

## CHAIRMAN'S STATEMENT – Q1 2008

On behalf of the Board of Directors, it gives me great pleasure to present to you the unaudited accounts for Renaissance Services SAOG for the three-month period ending 31 March 2008.

In the first quarter of the year (Q1), the company has presented the Annual Report for 2007 at the Annual General Meeting (AGM) of shareholders, and has declared a cash dividend of 15% and stock dividend of 10%. There have been a number of significant achievements fulfilled in this first quarter of the new year that underline the progress being made in our declared strategy for growth as an international oil & gas services company: Notably, the divestment of our technology businesses and the acquisition of a leading offshore support vessel fleet business in Qatar.

The profits for Q1 of R.O. 8.6 million include a capital gain on the sale of the technology businesses, which has a net impact gain of R.O. 4.8 million after tax and all costs. After discounting the impact of this exceptional income, revenues have increased by 31.6%; EBITDA has improved by 26.7%; profit from operations has grown by 23.5%; and net profit has increased by 31%. Operating margins are down from 13.6% to 12.8% on account of inflationary pressure on costs, in particular affecting labour costs across all businesses and food consumable costs in the contract services businesses.

	Q1 (Jan-Mar) 2007		Q1 (Jan-Mar) 2008	
	R.O. Million	US\$ Million	R.O. Million	US\$ Million
<b>Revenue</b>	37.9	98.5	49.9	129.7
<b>EBITDA</b>	8.0	20.8	16.1	41.8
<b>Operating Profit</b>	5.2	13.4	6.4	16.6
<b>Net Profit</b>	2.9	7.6	8.6	22.4

The Technology Group business - IMTAC and its subsidiaries – has been sold to the Oman based Services & Trade/Sobha Group for a consideration of > US\$ 41 million. The transaction is effective in retrospect from 1 January 2008, with the sale based on the audited balance sheet of 31 December 2007. The divestment process was conducted in accordance with our stated policy to realize value for shareholders whilst acting in the best interests of employees and customers. The new ownership structure at Imtac achieves that aim, and has put in place a powerful IT coalition on an Oman/India axis with enormous potential throughout the region. Renaissance has retained a token minority stake in Imtac.

This divestment is in line with Renaissance's stated strategic intent to focus on its core oil & gas services businesses; and confirms earlier announcements that the company was considering divestment of its high-performing, high-potential technology, media, and training businesses. The ongoing divestment of our 100% subsidiary United Media Services LLC (UMS) has been delayed pending regulatory approvals. Whilst the erstwhile preferred bidder may still succeed in closing the deal, we are now taking the necessary steps to re-open the opportunity to other prospective buyers. As reported earlier, we have not accounted for the divestment of UMS in our accounts, and will only do so once formal transfer of ownership is approved, registered and completed. In the meantime the media business continues to prosper and perform well as a subsidiary of Renaissance.

As the company's declared divestment strategy strengthens the core oil & gas services focus; so too, the investment strategy supports the company's growth ambitions. The strong year-on-year performance comparison, net of the capital gain, between Q1 2007 and Q1 2008 is achieved with the technology group performance excluded from this year. This demonstrates strong organic growth in our continuing businesses. We had also declared that we were seeking to support organic growth with at least one major acquisition in this year. The recent announcement of the

Topaz Energy and Marine acquisition of Doha Marine Services (DMS) ensures additional growth for the remaining 3 quarters of the year and beyond. The transaction is valued at QR 453M (approximately R.O 49M) and is being completed in phases, in compliance with the regulatory processes prevalent in Qatar. The DMS acquisition was facilitated by excellent government-to-government relations between the Sultanate of Oman and the State of Qatar; and we are grateful to all the authorities involved.

In addition to the DMS fleet of 14 owned and managed vessels, Topaz has added 4 of its own vessels into Qatar to secure 18% of the Offshore Marine Services sector in Qatar as a base platform for further growth, building on the company's 2007 EBITDA exceeding QAR 60.5 million (RO 6.54 million). DMS is a debt-free company with capacity and potential for significant expansion. The DMS acquisition, apart from creating synergies, strengthens the position of our fleet as the leading OSV operator in the region. This provides our company with a superior route to market in Qatar, providing new opportunities for our other businesses and creating significant additional value to our Marine and Engineering group.

Our declared investment strategy includes a commitment to increase the size and reduce the age profile of the offshore support vessel fleet. The DMS acquisition accelerates this plan as DMS becomes the sixth operating company in the Topaz offshore vessel fleet, joining NICO Middle East, NICO Far East, BUE Caspian, BUE Kazakh and BUE Turkmen; with a seventh marine enterprise already under formation in Saudi Arabia. We currently have 16 vessels and barges under construction in shipyards around the globe, in Azerbaijan, China, the Netherlands, Norway, Ukraine and Russia. Our own Adyard in Abu Dhabi is building two ice class cutting barges and an ice-class dry bulk barge as part of a BUE Kazakhstan 10-year US\$350 million contract for Agip KCO. Meanwhile our own NICO International in Fujairah is building the Topaz Fujairah aluminium 50-passenger Crew Boat Catamaran for NICO Middle East. Topaz Jumeirah, an Anchor Handling Tug (AHTS) with 65-tonne bollard pull joined the NICO Middle East fleet in Q1 and is deployed on a firm 1-year contract with Dubai Petroleum. Three identical vessels Topaz Jebel Ali, Topaz Jaddaf and Topaz Jafiliya, will join the fleet this year, with assignments already lined up with both Dubai Petroleum and Dolphin Energy Qatar. In July we await the delivery of Caspian Qala a Platform Supply Vessel (PSV UT755LC) 3,250 tonnes deadweight, for a 7-year assignment with 3-year options with a US\$90 million contract for BP Azerbaijan. This will follow the June 2008 arrival of Caspian Breeze, a 75-passenger Crew Boat Axe bow design on a US\$ 12.1 million 3-year contract with options, again for BP Azerbaijan. The DMS acquisition was timed to coincide with the arrival of DMS Courageous, a 70m Multipurpose vessel (MPV), which has been deployed immediately on a US\$13.3 million 180-day assignment with Rasgas. In the meantime we plan to dispose of the NICO Shindaga by mid-year, and discontinue operation of some older tonnage. These initiatives demonstrate that the company is successfully implementing the plans declared in our previous statements to shareholders and the market. By the end of 2008 the total Topaz marine fleet will comprise of 91 vessels; but the value of the franchise is not determined just by the growing quantity of its assets and the undoubted quality of its long-term contracts – there is also intrinsic value in the geography of the markets in which we serve and in which we lead.

As mobility and prosperity in booming economies such as China and India drive up demand for energy, the world correctly worries about the sustainability of supply under the spectre of 'peak oil'. Oil & gas producers lead the way in promoting energy efficiency and saving, and look for new ways to get at previously unviable or unreachable reserves, as well as seeking new sources of energy. These initiatives will bring some changes to the imbalances looming in the Demand:Supply ratio. Buoyant rig deployment is a driver for the offshore support vessel (OSV) sector and there are currently 160 rigs in the orderbook worldwide, scheduled to be delivered within 2008-11. The demand for quality oil & gas fabrication and maintenance yards, such as our Adyard in Abu Dhabi has never been higher. We now have the largest OSV fleet in the Middle East, which has 61% of the world's proven oil reserves. We are also the clear OSV market leader in the Caspian. The Kashagan Field is one of the largest discoveries of the last decade, with estimated commercial reserves from 9-16 billion barrels of oil. The field is offshore in a harsh environment, where sea ice is present in the winter and temperatures from -35 °C (-31 °F) to 40

°C (104 °F) can be encountered. Production is expected to begin in 2011 at the earliest, later than the initial plan date of 2005. It has been designated as the main source of supply for the Kazakhstan-China pipeline. The OSV fleet is vital to sustaining marine logistics in the development and production phases of these oilfields. The Caspian is an esoteric operating environment, where vessels have to be designed not only to meet international specifications to operate in any oilfield, but must have specialist features to withstand the harsh conditions. Vessels also need to be designed to make the journey into the Caspian via the Volga River, and be able to operate in unusually shallow waters once they get there. These factors underline the value of the market lead we hold in the Middle East and the Caspian Sea.

Renaissance's oil & gas services businesses in oil & gas fabrication and maintenance, OSV fleet, afloat ship repair; and turnkey contract services and facilities management; are all well-placed to enjoy significant growth in the markets where we currently operate, and in selected new target markets under consideration. Whilst organic growth shall continue to be the key driver, we do not preclude consideration of at least one more strategic acquisition in this year.

The Contract Services business continues to grow with some important new contract wins, but margins have been squeezed due to extraordinary inflation in food consumable costs arising from the world food crisis. We are able to mitigate these rises over time with contract renewals, and where contract terms do not allow for inflation, most clients are recognizing this as a force majeure situation that deserves appropriate rate revision. These changes will take time to administer and filter through, so we are expecting continuing pressure on margins in the contract services businesses in Q2, with the situation improving in Q3 and Q4. Meanwhile the company remains as competitive as ever at home and abroad, and continues to grow and prosper in tandem with the whole group.

The Capital Market Authority regulations require that we disclose any decision by government or international organisations that have a material effect on the company business or its competitive abilities. For this reason we have highlighted the excellent government support provided to us for the acquisition in Qatar. Likewise, in our annual statement, we highlighted the negative impact of changes in tax practices, applied retrospectively to all pending tax assessments, that have resulted in dividend income from overseas subsidiaries being taxed in Oman. There is an increasing disparity between tax policy and implementation. We shall continue to appeal this decision and other tax anomalies we are facing, given the government's strong support for private enterprise, and request a review of the principle of taxation of overseas income in the best interests of Omani competitiveness abroad.

Renaissance performance in Q1 is further proof that the investments we have made are starting to pay off as growth in profit starts to track and complement the exponential growth of revenue. At the same time, we continue to work closely with our strategic advisers to map a path to maximizing value. Value has been greatly enhanced by our increased focus on oil & gas; and there is increasing recognition of premium value being created in our choice of markets where we lead. The value of our franchise is underwritten by great markets, great customers, great contracts, great assets and great people – and it is our people who are the defining factor.

As we went through the restructure and re-focus of the marine and engineering businesses, Renaissance CEO Stephen Thomas took on the dual role of Topaz CEO, overseeing the integration of BUE marine and establishing our strategy and structure for growth. In Q1, Stephen announced the appointment of Fazel Fazelbhoj as CEO of Topaz. Fazel had previously been heading the group's ship repair business, NICO International, where he established an excellent reputation for driving growth. We have excellent leaders in each of our businesses throughout the group and we have no doubt that under Fazel's direction the value of the Topaz franchise will grow to the great benefit of all Renaissance stakeholders.

Renaissance now has a portfolio of leading oil & gas services businesses engaged in marine, engineering and contract services. These businesses remain responsibly independent yet

effectively interdependent as we drive on for growth in both performance and value. We are ensuring that these businesses are structured to maximize value when opportunity arises.

We thank His Majesty Sultan Qaboos bin Said whose wise leadership has brought stability, progress, prosperity and opportunity to our home market of Oman. This has provided the platform upon which an Omani company like Renaissance has been able to establish world-class credentials at home in order to seek opportunity abroad and challenge the very best in international competition.

Samir J. Fancy  
Chairman

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES  
INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**Unaudited summary of performance**

	<b>3 months ended 31st March 2008 Amount RO '000</b>	<b>3 months ended 31st March 2007 Amount RO '000</b>
<b>Total assets</b>	<b>289,514</b>	230,401
<b>Total liabilities</b>	<b>172,498</b>	138,584
<b>Net assets (less minority)</b>	<b>109,769</b>	90,913
<b>Net assets per share</b>	<b>0.472</b>	0.430
<b>Current ratio</b>	<b>1.083</b>	1.000
	<b>3 months ended 31st March 2008 Amount RO '000</b>	<b>3 months ended 31st March 2007 Amount RO '000</b>
<b>Gross profit</b>	<b>10,683</b>	8,922
<b>Gross profit margin %</b>	<b>22%</b>	24%
<b>Net profit</b>	<b>8,255</b>	2,960
<b>Earnings per share</b>	<b>0.035</b>	0.013

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**Unaudited consolidated balance sheet as at  
31st March 2008**

	Notes	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
		<b>Amount RO '000</b>	<b>Amount RO '000</b>
<b>Non current assets</b>			
Property, plant and equipments		156,194	126,827
Intangible Assets		31,082	34,308
Long Term Investments	5,6,7	2,828	3,193
Deferred tax asset		1,666	1,123
		<u>191,770</u>	<u>165,451</u>
<b>Current assets</b>			
Inventories	1	13,054	8,491
Trade Receivables & Prepayments	2&9	72,906	49,653
Receivables from Related parties		1,101	227
Investments	5,6,7&9	11	31
Bank and cash		10,672	6,548
		<u>97,744</u>	<u>64,950</u>
		<b>Current assets</b>	<b>64,950</b>
		<u>289,514</u>	<u>230,401</u>
<b>Current liabilities</b>			
Trade & other Creditors		64,212	39,347
Dividend payables		3,345	3,041
Payable to related parties		659	54
Bank overdrafts	4	3,085	3,937
Term loans and leases	4	18,970	18,577
		<u>90,271</u>	<u>64,956</u>
		<b>Current liabilities</b>	<b>64,956</b>
<b>Long term liabilities</b>			
Term loans and leases	4	76,020	58,141
Non current payables and advances		2,809	12,147
Staff terminal benefits		3,398	3,340
		<u>82,227</u>	<u>73,628</u>
		<b>Total Liabilities</b>	<b>138,584</b>
		<u>172,498</u>	<u>138,584</u>
<b>Net assets</b>	<b>TOTAL -A</b>	<u>117,016</u>	<u>91,817</u>
<b>Capital and reserves</b>			
Share capital		24,530	22,300
Treasury shares		(1,704)	(1,687)
Share premium		25,146	28,052
Legal reserve		7,974	7,105
Retained earnings		45,034	31,889
Exchange gain on investment in foreign subsidiaries		338	137
Income on treasury shares		-	157
Cumulative changes in fair value of investments		197	-
Profit for the period		8,255	2,960
		<u>109,769</u>	<u>90,913</u>
Minority interest		7,247	904
		<u>117,016</u>	<u>91,817</u>
	<b>TOTAL-B</b>	<b>117,016</b>	<b>91,817</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**Unaudited consolidated income statement**  
**For the three months ended**  
**31st March 2008**

	Notes	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
		<b>Amount RO '000</b>	Amount RO '000
<b>Turnover</b>		<b>49,545</b>	36,955
<b>Gross profit</b>		<b>10,683</b>	8,922
Administration & general expenses		(4,675)	(4,706)
<b>Operating profit</b>		<b>6,008</b>	4,216
Finance charges		(1,395)	(1,416)
Amortisation		(20)	(22)
Investment gains		6,029	1
Other income		377	954
Share of profit from associates		77	7
<b>Profit before taxation and minority interests</b>		<b>11,076</b>	3,740
Taxation		(2,438)	(815)
Profit for the period		<b>8,638</b>	2,925
Minority Interest		(383)	35
<b>Net profit attributable to Ordinary Shareholders</b>		<b>8,255</b>	2,960
<b>Dividend per share</b>		-	-
<b>Net profit margin-%</b>		<b>16.7%</b>	8.0%

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated statement of cash flows**  
**For the three months ended**  
**31st March 2008**

	<b>3 months ended</b> <b>31st March 2008</b> <b>Amount</b> <b>RO '000</b>	3 months ended 31st March 2007 Amount RO '000
<b>Cash from operations</b>	<b>6,681</b>	10,908
Tax paid	(1,312)	(773)
Net interest paid	(1,395)	(1,416)
<b>Net cash from operating activities</b>	<b>3,974</b>	8,719
<b>Net cash used in investing activities</b>	<b>(11,520)</b>	(7,936)
<b>Net cash used in financing activities</b>	<b>(509)</b>	(460)
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(8,055)</b>	323
Cash and cash equivalents brought forward	15,643	2,287
<b>Cash and cash equivalents carried forward</b>	<b>7,588</b>	2,610

**Unaudited consolidated statement of changes in equity**  
**For the three months ended**  
**31st March 2008**

	<b>Share</b> <b>Capital</b>	<b>Share</b> <b>Premium</b>	<b>Legal</b> <b>Reserve</b>	<b>Proposed</b> <b>Distribution</b>	<b>Retained</b> <b>earnings</b>	<b>Total</b>  RO '000
1 January 2008	22,300	25,146	8,024	5,575	44,984	106,029
Net profit for the period	-	-	-	-	8,255	8,255
Movement related to divestment of a subsidiary	-	-	(50)	-	50	-
Income on treasury shares	-	-	-	-	-	-
Cumulative change in fair value of investments	-	-	-	-	197	197
Stock dividend	2,230	-	-	-	-	2,230
Dividend paid / payable	-	-	-	(5,575)	-	(5,575)
<b>31st March 2008</b>	<b>24,530</b>	<b>25,146</b>	<b>7,974</b>	<b>-</b>	<b>53,486</b>	<b>111,136</b>
1 January 2007	20,273	28,052	7,105	5,068	31,889	92,387
Increase in share premium	-	-	-	-	-	-
Net profit for the period	-	-	-	-	2,960	2,960
Income on treasury shares	-	-	-	-	157	157
Cumulative change in fair value of investments	-	-	-	-	-	-
Stock dividend	2,027	-	-	-	-	2,027
Dividend paid / payable	-	-	-	(5,068)	-	(5,068)
<b>31st March 2007</b>	<b>22,300</b>	<b>28,052</b>	<b>7,105</b>	<b>-</b>	<b>35,006</b>	<b>92,463</b>



**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**Notes**

**1. Inventories**

Inventories can be analysed as follows:

	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
	<b>Amount RO '000</b>	Amount RO '000
Trading stock	-	1,745
Work in Progress	<b>9,721</b>	4,070
Catering stock	<b>1,547</b>	1,464
Training materials	<b>2</b>	1
Spares	<b>2,334</b>	1,919
Less: provisions	<b>(550)</b>	(708)
	<b>13,054</b>	8,491

**2. Trade receivables**

Trade receivables can be analysed as follows

	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
	<b>Amount RO '000</b>	Amount RO '000
Trade receivables & Prepayments	<b>77,197</b>	53,743
Less: Provisions	<b>(4,291)</b>	(4,090)
	<b>72,906</b>	49,653

Note:- 1) 2008 : Nil, (2007: RO 1.6 million trade receivables discounted with banks are netted off from receivables).  
 2) 2008 : Trade receivables and prepayments also include amount receivables related to Imtac divestments.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**3. Segment Reporting**

The Group operates under three primary business segments. The results of Media and Training business which are relatively small in relation to the Group's consolidated results are combined under Other Operations. The results of segments are analysed by this classification and not by geographical classification. Inter segment pricing is determined on an arm's length basis. Information relating to these primary segment and combined Other Operations are as follows:-

Identity of Segments:	Amount in RO '000			
	Segment Revenue	Segment Expenses	Segment Results	Consolidated Results
Contract Services Group	14,689	(12,592)	2,097	-
Marine Group	15,026	(11,779)	3,247	-
Engineering Group	20,950	(19,361)	1,589	-
Other Operations	2,144	(1,874)	270	-
<b>Total segment result</b>	<b>52,809</b>	<b>(45,606)</b>	<b>7,203</b>	<b>7,203</b>
Intersegment adjustments	(2,920)	2,920	-	-
Finance charges	-	-	-	(1,395)
Amortisation	-	-	-	(20)
Share of profit/(loss) of associates	-	-	-	77
Unallocated expenses	-	(852)	-	(852)
Unallocated income	34	-	-	34
Investment gain/(loss)	-	-	-	6,029
Income tax	-	-	-	(2,438)
Minority Interest	-	-	-	(383)
<b>Consolidated results</b>	<b>49,923</b>	<b>(43,538)</b>	<b>7,203</b>	<b>8,255</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**4. Bank loans, leases and overdrafts**

These can be analysed as follows:

	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
	<b>Amount RO '000</b>	Amount RO '000
Bank loans and leases	<b>94,990</b>	76,718
Overdrafts	<b>3,085</b>	3,937
	<b>98,075</b>	80,655
Current maturities of bank loans, leases & bank over drafts	<b>(22,055)</b>	(22,514)
Long term element of bank loans and leases	<b>76,020</b>	58,141

The bank loans and overdrafts are secured by charge over certain assets of the company and its subsidiaries and corporate guarantees. The Rial Omani loans, Foreign currency loans, Rial Omani overdrafts and Foreign currency overdrafts bear commercial rates.

The maturity of the bank loans and leases:

	<b>3 months ended 31st March 2008</b>	3 months ended 31st March 2007
	<b>Amount RO '000</b>	Amount RO '000
Due within one year	<b>18,970</b>	18,577
Due after more than 1 year	<b>76,020</b>	58,141
	<b>94,990</b>	76,718

Finance leases are related to certain Vessels acquired under arrangement of finance lease. Finance lease is non cancelable lease commitments with monthly rental payments.

**5. Investments in associates and subsidiaries**

**Associates**

Investments in Associates are accounted for using the equity method.

The Associates of Renaissance Services SAOG are as follows:

<b>Company</b>	<b>31st March 2008 Holding</b>	31st March 2007 Holding
1) Dubai Wire Products Ltd.	<b>20%</b>	20%

The following associate are held under a sub-subsidiary of Renaissance:-

1) Darium Thai Offshore Limited	<b>49%</b>	49%
2) Mezon Stainless Steel FZE	<b>20%</b>	20%

**Jointly Controlled Entities**

Investments in jointly controlled entity is accounted for under the proportionate consolidate method.

The following joint controlled entity is held under a sub-subsidiary of Renaissance:-

1) Nico Mitsui Doosan Babcock	<b>50%</b>	50%
2) Adyard Anglian Water	<b>51%</b>	51%

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES  
INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**5. Investments in associates and subsidiaries (continued)**

*Subsidiaries*

Investments in subsidiaries are accounted for using the consolidated method as per International Financial Reporting Standards ("IFRS")  
The subsidiaries of Renaissance Services SAOG are as follows:

Company	31st March 2008 Holding %	31st March 2007 Holding %
1) IMTAC LLC	-	100%
2) National Training Institute LLC (NTI)	100%	100%
3) United Media Services LLC (UMS)	100%	100%
4) Tawoos Industrial Services Co LLC (TISCO)	100%	100%
5) Topaz Energy & Marine Limited (TOPAZ)	100%	100%
6) National Hospitality Institute SAOG (NHI)	45.55%	45.55%
<b>Subsidiaries of IMTAC LLC.</b>		
1) United Drug Stores LLC (UDS)	-	100%
2) Imtac Technologies LLC. (ITECH)	-	100%
3) Imtac Yemen Ltd. (IYL)	-	49%
4) United Telecommunications LLC. (UNITEL)	-	100%
<b>Subsidiary of UMS LLC</b>		
1) United Press and Publishing Co. LLC (UPP)	100%	100%
2) Oryx Media Services WLL (ORYX)	49%	49%
<b>Subsidiary of TISCO LLC.</b>		
1) Rusail Catering & Cleaning Services LLC (RCCS)	100%	100%
2) Supraco Ltd. (Supraco)	100%	100%
3) Renaissance Catering Services International LLC (RCSI)	100%	0%
<b>Subsidiary of TOPAZ</b>		
1) Nico Middle East Limited (NICO)	100%	100%

BUE Marine Limited is 100% subsidiary of NICO. BUE Marine Limited is incorporated in UK, which operates through its subsidiary in several countries engaged principally in charter of marine vessels, vessel management and ship repair.

Supraco Limited provided contract catering services in Norway through its Norwegian subsidiaries. RCSI has subsidiaries in Qatar and Angola. RCSI and its subsidiaries provide contract catering services.

Renaissance has divested its 98.75% shareholding in Imtac and Imtac's subsidiaries with effect from 1st January 2008. After divestment Renaissance holds only 1.25% in Imtac LLC. The process to register the transfer of ownership is under process.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2008**

**6. Investments**

Investments include all long term and short term investments of the company, excluding only those associates and subsidiaries listed in Note.5. Marketable Securities are carried at their open market value.

Unquoted and other investments are carried at cost adjusted for any permanent diminutions in value.

Investments can be analysed as follows:

<b>Short Term investments</b>	<b>Market Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Book Value</b>
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31st March 2008</b>	<b>31st March 2007</b>	<b>31st March 2008</b>	<b>31st March 2007</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	<b>RO '000</b>	<b>RO '000</b>	<b>RO '000</b>	<b>RO '000</b>
<b>Marketable securities - Available for sale</b>				
Banking	-	-	-	-
Investments	-	-	-	-
Insurance	-	-	-	-
Services	0	2	0	2
Industrial	11	29	11	29
Government Bonds	-	-	-	-
	<u>11</u>	<u>31</u>	<u>11</u>	<u>31</u>
<b>Marketable securities-Foreign</b>				
Banking	-	-	-	-
Investments	-	-	-	-
Industrial	-	-	-	-
Bonds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**6. Investments (continued)**

<b>Short Term investments</b>	<b>Market Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Book Value</b>
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31st March 2008</b>	<b>31st March 2007</b>	<b>31st March 2008</b>	<b>31st March 2007</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	<b>RO '000</b>	<b>RO '000</b>	<b>RO '000</b>	<b>RO '000</b>
<b>Unquoted and other investments</b>				
Unquoted Omani shares	-	-	-	-
Investment fund units	-	-	-	-
Term deposits	-	-	-	-
Unquoted foreign shares	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Long Term investments**

Long term investments of RO 2,828K, (2007: RO 3,193 K) includes investment in associates, quoted and unquoted investments. Some subsidiaries of the Parent Company hold 12,656,163 shares in Renaissance Services SAOG. The cost of these treasury shares RO 1,704K has been shown as a deduction from equity.

**6a. Investments income**

**Realised**

Realised investment income represents gains and losses on disposal of investments and other realised investment related gains and losses.

**Unrealised**

Marketable securities are recorded at their open market value. Movements in the carrying values of marketable securities are taken to unrealised investment income.

Investment income can be analysed as follows	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31st March 2008</b>	<b>31st March 2007</b>
	<b>Amount</b>	<b>Amount</b>
	<b>RO '000</b>	<b>RO '000</b>
Realised	6,029	-
Unrealised	-	1
	<u>6,029</u>	<u>1</u>

Realised income represents gain on sale of a subsidiary, Imtac LLC.

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**7. Details of significant Investments**

Details of all the reporting companies investment including Associates/Subsidiaries for which either the reporting companies holding represents 10% or more of the issued share capital or the reporting companies holding exceeds 10% of the market value of the reporting companies investment portfolio are provided as follows as on:-

**31st March 2008**

	<b>Holding %</b>	<b>Number of Securities</b>	<b>Market Value</b> Amount RO '000	<b>Book Value</b> Amount RO '000	<b>Cost</b> Amount RO '000
<b>MSM Quoted Securities</b>	<b>%</b>	-	-	-	-
NHI a partly owned subsidiaries of Renaissance Services SAOG is public joint stock company, listed with Muscat Security Market. The results of NHI have been consolidated in these financial statements.					
<b>Foreign Listed Securities</b>	<b>0%</b>	-	-	-	-
<hr/>					
As of 31st March 2008		-	-	-	-
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	<b>Holding %</b>		<b>Book Value</b> Amount RO '000	<b>Cost</b> Amount RO '000	
<b>MSM Unquoted Securities</b>	<b>0%</b>		-	-	
<b>Foreign Unlisted Securities</b>			-	-	
Global Fasteners Limited	<b>10%</b>		<b>69</b>	<b>313</b>	
<hr/>					
Total as of 31st March 2008			<b>69</b>	<b>313</b>	
<hr/>					

**8. Related parties & holders of 10% of company shares.**

The nature of significant transactions involving related parties holding 10% or more of the companies shares and the amounts involved during the period were as follows:

**Income items**

	<b>3 months ended</b> <b>31st March 2008</b> Amount RO '000	<b>3 months ended</b> 31st March 2007 Amount RO '000
Tawoos LLC - Services	4	4
<hr/>		
	4	4
<hr/>		

**Expense Items**

The nature of significant transactions involving related parties holding 10% or more of the companies shares and the amounts involved during the period were as follows:

	<b>3 months ended</b> <b>31st March 2008</b> Amount RO '000	<b>3 months ended</b> 31st March 2007 Amount RO '000
Tawoos LLC	-	-
<hr/>		
	-	-
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**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES  
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**8a.Loans, Advances, Receivables due, Provisions & write offs**

Loans, advances or receivables due from related parties holding 10% or more of the companies shares minus all provisions and write-offs which have been made on these accounts at any time, are further analysed as follows:

	<b>3 months ended 31st March 2008 Amount RO '000</b>	<b>3 months ended 31st March 2007 Amount RO '000</b>
Tawoos LLC	40	6
Receivable from related parties	40	6

**9. Provisions**

Changes to the level of provisions during the period can be analysed as follows.

<b>Provisions for :</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount RO '000</b>
Beginning balance of Provision	4,665	-	712	5,377
Provided during the period	101	-	43	144
(Released) during the period	(443)	-	(205)	(648)
(Written off) during the period	(32)	-	-	(32)
Provision balance as of 31st March 2008	4,291	-	550	4,841

<b>Book value of Assets:</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount RO '000</b>
Value of assets before provision	77,197	2,839	13,604	93,640
Provision balance as of 31st March 2008	(4,291)	-	(550)	(4,841)
Book value of assets as of 31st March 2008	72,906	2,839	13,054	88,799

**10. Shareholders**

All the shareholders of the company who own 10% or more of the companies shares and the number of shares they hold are as follows:

	<b>3 months ended 31st March 2008 No of shares</b>	<b>3 months ended 31st March 2007 No of shares</b>
<b>Common Share holders:</b>		
Tawoos LLC	36,989,588	26,543,472
<b>Preferred Shareholders:</b>		
Nil	-	-
	36,989,588	26,543,472