circumstances, the Company is allowed to reduce the amount to be remitted to the Netherlands tax authorities by the lesser of:

- 3 per cent of the portion of the distribution paid by the Company that is subject to Netherlands dividend withholding tax; and
- 3 per cent of the dividends and profit distributions, before deduction of foreign withholding taxes, received by the Company from qualifying foreign subsidiaries in the current calendar year (up to the date of the distribution by the Company) and the two preceding calendar years, as far as such dividends and profit distributions have not yet been taken into account for purposes of establishing the above mentioned deductions.

Although this reduction reduces the amount of Netherlands dividend withholding tax that the Company is required to pay to the Netherlands tax authorities, it does not reduce the amount of tax that the Company is required to withhold on dividends.

Pursuant to legislation to counteract "dividend stripping" a reduction, exemption, credit or refund of Netherlands dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner. This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding cost on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Netherlands state secretary of Finance takes the position that the definition of beneficial ownership introduced by this legislation will also be applied in the context of a double taxation convention.

Taxes on income and capital gains

Netherlands resident individuals

If a holder of Shares is a Netherlands resident individual (including the non-resident individual holder who has made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any benefit derived or deemed to be derived from the Shares is taxable at the progressive income tax rates (with a maximum of 52 per cent), if:

(a) the Shares are attributable to an enterprise from which the Netherlands resident individual derives a share of the profit, whether as an entrepreneur (in Dutch: "*ondernemer*") or as a person who has a co-entitlement to the net worth of such enterprise, without being an entrepreneur or a shareholder, as defined in the Netherlands Income Tax Act 2001; or

(b) the holder of the Shares is considered to perform activities with respect to the Shares that go beyond ordinary active asset management (in Dutch: "*normaal vermogensbeheer*") or derives benefits from the Shares that are (otherwise) taxable as benefits from other activities (in Dutch: "*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (a) and (b) do not apply to the individual holder of Shares, the Shares are recognised as investment assets and included as such in such holder's net investment asset base (in Dutch: "*rendementsgrondslag*"). Such holder will be taxed annually on a deemed income of 4 per cent of the aggregate amount of his or her net investment assets for the year at an income tax rate of 30 per cent. The aggregate amount of the net investment assets for the year is the average of the fair market value of the investment assets less the allowable liabilities at the beginning of that year and the fair market value of the investment assets less the allowable liabilities at the end of that year. A tax free allowance may be available. Actual benefits derived from the Shares are as such not subject to Netherlands income tax.

Netherlands resident entities

Any benefit derived or deemed to be derived from the Shares held by Netherlands resident entities (including associations, partnerships, foundations and funds that are taxable as Netherlands resident entities), including any capital gains realised on the disposal thereof, will generally be subject to

Netherlands corporate income tax at a rate of 29.6 per cent (a corporate income tax rate of 25.5 per cent applies with respect to taxable profits up to EUR 22,689, the first bracket for 2006).

A Netherlands qualifying pension fund is in principle not subject to Netherlands corporate income tax. A qualifying Netherlands resident investment fund (in Dutch: "*fiscale beleggingsinstelling*") is subject to Netherlands corporate income tax at a special rate of 0 per cent.

Non-residents of the Netherlands

A holder of Shares will not be subject to Netherlands taxes on income or on capital gains in respect of any payment under the Shares or any gain realised on the disposal or deemed disposal of the Shares, provided that:

(i) such holder is neither a resident nor deemed to be resident in the Netherlands for Netherlands tax purposes and, if such holder is an individual, he/she has not made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands;

(ii) such holder does not have an interest in an enterprise or a deemed enterprise which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment (statutorily defined term) or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares are attributable; and

(iii) in the event such holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Shares that go beyond ordinary active asset management (in Dutch: "*normaal vermogensbeheer*") and does not derive benefits from the Shares that are (otherwise) taxable as benefits from other activities in the Netherlands (in Dutch: "*resultaat uit overige werkzaamheden*").

Gift, estate and inheritance taxes

Residents of the Netherlands

Gift, estate and inheritance taxes will arise in the Netherlands with respect to a transfer of the Shares by way of a gift by, or, on the death of, a holder of Shares who is resident or deemed to be resident in the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

No Netherlands gift, estate or inheritance taxes will arise on the transfer of the Shares by way of a gift by, or on the death of, a holder of Shares who is neither resident nor deemed to be resident in the Netherlands, unless:

(i) such holder at the time of the gift has or at the time of his/her death had an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried out through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Shares are or were attributable; or

(ii) in the case of a gift of the Shares by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

For purposes of Netherlands gift, estate and inheritance taxes, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Netherlands turnover tax

No Netherlands turnover tax will arise in respect of the acquisition, ownership and disposal of the Shares.

Other taxes and duties

No Netherlands registration tax, customs duty, stamp duty or any other similar documentary tax or duty will be payable by a holder of Shares in respect of the holding or disposal of the Shares.

GENERAL INFORMATION

The Company

The Company was incorporated as TMC B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), under the laws of the Netherlands by a notarial deed dated 4 July 2006. On 1 November 2006, the Company converted into a public limited liability company (*naamloze vennootschap*) named The Member Company (TMC) N.V.

The address of the Company is Vestdijk 9, 5611 CA Eindhoven, the Netherlands. The Company is registered in the Trade Register of the Chamber of Commerce and Industries of Eindhoven under the number 17193176.

Subsidiaries

TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V., TMC Engineering Professionals B.V. and TMC Mechatronics B.V. are all private limited liability companies (*besloten vennootschappen met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands. The Company owns all shares in the share capital of TMC Holding B.V. which entity in its turn owns all shares in the share capital of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V., TMC Engineering Professionals B.V. and TMC Mechatronics B.V. respectively. See "Related Party Transactions – *Reorganisation*".

Resolutions

On 2 November 2006, both the Management Board and the Supervisory Board authorised the issue of the New Shares in connection with the Offering, the entry into the Underwriting Agreement and the Admission Agreement and the making of an application for the Shares to be admitted to trading through Alternext Amsterdam. Approval for the publication of this Prospectus has been granted by the AFM pursuant to the Prospectus Directive.

No significant change

Except as otherwise disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Company since 30 June 2006 (the date of the latest interim financial information).

Proceedings

The Company and its subsidiaries are not and have not been involved in any governmental, legal or arbitration proceedings that may have or have had in the twelve months before the date of this Prospectus, a significant effect on the financial position of the Company or its subsidiaries. The Company and its subsidiaries are not aware that any such proceedings are pending or threatened.

Availability of documents

Copies of the following are available and can be obtained free of charge for twelve months from the date of publication of this Prospectus at www.historyoffinance.com:

- the Articles of Association (in Dutch);
- the audited combined financial information for the financial years ended 31 December 2003 and 2004 on the basis of Dutch GAAP;
- the audited combined financial statements for the financial year ended 31 December 2005 (with audited combined financial information for the financial year ended 31 December 2004 for comparison purposes) on the basis of IFRS;
- the reviewed but unaudited combined interim financial information for the six months ended 30 June 2006 (with combined interim financial information for the six months ended 30 June 2005 for comparison purposes) on the basis of IFRS; and
- the individual unaudited financial statements of TMC Embedded B.V., TMC ERP Professionals B.V., TMC Physics B.V. and TMC Engineering Professionals B.V. for the financial years ended 31 December 2003, 2004 and 2005 on the basis of Dutch GAAP.

Prospectus

Copies of this Prospectus may be obtained free of charge by sending a request in writing or by fax to TMC or Rabobank Alternext Desk at the following addresses:

The Member Company (TMC) N.V.
Vestdijk 9
5611 CA Eindhoven
The Netherlands
Tel: +31 (0)40 239 22 60
Fax: +31 (0)40 239 22 70

Rabobank Nederland
Rabobank Alternext Desk
Rembrandt Tower
Amstelplein 1
1096 HA Amsterdam
The Netherlands
Fax: +31 (0)20 460 49 49
Email: prospectus@rabobank.com

Independent auditors

Our independent auditors are KPMG Accountants N.V., with their address at Pettelaarpark 34, 5216 PD 's-Hertogenbosch, the Netherlands.

KPMG Accountants have given, and have not withdrawn, their written consent to the inclusion of their report and the references to themselves herein in the form and context in which they are included. KPMG Accountants are a member of Royal Nivra (*Het Koninklijk Nederlands Instituut van Register-acountants*).

Imprima Amsterdam - 161164