



Renaissance expects a lift in 2009 full year earnings

Trading in the first half of 2009 was difficult, as had been expected. Sales of \$94.6m were at about the same level as in the corresponding period last year but margins were reduced. Costs, mainly associated with the roll out of new MagnumMac Apple Premium retail stores, increased.

We expected and experienced a \$528k loss in our retail operation. We also absorbed \$396,000 costs for discontinued businesses that we were unable to write off in 2008.

The resulting net profit before tax in the half year to 30 June 2009 was \$280,000. This compares with \$2.106m in the half year to June 2008.

Adding back interest and non-cash expenditure of depreciation and amortisation (EBITDA) June 2009 earnings were \$1.672m - down 50% from \$3.404m in 2008.

Despite the difficult trading result we are making good progress with aspects of the business:

- We reduced net debt in the balance sheet from \$4.737m at December 2008 to \$2.825m at June and we continue to work on reducing our overall bank debt.
- We appointed a new General Manager of our MagnumMac subsidiary. The new General Manager has significant management experience working for major retailers in the UK.
- In July we opened a new MagnumMac store in Christchurch. Apple representatives have described this as one of the best examples of an Apple Premium Reseller store in the world. Initial trading in the new store has been encouraging.

As we look forward to the full year to December 2009, we believe trading conditions will continue to be difficult, however the company is in a position to meet the challenges of the current economic environment. Predictions are reasonably hazardous because our annual result depends so heavily on the December quarter of the year. We are targeting a profit before tax of between \$1.7m and \$2.0m, which will include the \$396,000 of discontinued businesses. This should give an EBITDA of between \$4.0m and \$4.5m and would represent a lift on our 2008 result.

We continue to look at ways to extend our interests in education and further diversify our earnings from the traditional distribution business.

Provided we meet our growth targets, we will consider resuming dividend payments following the end of the financial year.

**Renaissance
Corporation
Limited**

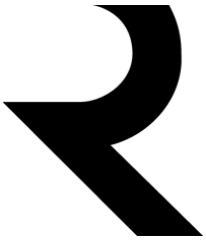
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	Unaudited six months ended		
	30 June 2009	30 June 2008	
	\$000	\$000	
Operating revenue	94,648	95,085	-0.5%
Earnings before interest, tax, depreciation, & amortisation ("EBITDA")	1,672	3,403	-51%
Depreciation & amortisation	1,291	1,151	+12%
Earnings before interest	382	2,252	-83%
Net interest paid	102	146	
Net profit before tax	280	2,106	-87%
Taxation	91	642	
Other comprehensive income after tax	28	(4)	
Net profit after tax	189	1,464	-87%
Shareholders funds	15,512	16,629	
Net Bank debt	2,825	2,984	
Total Shareholders' Funds	45,040	43,409	
Number of shares	44,920,077	44,273,267	
Shareholders equity ratio	34%	38%	
Net earnings per share	0.48	3.39	

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PRELIMINARY HALF YEAR REPORT ANNOUNCEMENT

RENAISSANCE CORPORATION LIMITED

(Name of Listed Issuer)

For Half Year Ended 30 June 2009

(referred to in this report as the "current half year")

Preliminary **half year** report on consolidated results (including the results for the previous corresponding half year) in accordance with NZAX Listing Rule B1.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates [see Note [X] attached] and is based on unaudited financial statements. If the report is based on audited financial statements, any qualification made by the auditor is to be attached.

The Listed Issuer **has** a formally constituted Audit Committee of the Board of Directors.

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE INCLUDING DISCONTINUED OPERATIONS	*Consolidated Statement Financial Performance		
	Current half year \$NZ'000	Change %	Previous corresponding half year \$NZ'000
1.1 OPERATING REVENUE			
(a) Trading Revenue	94,648	(0.5%)	95,085
(b) Other Revenue	108	(59.9%)	269
(c) Total Operating Revenue	94,756	(0.6%)	95,354
1.2 OPERATING SURPLUS BEFORE TAXATION	280	(86.7%)	2,106
(a) Less taxation on operating result	(91)	(85.8%)	(642)
1.3 OPERATING SURPLUS AFTER TAX	189	(87.1%)	1,464
(a) Other comprehensive income after tax	28		(4)
(b) Unrealised net change in value of investment properties			
1.4 TOTAL COMPREHENSIVE INCOME AFTER TAX	217	(85.1%)	1,460
(a) Net *Surplus (Deficit) attributable to minority interests			
1.5 NET SURPLUS ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	217	(85.1%)	1,460

2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR HALF YEAR	*Consolidated Statement of Financial Performance	
	Current half year \$NZ'000	Previous corresponding half year \$NZ'000
2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE		
(a) Interest revenue included in Item 1.1(b)	108	269
(b) # Unusual items for separate disclosure (gain/loss) (detail - Item 3)		
(c) Equity earnings (gain/loss) (detail - Item 16)		
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	209	415
(e) Leasing and renting expenses	1,606	1,224
(f) Depreciation	804	783
(g) Diminution in the value of assets (other than depreciation)		
(h) Amortisation of goodwill		
(i) Amortisation of other intangible assets	252	368
(j) Impairment of goodwill		
(k) Impairment of other intangible assets		

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current half year	Previous corresponding half year
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share		
(a) Basic EPS	0.48 cents	3.39 cents
(b) Diluted EPS (if materially different from (a))	0.48 cents	3.34 cents

5.1 NET TANGIBLE ASSETS PER SECURITY	NTA Per Security	
	Current half year	Previous corresponding half year
(a) Net tangible assets per security	10.7 cents	13.4 cents

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VII) attached):	
(a) Name of subsidiary or group of subsidiaries
(b) Percentage of ownership acquired
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$
(d) Date from which such contribution has been calculated	\$

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)	
(a) Name of subsidiary or group of subsidiaries
(b) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$
(c) Date from which such contribution has been calculated
(d) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) for the previous corresponding half year
(e) Contribution to consolidated net *Surplus (Deficit) (Item 1.4) from sale of subsidiary	\$

8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS

Renaissance Corporation's principal operations are within New Zealand. Financials based on geographic segments have not been disclosed as operations by Conduit Solutions Australia Pty Limited make up an insignificant percentage of the overall Group results.

The Group is organised into the following business segments by product and service type.

Brand representation - Apple and Brands distribute computers, associated peripheral hardware and computer software primarily through a nationwide network of resellers. Major brands handled include 3Com, Allot, Apple, Brocade, Canon, Filemaker, Freecom, McAfee and SonicWall.

Digital Services - The Group develops and markets digital services to its customers through businesses that have been created by the Group. These services include the provision of internet-based e-commerce business solutions (Conduit International Limited), the sale of an on-line widget based payment system to our internal and external customers (Widget to Pay Limited), assembly of built-to-order personal computers, notebook computers and computer servers (Insite Technology Limited), service and warranty support for computer products sold to customers (RTSG) and the insurance based on-line back-up service (Renaissance Indemnity Limited).

Education - RED markets and sells digital technology products and services in all areas of New Zealand pre-school, primary, secondary and tertiary education sectors. Natcoll Limited provides a range of training courses designed to give its tertiary level students the technical skills required for a career in the creative digital industry.

Retail - MagnumMac Limited markets and sells Apple products, associated peripheral hardware and computer software to its digital technology consumers through its own branded national chain of retail outlets.

(a) Segment revenue

	Segment revenue		Group Inter-segment		Total	
	2009	2008	2009	2008	2009	2008
	\$000	\$000	\$000	\$000	\$000	\$000
Continuing Operations						
Brand Representation	42,439	44,730	12,709	10,564	55,148	55,294
Digital Services	8,065	8,078	479	556	8,544	8,634
Education	24,747	27,707	5,215	2,433	29,962	30,140
Retail	19,383	14,570	370	854	19,753	15,424
Total of all segments	94,634	95,085	18,773	14,407	113,407	109,492
Inter-segment eliminations					(18,773)	(14,407)
Consolidated					94,634	95,085

	Group	
	2009	2008
(b) Segment profit	\$000	\$000
Continuing operations:		
Brand Representation	1,223	2,539
Digital Services	188	89
Education	1,116	1,143
Retail	(528)	211
Central administration costs	(1,114)	(884)
Finance costs	(209)	(415)
Profit before tax	676	2,683
Income tax expense	209	816
Profit for the half year from continuing operations	467	1,867
Discontinued operations		
Digital services revenue	14	-
Loss before tax	(396)	(576)
Income tax benefit	(118)	(173)
Loss for the year from discontinued operations	(278)	(403)
Total revenue for the half year	94,648	95,085
Total profit before tax	280	2,102
Income tax expense	91	642
Total profit for the half year	189	1,460

	Group			
	Assets		Liabilities	
	2009	2008	2009	2008
(c) Segment assets and liabilities including discontinued operations	\$000	\$000	\$000	\$000
Brand Representation	18,334	17,355	17,629	13,837
Digital Services	5,350	7,713	1,055	2,856
Education	6,656	7,407	4,175	4,264
Retail	10,905	8,464	547	2,962
Total of all segments	41,245	40,939	23,406	23,919
Unallocated	3,795	-	6,122	-
Total	45,040	40,939	29,528	23,919

	Group			
	Depreciation and amortisation		Additions to non-current assets	
	2009	2008	2009	2008
(d) Other segment information including discontinued operations	\$000	\$000	\$000	\$000
Brand Representation	149	216	5	103
Digital Services	498	485	135	438
Education	344	390	393	600
Retail	158	60	402	209
Unallocated	142	-	16	158
	1,291	1,151	951	1,508

Consolidated Statement of Financial Position

(Note (VIII)) attached has particular relevance for the preparation

9 CURRENT ASSETS:

- (a) Cash
- (b) Trade receivables
- (c) Investments
- (d) Inventories
- (e) Other assets, current

TOTAL CURRENT ASSETS

9.1 NON-CURRENT ASSETS

- (a) Trade receivables
- (b) Investments
- (c) Inventories
- (d) Property, plant and equipment
- (e) Goodwill
- (f) Deferred Taxation Assets
- (g) Other Intangible Assets
- (h) Other assets, non current

9.2 TOTAL NON-CURRENT ASSETS

9.3 TOTAL ASSETS

9.4 CURRENT LIABILITIES

- (a) Bank overdraft
- (b) Trade Creditors
- (c) Income in advance, current
- (d) Secured loans
- (e) Unsecured loans
- (f) Provisions, current
- (g) Other liabilities, current

TOTAL CURRENT LIABILITIES

9.5 NON-CURRENT LIABILITIES

- (a) Accounts payable, non-current
- (b) Secured loans
- (c) Unsecured loans
- (d) Provisions, non-current
- (e) Deferred Taxation Liability, non-current
- (f) Other liabilities, non-current

9.6 TOTAL NON-CURRENT LIABILITIES

9.7 TOTAL LIABILITIES

9.8 NET ASSETS

9.9 SHAREHOLDERS' EQUITY

- (a) Share capital (optional)
- (b) Reserves (optional)
 - (i) Revaluation reserve
 - (ii) Other reserves
- (c) Accumulated Deficit

9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER

- (a) Minority equity interests in subsidiaries

9.1 TOTAL SHAREHOLDERS' EQUITY

- (a) Return on Assets (%) (EBIT divided by Total Assets)
- (b) Return on Equity (%) (Net Income divided by Shareholders' equity)
- (c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholder's equity)

	At end of current half year \$NZ'000	As shown in last Annual Report \$NZ'000	If half yearly as shown in last half yearly report \$NZ'000
(a) Cash	875	1,614	
(b) Trade receivables	13,650	16,916	15,879
(c) Investments			
(d) Inventories	10,013	10,123	9,138
(e) Other assets, current	4,601	3,027	3,082
TOTAL CURRENT ASSETS	29,139	31,680	28,099
9.1 NON-CURRENT ASSETS			
(a) Trade receivables			
(b) Investments			
(c) Inventories			
(d) Property, plant and equipment	4,700	4,637	3,618
(e) Goodwill	8,862	8,862	8,668
(f) Deferred Taxation Assets	171	357	691
(g) Other Intangible Assets	1,833	2,195	1,998
(h) Other assets, non current	335	335	335
9.2 TOTAL NON-CURRENT ASSETS	15,901	16,386	15,310
9.3 TOTAL ASSETS	45,040	48,066	43,409
9.4 CURRENT LIABILITIES			
(a) Bank overdraft			484
(b) Trade Creditors	17,334	20,032	15,499
(c) Income in advance, current	2,867	1,148	2,389
(d) Secured loans	3,700	6,351	2,500
(e) Unsecured loans			
(f) Provisions, current	164	127	217
(g) Other liabilities, current	5,116	4,827	5,050
TOTAL CURRENT LIABILITIES	29,181	32,485	26,139
9.5 NON-CURRENT LIABILITIES			
(a) Accounts payable, non-current			
(b) Secured loans			
(c) Unsecured loans			
(d) Provisions, non-current	347	353	641
(e) Deferred Taxation Liability, non-current			
(f) Other liabilities, non-current			
9.6 TOTAL NON-CURRENT LIABILITIES	347	353	641
9.7 TOTAL LIABILITIES	29,528	32,838	26,780
9.8 NET ASSETS	15,512	15,228	16,629
9.9 SHAREHOLDERS' EQUITY			
(a) Share capital (optional)	29,014	28,947	28,571
(b) Reserves (optional) <ul style="list-style-type: none"> (i) Revaluation reserve (ii) Other reserves 	(1)	(29)	1
(c) Accumulated Deficit	(13,501)	(13,690)	(11,943)
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER			
(a) Minority equity interests in subsidiaries			
9.1 TOTAL SHAREHOLDERS' EQUITY	15,512	15,228	16,629
(a) Return on Assets (%) (EBIT divided by Total Assets)	1.73%	5.36%	6.52%
(b) Return on Equity (%) (Net Income divided by Shareholders' equity)	1.40%	6.80%	8.78%
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholder's equity)	190%	216%	161%

		Consolidated Statement of cashflows for half year	
		Current half year \$NZ'000	Corresponding half year \$NZ'000
<small>(See Note (IX) attached)</small>			
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
	(a) Receipts from customers	98,046	100,365
	(b) Interest received	108	269
	(c) Dividends received		
	(d) Payments to suppliers and employees	(94,234)	(107,999)
	(e) Interest paid	(209)	(415)
	(f) Income taxes paid	(830)	(362)
	(g) Other cash flows relating to operating activities		
	NET OPERATING FLOWS	2,881	(8,142)
<small>(See Note (IX) attached)</small>			
11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
	(a) Cash proceeds from sale of property, plant and equipment	(18)	(12)
	(b) Cash proceeds from sale of equity investments		
	(c) Loans repaid by other entities		
	(d) Cash paid for purchases of property, plant and equipment & intangibles	(951)	(1,508)
	(e) Interest paid - capitalised		
	(f) Cash paid for purchases of equity investments		
	(g) Loans to other entities		
	(h) Other cash flows relating to operating activities		
	NET INVESTING CASH FLOWS	(969)	(1,520)
<small>(See Note (IX) attached)</small>			
12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
	(a) Cash proceeds from issue of shares, options, etc.		228
	(b) Borrowings		
	(c) Repayment of borrowings	(2,651)	(660)
	(d) Dividends paid		(1,313)
	(e) Other cash flows relating to operating activities		
	NET FINANCING CASH FLOWS	(2,651)	(1,745)
<small>(See Note (IX) attached)</small>			
13	NET INCREASE (DECREASE IN CASH HELD)		
	(a) Cash at beginning of half year	1,614	10,924
	(b) Exchange rate adjustments to Item 12.3(a) above		
	(c) CASH AT END OF HALF YEAR	875	(484)
14	NON-CASH FINANCING AND INVESTING ACTIVITIES		
	Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:		
		
		
		
		
15	RECONCILIATION OF CASH		
	For the purposes of the above Statement of cash flows, cash includes:		
		
	Cash at the end of the half year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:		
	Cash on hand and at bank	875	(484)
	Deposits at call		
	Bank overdraft		
	Other (provide details eg Term Depos		
	Total = Cash at End of Half Year (Item 13(c) above)	875	(484)

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

16 GROUP SHARE OF RESULTS OF ASSOCIATES

Equity Earnings	
Current half year \$NZ'000	Previous corresponding half year \$NZ'000

- (a) OPERATING *SURPLUS (DEFICIT) BEFORE TAX
- (b) Less tax
- (c) OPERATING *SURPLUS (DEFICIT) AFTER TAX
 - (i) Extraordinary items
- (d) NET *SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX

16 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name			Percentage of ordinary shares held at end of Half Year		Contribution to net *surplus (deficit) (Item 1.5)	
			Current Half Year	Previous Corresponding Half Year	Current Half Year NZ\$'000	Previous Corresponding Half Year NZ\$'000
Equity Accounted Associates					<i>Equity Accounted in current year</i>	
Other Material Interests					<i>Not Equity Accounted in current year</i>	

(b) Investments in Associates

Carrying value of investments in associates beginning of half year

Share of changes in associates' post acquisition surpluses/and reserves:

- Retained surplus
- Reserves

Net goodwill amortisation and impairment adjustments in the period

Less Dividends received in the period

Equity carrying value of investments at the end of half year

Amount of goodwill included in carrying value at end of that half year

Current half year \$NZ'000	Previous Corresponding half year \$NZ'000

17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT HALF YEAR

Category of Securities	Number Issued	Quoted	Number Cents	Paid-Up Value (if not fully paid)
PREFERENCE SHARES:				
# (Description)				
Issued during current half year				
ORDINARY SHARES:				
OPENING	44,920,077			
Issued during current half year				
- staff options exercised				
- long term incentive scheme				
- dividend reinvestment plan				
TOTAL	44,920,077			
CONVERTIBLE NOTES				
# (Description)				
Issued during current half year				
OPTIONS:				
	Issued	Quoted	Exercise Price	Expiry Date
Issued during current half year				
DEBENTURES - Totals only:			\$	
UNSECURED NOTES - Totals only:			\$	
OTHER SECURITIES			\$	\$

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

(a) Material factors affecting the revenues and expenses of the group for the current half year

See Chairman's statement

(b) Significant trends or events since end of current half year

See Chairman's statement

(c) Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed

NIL

(d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain

NIL

(e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty

See Chairman's statement

(f) Other comments

*Delete as required