

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2012**

	<b>3 months ended 31st March 2012 Amount Rial '000</b>	<b>3 months ended 31st March 2011 Amount Rial '000</b>
<b>Total assets</b>	<b>639,364</b>	613,812
<b>Total liabilities</b>	<b>444,045</b>	419,913
<b>Net assets (less minority)</b>	<b>167,465</b>	169,610
<b>Net assets per share</b>	<b>0.626</b>	0.634
<b>Current ratio</b>	<b>0.901</b>	1.112

	<b>3 months ended 31st March 2012 Amount Rial '000</b>	<b>3 months ended 31st March 2011 Amount Rial '000</b>
<b>Gross profit</b>	<b>14,226</b>	17,173
<b>Gross profit margin %</b>	<b>20%</b>	25%
<b>Net profit/(loss)</b>	<b>782</b>	935
<b>Earnings per share</b>	<b>0.003</b>	0.003

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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Unaudited consolidated balance sheet as at  
31st March 2012

	Notes	3 months ended 31st March 2012 Amount Rial '000	3 months ended 31st March 2011 Amount Rial '000
<b>Non current assets</b>			
Property, plant and equipments		455,684	403,186
Intangible assets		38,865	38,869
Long term investments	5,6,7	1,910	1,734
Deferred tax asset		1,149	448
		<u>497,608</u>	<u>444,237</u>
<b>Current assets</b>			
Inventories	1	14,451	21,685
Trade receivables & Prepayments	2&9	103,483	105,070
Receivables from related parties		207	5,562
Investments	5,6,7&9	16	15
Bank and cash		23,599	37,243
		<u>141,756</u>	<u>169,575</u>
<b>Current assets</b>		<b>141,756</b>	<b>169,575</b>
<b>Total assets</b>		<b>639,364</b>	<b>613,812</b>
<b>Current liabilities</b>			
Trade & other creditors		72,733	77,564
Dividend payable		-	3,385
Payable to related parties		1,342	815
Bank overdrafts	4	8,054	4,921
Term loans and leases	4	75,181	65,798
		<u>157,310</u>	<u>152,483</u>
<b>Current liabilities</b>		<b>157,310</b>	<b>152,483</b>
<b>Long term liabilities</b>			
Term loans and leases	4	271,218	250,387
Non current payables and advances		8,777	11,129
Staff terminal benefits		6,740	5,914
		<u>286,735</u>	<u>267,430</u>
<b>Total Liabilities</b>		<b>444,045</b>	<b>419,913</b>
<b>Net assets</b>	<b>TOTAL -A</b>	<b>195,319</b>	<b>193,899</b>
<b>Capital and reserves</b>			
Share capital		28,209	28,209
Treasury shares		(1,704)	(1,704)
Share premium		19,496	19,496
Legal reserve		10,771	10,577
Subordinated loan reserve		5,714	-
Retained earnings		105,746	112,479
Exchange gain on investment in foreign subsidiaries		265	96
Hedging reserve		(1,815)	(478)
Profit/(loss) for the period		782	935
		<u>167,464</u>	<u>169,610</u>
Minority interest		27,855	24,289
	<b>TOTAL-B</b>	<b>195,319</b>	<b>193,899</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated income statement**  
**For the three months ended**  
**31st March 2012**

	<b>3 months ended 31st March 2012 Amount Rial '000</b>	<b>3 months ended 31st March 2011 Amount Rial '000</b>
<b>Turnover</b>	<b>72,017</b>	68,284
<b>Gross profit</b>	<b>14,226</b>	17,173
Administration & general expenses	(7,408)	(7,703)
<b>Operating profit</b>	<b>6,818</b>	9,470
Provision for contract cancellation*	-	(2,237)
Finance charges	(4,870)	(4,009)
Amortisation	(5)	(5)
Other income**	2,006	253
Share of loss from associate	(10)	-
<b>Profit before taxation and minority interests</b>	<b>3,939</b>	3,472
Taxation	(1,940)	(1,765)
<b>Profit for the period</b>	<b>1,999</b>	1,707
Minority Interest	(1,217)	(772)
<b>Net profit/(loss) attributable to Ordinary Shareholders</b>	<b>782</b>	935
<b>Dividend per share</b>	-	-
<b>Net profit margin (%)</b>	<b>1.1%</b>	1.4%

\* The provision in the year 2011 was made for the net loss related to a contract cancellation by a client in the Company's Ship Building Operations.

\*\* Other income for 2012 includes an amount of RO 1.8 million representing the fair value of certain assets received from a customer of Al Wasita Emirates in 2011 in settlement of amounts due from that customer. The gain was not recognised in 2011 as the amount was not expected to be recovered through the divestment of this subsidiary at the time. However, as the divestment process is not proceeding, this income is recognised in these consolidated financial statements.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2012**

Unaudited consolidated statement of cash flows  
 For the three months ended  
 31st March 2012

	3 months ended 31st March 2012 Amount Rial '000	3 months ended 31st March 2011 Amount Rial '000
<b>Cash from operations</b>	<b>15,501</b>	10,573
Tax paid	(3,397)	(1,770)
Net interest paid	(5,061)	(5,322)
<b>Net cash (used in)/from operating activities</b>	<b>7,043</b>	3,481
<b>Net cash used in investing activities</b>	<b>(6,681)</b>	(17,033)
<b>Net cash from/(used in) financing activities</b>	<b>(13,926)</b>	26,922
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(13,563)</b>	13,370
Cash and cash equivalents brought forward	29,109	18,952
<b>Cash and cash equivalents carried forward</b>	<b>15,545</b>	32,322

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated statement of changes in equity**  
**For the three months ended**  
**31st March 2012**

	Share Capital	Share Premium	Legal Reserve	Proposed Distribution	Retained earnings	Total Rial '000
1st January 2012	28,209	19,496	10,771	-	105,746	164,222
Net loss for the period	-	-	-	-	782	782
Hedging reserve	-	-	-	-	(1,815)	(1,815)
<b>31st March 2012</b>	<b>28,209</b>	<b>19,496</b>	<b>10,771</b>	<b>-</b>	<b>104,713</b>	<b>163,189</b>
1st January 2011	28,209	19,496	10,577	3,385	112,479	174,146
Net profit for the period	-	-	-	-	935	935
Hedging reserve	-	-	-	-	(478)	(478)
Dividend paid / payable	-	-	-	(3,385)	-	(3,385)
<b>31st March 2011</b>	<b>28,209</b>	<b>19,496</b>	<b>10,577</b>	<b>-</b>	<b>112,936</b>	<b>171,218</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Notes**

**1. Inventories**

Inventories can be analysed as follows:

	<b>3 months ended 31st March 2012 Amount Rial '000</b>	3 months ended 31st March 2011 Amount Rial '000
Work in Progress	6,668	10,500
Catering stock	3,276	2,959
Spares	5,412	8,842
Less: provisions	(905)	(616)
	<b>14,451</b>	<b>21,685</b>

**2. Trade receivables**

Trade receivables can be analysed as follows

	<b>3 months ended 31st March 2012 Amount Rial '000</b>	3 months ended 31st March 2011 Amount Rial '000
Trade receivables & Prepayments	107,618	108,814
Less: Provisions	(4,135)	(3,744)
	<b>103,483</b>	<b>105,070</b>

Note:- 1) 2012 : RO 600K (2011: NIL ) Trade receivables discounted with banks are netted off from receivables.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**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:-

<b>Identity of Segments:</b>	<b>Amount in Rial '000</b>				
	<b>Segment Revenue</b>	<b>Segment Expenses excluding Depreciation</b>	<b>Depreciation</b>	<b>Segment Results</b>	<b>Consolidated Results</b>
Contract Services Group	27,875	(21,132)	(1,373)	5,370	-
Marine Group	24,948	(14,233)	(4,921)	5,794	-
Engineering Group	21,446	(22,164)	(877)	(1,595)	-
Other Operations	3,016	(2,512)	(92)	412	-
<b>Total segment result</b>	<b>77,285</b>	<b>(60,041)</b>	<b>(7,263)</b>	<b>9,981</b>	<b>9,981</b>
Intersegment adjustments	(3,295)	3,295	(79)	(79)	(79)
Finance charges	-	-	-	-	(4,870)
Amortisation	-	-	-	-	(5)
Share of profit/(loss) of associates	-	-	-	-	(10)
Unallocated expenses	-	(1,044)	(67)	-	(1,111)
Unallocated income	33	-	-	-	33
Income tax	-	-	-	-	(1,940)
Minority Interest	-	-	-	-	(1,217)
<b>Consolidated results</b>	<b>74,023</b>	<b>(57,790)</b>	<b>(7,409)</b>	<b>9,902</b>	<b>782</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**4. Bank loans, leases and overdrafts**

These can be analysed as follows:	<b>3 months ended 31st March 2012 Amount Rial '000</b>	3 months ended 31st March 2011 Amount Rial '000
Bank loans and leases	<b>346,399</b>	316,185
Overdrafts	<b>8,054</b>	4,921
	<b>354,453</b>	321,106
Current maturities of bank loans, leases & bank overdrafts	<b>(83,235)</b>	(70,719)
Long term element of bank loans and leases	<b>271,218</b>	250,387

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

The maturity of the bank loans and leases:

The maturity of the bank loans and leases:	<b>3 months ended 31st March 2012 Amount Rial '000</b>	3 months ended 31st March 2011 Amount Rial '000
Due within one year	<b>75,181</b>	65,798
Due after more than one year	<b>271,218</b>	250,387
	<b>346,399</b>	316,185

The long term loan includes RO 40 million Subordinated loan. The tenure of the loan is 7 years with repayment of four annual installments of RO 10 million starting from November 2014.

**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 2012 Holding</b>	31st March 2011 Holding
1) Dubai Wire Products Ltd	<b>37.65%</b>	37.65%
2) Global Fastners Ltd.	<b>43.50%</b>	43.50%

No share of profit from these two associates has been recognized in these three months consolidated financials of the company.

The following associate company is held under a subsidiary of Renaissance:-

	<b>31st March 2012 Holding</b>	31st March 2011 Holding
1) Skills Development Training Institute LLC	<b>49%</b>	-

During 2011, the NTI has incorporated a new associate Skills Development Training Institute LLC (previously known as National Saudi Training Institute for Development Ltd) in Kingdom of Saudi Arabia, engaged in provision of various training services.

*Jointly Controlled Entities*

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

The following joint controlled entity is held under subsidiaries of Renaissance:-

1) Nico Doosan Babcock, UAE	-	50%
2) DMS Jaya Marine WLL, Qatar	<b>51%</b>	51%
3) Jaya DMS Marine Pte Ltd., Singapore	<b>50%</b>	50%
4) Magistau Oblast Boat Yard LLP, Kazakhstan (MOBY)	-	50%

In January 2012, Nico Doosan Babcock (previously known as Nico Mitsui Babcock) has been dissolved and ship repair unit of Topaz Engineering Limited is running this boiler unit as an independent business unit within its fold.

The group has exited from the joint venture, MOBY, in the beginning of the year 2012.



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**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 2012 Holding %	31st March 2011 Holding %
1) National Training Institute LLC (NTI)	100%	100%
2) United Media Services LLC (UMS)	100%	100%
3) Tawoos Industrial Services Co LLC (TISCO)	100%	100%
4) Topaz Energy & Marine Limited (TOPAZ)	100%	100%
5) National Hospitality Institute SAOG (NHI)	45.55%	45.55%
6) Renaissance Energy Limited (REL)	100%	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 Contract Services International LLC (RCSI)	100%	100%
4) Al Wasita Catering Services LLC (Al Wasita)	100%	100%
<b>Subsidiary of NTI LLC</b>		
1) National Training Institute Qatar WLL (NTIQ)	100%	100%
<b>Subsidiary of NHI SAOG</b>		
1) Nakshatra Hospitality India Private Limited (NHIPL)	100%	100%
<b>Subsidiary of TOPAZ</b>		
1) Nico Middle East Limited (NICO)	100%	100%
2) Topaz Holding Limited (THL)	100%	100%
3) Topaz Energy and Marine Services DMCC	-	100%
4) Topaz Energy and Marine PLC (UK)	100%	100%
5) Topaz Engineering Limited	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 offshore support vessels, vessel management and ship repair.

During the year 2011, TOPAZ has transferred its equity interest in Topaz Energy and Marine DMCC to NICO.

Topaz Engineering Limited is a wholly owned subsidiary of Topaz, incorporated in 2011. It has been formed for the purpose of taking over business, assets and liabilities of Topaz Engineering division.

RCSI through its subsidiaries in Angola, UAE, Iraq and Qatar provides catering and allied services. The subsidiaries in Iraq and Qatar yet to start operations.

Supraco Limited through its subsidiaries in Norway and Angola provides contract catering services.

In December 2011 the Group had received an indicative offer from the management of Al Wasita Emirates Catering Services LLC ("Al Wasita Emirates"), a subsidiary of Al Wasita, to buy Al Wasita Emirates. However this transaction is not proceeding at this time.

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**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 2012</b>	<b>31st March 2011</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	<b>Rial '000</b>	<b>Rial '000</b>	<b>Rial '000</b>	<b>Rial '000</b>
<b>Marketable securities - Available for sale</b>				
Banking	-	-	-	-
Investments	-	-	-	-
Insurance	-	-	-	-
Services	-	-	-	-
Industrial	16	15	16	15
Government Bonds	-	-	-	-
	<u>16</u>	<u>15</u>	<u>16</u>	<u>15</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 2012</b>	<b>31st March 2011</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
	<b>Rial '000</b>	<b>Rial '000</b>	<b>Rial '000</b>	<b>Rial '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 Rial 1,910 K (2011: Rial 1,734 K) includes investment in associates, quoted and unquoted investments.

Some subsidiaries of the Parent Company hold 14,554,586 shares in Renaissance Services SAOG. The cost of these treasury shares Rial 1,704 K 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 2012</b>	<b>31st March 2011</b>
	<b>Amount</b>	<b>Amount</b>
	<b>Rial '000</b>	<b>Rial '000</b>
Realised	-	-
Unrealised	-	-
	<u>-</u>	<u>-</u>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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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 2012**

	Holding %	Number of Securities	Market Value Amount Rial '000	Book Value Amount Rial '000	Cost Amount Rial '000
<b>MSM Quoted Securities</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>	0%	-	-	-	-
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As of 31st March 2012		-	-	-	-
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	Holding %	Book Value Amount Rial '000	Cost Amount Rial '000
<b>MSM Unquoted Securities</b>			
IMTAC LLC	1.25%	197	-
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Total as of 31st March 2012		197	-
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<b>Foreign Unlisted Securities</b>	0%	-	-
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Total as of 31st March 2012		-	-
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**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**

	3 months ended 31st March 2012 Amount Rial '000	3 months ended 31st March 2011 Amount Rial '000
Tawoos LLC - Services	5	5
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	5	5
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**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:

	3 months ended 31st March 2012 Amount Rial '000	3 months ended 31st March 2011 Amount Rial '000
Tawoos LLC	-	-
<hr/>		
	-	-
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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 2012 Amount Rial '000</b>	<b>3 months ended 31st March 2011 Amount Rial '000</b>
Tawoos LLC	20	7
Receivable from related parties	20	7

**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 Rial '000</b>
Beginning balance of Provision	4,131	-	906	5,037
Provided during the period	117	-	4	121
(Released) during the period	(113)	-	-	(113)
(Written off) during the period	-	-	(5)	(5)
Provision balance as of 31st March 2012	4,135	-	905	5,040

<b>Book value of Assets:</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount Rial '000</b>
Value of assets before provision	107,618	1,926	15,356	124,900
Provision balance as of 31st March 2012	(4,135)	-	(905)	(5,040)
Book value of assets as of 31st March 2012	103,483	1,926	14,451	119,860

**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 2012 No of shares</b>	<b>3 months ended 31st March 2011 No of shares</b>
<b>Common Share holders:</b>		
Tawoos LLC	42,538,025	42,538,025
<b>Preferred Shareholders:</b>		
Nil	-	-
	42,538,025	42,538,025