



Renaissance returns to profitability in FY 2010

Revenue up ten percent and net operating cashflow was positive

Auckland, 29 November 2010: Renaissance (NZX: RNS) has announced that it has returned to profitability in the nine months to 30 September 2010. The company changed the balance date in 2010 from 31 December to 30 September to move the volatile December quarter to the first quarter of the new reporting period. At the same time the company announced that its revenue had increased 10% for the comparable 9-month period in 2009, generated a positive net operating cashflow, and finished the year with net cash of over \$3 million.

	Audited 9 months to September 2010 \$000	Audited 12 months to December 2009 \$000	Unaudited 9 months to September 2009 \$000
Operating revenue	154,142	194,779	140,373
One off costs	(256)	(2,545)	(393)
EBITDA	1,987	678	922
Depreciation & Amortization	(1,312)	(2,146)	(1,815)
Goodwill impairment	-	(880)	-
EBIT	675	(2,348)	(893)
Net finance cost	(209)	(372)	(241)
Profit before tax	466	(2,720)	(1,134)

Our fiscal reporting period in 2010 has been a year of considerable change. Richard Webb took over as Chief Executive Officer in January and Shaun Rendell joined as Chief Financial Officer in March.

“During the last 9 months we scrutinised all of our business activities. We continue to invest in the traditional parts of our business such as service, training, supply chain application development, and online commerce. We are also exploring new retail concepts, researching expansion opportunities for our education and training business units, building expertise in mobility application development, and developing new IP addressable appliances”, said Richard Webb.

“Apple announced the addition of a second distributor in the New Zealand market in September and the IT industry continues to exhibit significant structural changes related to the introduction of virtualisation and cloud computing. To better align our business for this new competitive landscape a number of people have been recruited with new skill sets to help expand our business in this ever changing environment”, noted Mr Webb.

“It was pleasing to return to profit,” said Mr Colin Giffney, Chairman. “While we have made good headway in 2010, we aim for much better returns in future years. We cannot discount that there may be a few bumps along the path, but we continue to be encouraged that we are going in the right direction.”



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About Renaissance

The Renaissance Group enables creativity in nearly all facets of the digital economy in New Zealand. Renaissance's activities extend into technology distribution and retail, serving the ICT needs of educational institutions; technical service and support; training; network infrastructure design and application development; assembling PCs and servers; and vocational education.

The Renaissance distribution business provides brand management for a number of well-known, high-quality vendors, and has represented Apple in New Zealand for over 25 years. The company also runs MagnumMac, the largest Apple specialist retail chain in New Zealand, and on-campus retail chain, StudentIT.