

FOR IMMEDIATE RELEASE
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RETAIL HOLDINGS N.V. ANNOUNCES 2013 RESULTS
PROPOSES \$1.00 A SHARE DISTRIBUTION

March 31, 2014, Curaçao

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. ("ReHo" or the "Company"), announced today results for the year ended December 31, 2013. The Company's Board of Directors anticipates recommending for shareholder approval a distribution of \$1.00 a Share.

Financial highlights for 2013 include:

- Combined revenue of \$452.1 million, up 2.7% from prior year to a new record high.
- Results from operating activities and net income, both down from prior year, to \$43.1 million and \$27.6 million, respectively.
- Including this year's anticipated distribution of \$1.00 per Share, dividends and distributions paid to shareholders since 2007 will total \$9.75 a Share.

Chairman's Comments

Commenting on the 2013 results, Stephen H. Goodman, ReHo's Chairman, President and CEO, noted, "The Company's financial performance reflects the challenges faced by Sewko/Singer Asia during much of 2013, particularly in the fourth quarter. In Bangladesh, "hartels" – general strikes – cost Sewko 78 trading days nationwide and a further 53 days regionally. In Thailand, political upheavals commencing in the fourth quarter, negatively impacted Sewko's customers. In Sri Lanka, demand for consumer durables remained depressed. US dollar results were also hurt by the depreciation of the currencies of all of Sewko's countries of operation, except Bangladesh. Despite these difficulties, Sewko was able to realize record revenues.

"Results for operating activities and net income were impacted by higher S&A expense. This reflects both the Company's decision to continue the store expansion and renovation program, and introduction of new products, brands and services, and the expenses relating to a possible Sewko IPO in Singapore. The growth initiatives continued unabated despite adverse trading conditions, as these conditions are believed to be temporary and the Company is seeking to maintain and enhance its strong competitive position. Because of political and economic uncertainties and resulting weakness in Asian equity markets in the second half of 2013, it was unlikely that fair value would be realized from a Sewko IPO; consequently the IPO was deferred. IPO expenses of \$2.5 million were incurred.

"I am cautiously optimistic about 2014. The political situation in Bangladesh and Thailand, while still uncertain, has improved since year end, with fewer and less pervasive political disturbances in both countries. Demand for consumer durables in Sri Lanka is now showing signs of recovery with revenue growth accelerating. I also believe that the investment that was made during 2013 and prior years in new and renovated shops and in new products, brands and services, will be reflected in the financial results."

“ReHo’s strategy remains unchanged – to maximize and monetize the value of its assets, with the medium-term objective of liquidating the Company and distributing the resulting funds and any remaining assets to its shareholders. Consistent with this strategy, the Company intends to continue its dividend/distribution program, including an anticipated distribution this year of \$1.00 per Share.

“I encourage all shareholders to read the Summary Annual Report and the audited, consolidated Financial Statements and Notes, which are available at the Corporate/Investor section of the Retail Holdings website: www.retailholdings.com or can be obtained free of charge by email, telephone or regular mail request to the Company.”

2013 Year Results

Impacting the 2013 results is the early adoption by the Company of IFRS 10, setting out the principles to determine whether an investee should be consolidated. The adoption of IFRS 10 requires the Company to consolidate Singer Thailand, which previously had been treated as an equity accounted affiliate. The financial impact on the Company’s results of operations of adopting IFRS 10 is to increase revenue, expense (both absolutely and as a share of revenue), profit, and profit attributable to non-controlling interests, but to reduce profit attributable to owners of the Company, as profit arising from the disposal of an equity interest in Singer Thailand, previously recognized in income, is now recognized as a movement in equity. The impact of IFRS 10 adoption on the Company’s financial position is to increase total assets and total liabilities, with no effect on the total equity attributable to owners of the Company. The 2012 results have been restated for adoption of IFRS 10 from those previously published.

For the year ended December 31, 2013, the Company reported consolidated revenue of \$452.1 million, compared to consolidated revenue of \$435.9 million (restated) for the same period of 2012, an increase of \$16.2 million or of 3.7%. Consolidated revenue measured at constant exchange rates grew 4.3% for the year. Revenue at the retail operating unit in Bangladesh increased 1.6% to \$83.9 million for the year ended December 31, 2013, despite the loss in trading days. Reflecting sluggish consumer durable demand, revenue at the retail operating unit in Sri Lanka declined 1.3% to \$196.6 million for the year ended December 31, 2013, while at the retail operating unit in Pakistan, revenue declined 12.6% to \$23.7 million for 2013.

Revenue at Singer Thailand grew 19.6% to \$110.0 million for the year ended December 31, 2013, despite the political turmoil in the fourth quarter. Revenue at Singer India increased 8.2% to \$36.4 million for 2013, despite the substantial depreciation of the Indian currency; India revenue measured at constant exchange rates grew 18.7% for the year ended December 31, 2013.

The Company’s revenue for the year ended December 31, 2013 includes \$58.9 million of finance earnings, compared to \$51.9 million in finance earnings for the same period in 2012. The 13.5% growth in finance earnings is greater than the growth in revenue, reflecting a higher portion of credit sales than in the prior year, and also the growth of Singer Finance in Sri Lanka.

Gross profit for the year ended December 31, 2013 was \$173.2 million, representing a gross profit as a percentage of revenue of 38.3%, compared to \$166.1 million and a gross profit percentage of 38.1% for the year ended December 31, 2012. The slight improvement in gross profit percentage is mainly due to an increase in the share of revenue attributable to Singer Thailand, which has the highest gross profit percentage of the Sewko operating companies.

Other income for the year ended December 31, 2013 was \$2.2 million, compared to \$0.9 million of other income for the year ended December 31, 2012. Other income mainly consists of penalty charges on late payment of receivables, and commission income and fees from financial services. Other

income in 2012 also included a \$0.9 million loss arising from the sale of \$5.9 million notional value of the SVP Notes at a 15% discount.

Selling and administrative expenses for the year ended December 31, 2013 were \$126.3 million, representing 27.9% of revenue, compared to \$112.9 million and 25.9% of revenue for the year ended December 31, 2012. The increase in selling and administrative expenses as a percentage of revenue reflects: the Company's decision to continue the store opening and renovation program and the introduction of new products, brands and services, despite sluggish revenue growth; inflation in excess of revenue growth rates; and an increase in share of revenue attributable to Singer Thailand, which has the highest S&A expense relative to revenue of the Sewko operating companies.

Other expenses, representing royalty payments to SVP and IPO expenses, amounted to \$5.9 million for the year ended December 31, 2013, compared to \$3.4 million for the year ended December 31, 2012. Royalty expense of \$3.4 million in both years is for the use of the Singer trademark by Singer Asia and its subsidiaries and is calculated based on Singer Asia's consolidated U.S. GAAP revenue. IPO expenses of \$2.5 million were recognized for the year ended December 31, 2013; there were no comparable expenses the prior year.

Results from operating activities for the year ended December 31, 2013 were a profit of \$43.1 million, compared to a profit of \$50.6 million for the same period in 2012. The drop in results from operating activity of \$7.5 million, or of 14.8%, largely reflects the increase in selling and administrative expenses and other expenses, offset, in part, by the increase in gross profit.

Finance income, primarily interest on the SVP Notes, was \$3.8 million for the year ended December 31, 2013 compared to finance income of \$4.1 million for the year ended December 31, 2012. Finance cost, which represents interest expense on borrowings at the Sewko operating companies to finance working capital, was \$20.0 million and \$18.0 million for the years ended December 31, 2013 and December 31, 2012, respectively. Finance cost increased by \$2.0 million compared to the same period in 2012, primarily because of increased funding for working capital requirements, particularly trade and other receivables. Funded debt increased from \$142.3 million at December 31, 2012 to \$160.8 million at December 31, 2013.

The Company's profit before income tax was \$27.0 million for the year ended December 31, 2013, compared to a profit before income tax of \$36.7 million for the same period in 2012. The drop in profit before income tax of \$9.7 million, or of 26.4%, reflects the flow through of the drop in results from operating activities and higher finance cost.

Income tax expense declined to \$3.4 million for the year ended December 31, 2013 from \$9.1 million for the same period prior year. The effective tax rate, which is calculated based on total income tax expense as a percentage of profit before tax, was 12.6% for the year ended December 31, 2013, compared to an effective tax rate of 24.8% for the year ended December 31, 2012. The decrease in the effective tax rate in the year ended December 31, 2013 is due primarily to the recognition of a deferred tax asset in respect of accumulated past losses at Singer India, following that company's emergence from BIFR in February 2013.

The Company's profit for the year ended December 31, 2013 was \$23.6 million, compared to a \$27.6 million profit for the same period in 2012. The decline in profit of \$4.0 million, or by 14.5%, reflects the flow through of the drop in results from operating activities and higher finance costs, offset, in part, by a reduction in the effective tax rate.

The profit attributable to ReHo shareholders is \$7.5 million for the year ended December 31, 2013, compared to \$10.3 million for the same period prior year. A profit of \$16.1 million is attributable to non-controlling interests for the year ended December 31, 2013, compared to \$17.3 million for the year ended December 31, 2012. ReHo shareholders' share of profit declined to 31.8% of the total for

the year ended December 31, 2013 from 37.3% for the year ended December 31, 2012. The decline is due to the relatively strong performance of Singer Thailand where the Company's share of profit is the lowest of the operating companies, the relatively weak performance of Singer Sri Lanka where the Company's share of profit is the highest, and IPO expense which are not shared by the minority interests in the Sewko operating companies.

The profit attributable to equity holders of the Company is equivalent to basic and diluted earnings per Share of \$1.41, for the year ended December 31, 2013, compared to \$1.94 and \$1.93, respectively, for the year ended December 31, 2012.

About Retail Holdings

The Company holds three principal assets: 1) a 54.1% equity interest in Sewko, a distributor of consumer durable products in Bangladesh, India, Pakistan, Sri Lanka and Thailand, providing consumer credit and other financial services 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. The Company has no operating activities other than those carried out through Sewko.

Sewko was incorporated as a new Cayman Islands Company in May 2013 to be the parent company of Singer Asia and to pursue additional opportunities in Asia outside the "Singer" umbrella. Sewko acquired Singer Asia in September 2013.

Retail Holdings is a Curaçao public company. 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, 2013, and all prior statements since September 2000, together with Auditor's Reports thereon; the 2013 Annual Report dated March 2014, and all prior Disclosure Statements and Reports since September 2000; and copies of 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
CONSOLIDATED STATEMENT OF INCOME

FOR THE YEAR ENDED 31 DECEMBER

In thousands of U.S. Dollars

	2013	2012 Restated
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Revenue	452,149	435,891
Cost of sales	(278,971)	(269,813)
Gross profit	173,178	166,078
Other income	2,163	913
Selling and administrative expenses	(126,277)	(112,938)
Other expenses	(5,922)	(3,439)
Results from operating activities	43,142	50,614
Finance income	3,779	4,065
Finance costs	(19,966)	(17,990)
Net finance costs	(16,187)	(13,925)
Profit before tax	26,955	36,689
Tax expense	(3,404)	(9,109)
Profit for the year	23,551	27,580
Attributable to:		
Owners of the Company	7,468	10,303
Non-controlling interests	16,083	17,277
Profit for the year	23,551	27,580
Earnings per share (U.S. Dollars)		
Basic earnings per share	1.41	1.94
Diluted earnings per share	1.41	1.92

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of U.S. Dollars

	31 December 2013	31 December 2012 Restated	1 January 2012 Restated
ASSETS			
Property, plant and equipment	61,306	60,495	52,289
Intangible assets and goodwill	6,741	6,735	6,289
Trade and other receivables	80,950	75,236	68,594
Deferred tax assets	5,846	3,497	4,235
Employee benefits	34	93	153
Other non-current assets	10,013	9,022	7,548
Total non-current assets	164,890	155,078	139,108
Inventories	81,256	87,294	71,880
Trade and other receivables	141,603	125,478	112,261
Cash and cash equivalents	31,118	20,979	25,157
Other current assets	18,284	12,056	11,433
Total current assets	272,261	245,807	220,731
Total assets	437,151	400,885	359,839
EQUITY			
Share capital	53	53	53
Share premium	47,152	50,758	64,151
Reserves	(6,329)	(2,502)	(609)
Retained earnings	45,917	37,559	24,008
Total equity attributable to owners of the Company	86,793	85,868	87,603
Non-controlling interest	106,906	98,335	83,237
Total equity	193,699	184,203	170,840
LIABILITIES			
Loans and borrowings	63,971	37,229	36,947
Employee benefits	13,410	12,596	11,147
Deferred income	158	164	208
Warranty provision	532	458	103
Deferred tax liabilities	2,205	2,842	2,231
Other non-current liabilities	6,680	5,859	5,333
Total non-current liabilities	86,956	59,148	55,969
Bank overdrafts	20,008	23,801	15,705
Current tax liabilities	775	1,408	2,212
Loans and borrowings	76,824	81,301	61,881
Trade and other payables	56,408	48,151	50,238
Deferred income	764	1,019	1,638
Warranty provision	1,717	1,854	1,356
Total current liabilities	156,496	157,534	133,030
Total liabilities	243,452	216,682	188,999
Total equity and liabilities	437,151	400,885	359,839