



RENAISSANCE ANNOUNCES HALF YEAR PROFIT RESULT

FINANCIAL STATEMENT

The Directors of Renaissance Corporation Limited are today announcing an unaudited surplus before tax for the six month period to 30 June 2007 of \$1.99million (2006: \$3.56million after incorporating IFRS adjustments), a decrease of 44%. The surplus after tax and minority interest was \$1.217million (2006: \$2.598million), a decrease of 53%. The effective tax rate for the period was 38.8% (2006: 27.1%) reflecting the impact of the new corporate tax rate on the deferred tax asset which comes into effect next year.

Group revenues were \$88.1million, an increase of 14% on the previous corresponding period.

THE SIX MONTHS UNDER REVIEW

The first six months have been especially challenging. Not only are our margins lower but in recent months sales have been restricted by availability of stock as well. Inventories at June 30 were \$5.4million, 23% lower than June 30 last year. A number of products have been in short supply in June and July. It will be difficult to regain the lost ground, with the likelihood now that we have lost over one full month's sales in the year. The continuing uncertainty of product availability over the next few months and the traditional last quarter seasonal surge makes forecasting the full year's result difficult.

OUTLOOK

As a result of the lower margins, soft retail sales and the recent constraints in product supply, we now believe the final 2007 NPBT for our traditional Renaissance business will be in the range of \$4.5million to \$5.0million.

During the last quarter the Company acquired MagnumMac and Natcoll (still subject to regulatory and shareholders approval). In our result to December 2007 we will incorporate 6 months trading for MagnumMac and 5 months trading of Natcoll. Net of interest we expect these businesses to contribute approximately \$1.5million annually. In the remainder of 2007 their contribution to NPBT will be about \$800,000.

Our start up venture, Ttxtunes (66% owned), launched in the US in July. Ttxtunes has close to 25,000 songs available for payment by Text and download to computer. The management of Ttxtunes is partnering with suitable sites to build the awareness of the facility and the content. Prior to launch we capitalised \$1.1million of expenditure. This business is budgeted to incur a deficit of \$250,000 before tax in the year.

The Board now expects the Group to report a net profit before tax for the full 2007 year of \$5.0million to \$5.5million.

**Renaissance
Corporation
Limited**

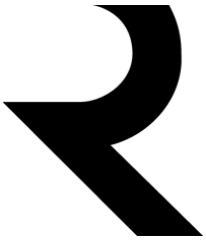
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Distribution, and in particular the distribution of Apple products, has historically been the mainstay of the Renaissance business. Whilst Apple continues to increase its direct presence in New Zealand through the launch of the on-line store, and the likely extending of relationships with major Australasian retail chains, Renaissance is continuing to invest in the Apple brand in New Zealand. We have opened new dedicated Apple division offices in the Auckland CBD, acquired MagnumMac, begun the process of opening new retail stores, and opened two new StudentIT centres near university campuses in Auckland and Dunedin.

STRATEGY

We are progressing well with our acquisition strategy, which will provide a better balance in the Group's portfolio of businesses and enhance our ability to achieve increased profits in the future. Our recent acquisitions of MagnumMac and Natcoll provide increased diversification from the Group's traditional distribution business.

As the Renaissance Group becomes more diversified, we will provide greater detail of individual business unit sales and profit numbers, starting with our 2007 Annual Report.

DIVIDEND

For this period, we are pleased to announce a fully imputed interim dividend of 4.5 cents per share, maintaining the dividend paid in August last year. This will be paid on 5 October 2007, with the shares going ex-dividend on 28 September 2007.

The Company will also pay a supplementary dividend to non-resident shareholders of 0.79412 cents per share on the same date.

Your Directors have been examining a dividend reinvestment scheme. Subject to final investigations and discussions, it is likely that a plan will be implemented in time for the interim dividend.

For further information please contact
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