

**FOR IMMEDIATE RELEASE
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**RETAIL HOLDINGS N.V. ANNOUNCES STRONG FIRST HALF RESULTS
DEFERRAL OF SEWKO IPO**

October 22, 2013, Willemstad, Curaçao

Retail Holdings N.V. (“Retail Holdings”, together with its subsidiaries and affiliates, the “Company”) (Symbol: RHDGF)

Commenting on the Retail Holdings first half results, announced today, Stephen H. Goodman, the Company’s Chairman, President and CEO, noted, “Our operating subsidiary, Sewko Holdings Limited (“Sewko”) (the new parent company of Singer Asia Limited), again realized record results for the first six months of 2013, with revenue up 7.8%, and net income up 27.5% as compared to prior year. This strong performance, achieved despite economic slowdowns in several of the important Sewko markets, reflects the exceptional strength of: the Sewko distribution system; the Singer brand; and the consumer credit offerings; as well as management and staffs’ capability and commitment. Retail Holdings’ profit for the period was up 29.9% as compared to prior year; earnings per share for Retail Holdings’ shareholders was \$1.08 for the six-month period.

“Retail Holdings’ strategy remains unchanged – to maximize and monetize the value of its assets including Sewko, the Company’s most important asset, distributing the resultant funds to shareholders. The Company believes that this strategy is the most compatible both with shareholder objectives and the interests of other stakeholders. Consistent with the strategy, the Company has distributed to shareholders funds surplus to its requirements, with a total of \$8.75 per Share having been distributed since commencement of the distribution program in 2007.

“Retail Holdings will not, however, agree to a disposal of Sewko, or of any of its other assets, at less than fair value, reflecting in the case of Sewko, the strong performance to date and substantial future potential. Given current equity market conditions and ongoing economic and political uncertainties, the Company has concluded that it is not possible at the present time to realize fair value from a Sewko IPO. Consequently, the anticipated IPO and listing of the Sewko shares on the Singapore stock exchange has been deferred until 2014.”

“Sewko will pursue the many initiatives to grow revenue and profit that have been identified, despite the IPO deferral. Of particular note are: the extension of furniture manufacturing and marketing, now successfully launched in Sri Lanka, to Bangladesh; the extension of consumer credit and financial services including the introduction of a Singer credit card in Sri Lanka; the development of robust e-commerce platforms in Sri Lanka, Bangladesh and Pakistan, both for sales in-country and to the substantial number of overseas workers; and the development of new Singer businesses, initially in Myanmar and subsequently in Cambodia and Laos.

“I encourage all shareholders to read the Company’s complete Summary Semi-Annual Report for the period ended June 30, 2013, which is available at the Corporate/Investor Section of the Retail Holdings’ website, www.retailholdings.com.”

2013 First Half Results

The Company's revenue and profit increased in the first six months of 2013, as compared with the same period prior year, reflecting continued growth and improvement in the Singer Asia operations.

For the six months ended June 30, 2013, Company consolidated revenue was \$229.3 million, compared to consolidated revenue of \$212.7 million for the same period in 2012, an increase of 7.8%. Revenue at Thailand, India and Bangladesh grew by 35.4%, 12.3% and 6.8%, respectively, which more than offset the decrease in revenue at Sri Lanka of 1.9% and Pakistan of 15.4%.

The Company's revenue for the first six months of 2013 includes \$29.4 million of finance earnings on consumer credit sales, compared to \$24.9 million of such earnings for the same period in 2012. The more rapid growth in finance earnings compared to total revenue reflects the somewhat higher proportion of credit sales compared to cash sales than in 2012, due largely to the relatively more rapid revenue growth in Thailand, which has the highest proportion of credit sales.

Gross profit for the six months ended June 30, 2013 was \$89.4 million, representing a gross profit margin of 39.0%, compared to \$81.2 million and a gross profit margin of 38.2% for the six months ended June 30, 2012. The improvement in gross profit margin is mainly due to the relatively more rapid revenue growth in Thailand, which has the highest gross profit margin.

Other income for the six months ended June 30, 2013 was \$1.3 million as compared to \$nil for the six months ended June 30, 2012. Other income in 2012 includes a \$0.9 million loss from a sale of \$5.9 million of the SVP Notes.

Selling and administrative expenses ("S&A") for the six months ended June 30, 2013 were \$62.8 million, representing 27.4% of revenue, as compared to \$56.0 million and 26.3% of revenue for the six months ended June 30, 2012. The increase in S&A relative to revenue is again mainly due to a shift in the revenue mix to Thailand, which has the highest S&A as a percentage of revenue.

Other expenses, primarily royalty paid to SVP for the use of the Singer trademark by Singer Asia and its operating companies, remains flat, at \$1.7 million for the six months ended June 30, 2013 and June 30, 2012.

Results from operating activities for the six months ended June 30, 2013 were a profit of \$26.2 million, compared to a profit of \$23.5 million for the same period in 2012. The 11.3% increase in results from operating activity is largely due to the growth in revenue and gross profit, partially offset by higher S&A.

Net finance costs for the six months ended June 30, 2013 were \$8.1 million as compared to \$6.0 million of such costs for the same period in 2012. The increase in net finance costs primarily reflects higher debt levels as a result of the growth in the business and of working capital, the substantial distributions paid to shareholders last year and higher interest rates, particularly in Sri Lanka.

The Company's profit before income tax was \$18.1 million for the six months ended June 30, 2013, compared to \$17.5 million in pre-tax profit for the same period in 2012. The higher profit before income tax reflects the flow through of the increase in results from operating activities, offset, in part, by higher net finance costs.

Income tax expense was \$1.4 million for the six months ended June 30, 2013, compared to \$4.7 million expense for the six months ended June 30, 2012. This represents a decline in the effective tax rate from 26.7% in the 2012 period to 7.9% in the 2013 period. The drop in the effective tax rate is largely due to the recognition of a deferred tax credit from unutilized tax losses in India following the exit of Singer India from BIFR.

For the six months ended June 30, 2013, the Company's net profit was \$16.6 million compared to a net profit of \$12.8 million for the same period in 2012, an increase of 29.9%.

The profit attributable to equity holders of the Company was \$5.7 million for the six months ended June 30, 2013 as compared to \$4.6 million for the same period prior year. A profit of \$10.9 million is attributable to minority shareholders for the six months ended June 30, 2013 as compared to \$8.2 million for the six months ended June 30, 2012. A reduction in the share of profit attributable to the owners of the Company in the first half of 2013 as compared to the same period prior year, 34.5% and 35.9%, respectively, reflects a shift in the profit in favor of Thailand, where the Company's equity ownership is the lowest amongst all subsidiaries.

The profit attributable to ReHo shareholders is equivalent to basic earnings and diluted earnings per share of \$1.08 for the six months ended June 30, 2013 as compared to basic and diluted earnings per share of \$0.87 per share for the same period prior year.

About Retail Holdings

Retail Holdings holds three principal assets: 1) a 55.63% equity interest in Sewko, a distributor of consumer durable products in Bangladesh, India, Pakistan, Sri Lanka and Thailand with consumer credit and other financial services available to qualified customers; 2) the SVP Notes, arising from the sale of the Singer worldwide sewing business and trademark in 2004; and 3) cash and cash equivalents.

Retail Holdings is a Curaçao public company, which is the successor company to the Singer Company N.V. and its predecessor companies. Price quotations for the Retail Holdings Shares are available on the OTC Pink "Pink Sheets" quotation service under the symbol "RHDGF".

Additional financial and other information about the Company including: Retail Holdings' audited, consolidated financial statements for the twelve months ended December 31, 2012, and all prior statements since September 2000, together with Auditor's Reports thereon; the 2012 Annual Report, dated March 2013, and all prior Disclosure Statements and Reports since September 2000; and all semi-annual and quarterly reports and press releases since September 2000; may be found at the Corporate/Investor section of the Retail Holdings website: www.retailholdings.com.

For further information, please contact Amy Pappas at (914) 241-3404.

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
JUNE 30, 2013 (Unaudited) AND DECEMBER 31, 2012 (Restated)**

In thousands of US Dollars

	June 30, 2013	Restated December 31, 2012
ASSETS:		
Property, plant and equipment	60,816	60,495
Intangible assets	6,679	6,735
Trade and other receivables due in excess of one year	76,422	75,236
Deferred tax assets	5,213	3,497
Other non-current assets	9,851	9,022
Total non-current assets	158,981	154,985
Inventories	88,280	87,294
Trade and other receivables	139,351	125,478
Cash and cash equivalents	28,634	19,649
Other current assets	19,148	12,056
Total current assets	275,413	244,477
Total assets	434,394	399,462
EQUITY		
Share capital	53	53
Share premium	50,758	50,758
Reserves	(3,376)	(2,502)
Surplus	44,219	37,559
Equity attributable to owners of the Company	91,654	85,868
Non-controlling interest	101,187	98,334
Total equity	192,841	184,202
LIABILITIES		
Loans and borrowings over one year	58,140	37,229
Employee benefits	12,633	12,503
Deferred income over one year	162	164
Warranty provision over one year	579	458
Deferred tax liabilities	2,216	2,842
Other non-current liabilities	6,467	5,858
Total non-current liabilities	80,197	59,054
Bank overdraft	20,427	22,471
Current tax liability	1,570	1,408
Loans and borrowings	81,403	81,301
Trade and other payables	55,005	48,153
Deferred income	1,032	1,019
Warranty provision	1,919	1,854
Total current liabilities	161,356	156,206
Total liabilities	241,553	215,260
Total equity and liabilities	434,394	399,462

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2013 AND 2012 (Unaudited)**

In thousands of US Dollars except per Share data

	June 30, 2013	Restated June 30, 2012
Revenue	229,293	212,679
Cost of sales	139,902	131,468
Gross profit	89,391	81,211
Other income	1,265	(24)
Selling and administrative expenses	(62,843)	(56,039)
Other expenses	(1,660)	(1,660)
Results from operating activities	26,153	23,488
Finance income	1,972	2,208
Finance costs	(10,069)	(8,233)
Net finance costs	(8,097)	(6,025)
Profit before income taxes	18,056	17,463
Income tax expense	(1,420)	(4,654)
Profit for the period	16,636	12,809
Attributable to:		
Owners of the Company	5,741	4,604
Non-controlling interest	10,895	8,205
Profit for the period	16,636	12,809
Earnings per share (U.S. Dollars)		
Basic and diluted earnings per share	1.08	0.87