

**FOR IMMEDIATE RELEASE**  
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**INFORMATION CONTACT**  
Barbara Wybraniec at (917) 534-5373

**SINGER N.V. ANNOUNCES RESULTS FOR  
THIRD QUARTER ENDED SEPTEMBER 30, 2002**  
*Results Show Continuing Profitability*

November 6, 2002, Curacao, Netherlands Antilles

Singer N.V. ("Singer" or the "Company", symbol "SNGR") announced today its results for the third quarter of 2002 and for the nine months ended September 30, 2002.

**2002 Third Quarter Results**

For the third quarter ended September 30, 2002, the Company reported consolidated revenues of \$98.7 million as compared to \$97.8 million for the third quarter of 2001, an increase of \$0.9 million or 0.9%. The increase was primarily due to strong growth in the Company's Sewing Marketing and Manufacturing operations, particularly U.S. marketing and the Brazil factory, and to growth in the Company's Retail operations in Sri Lanka. This was partially offset by a decline in several markets, primarily the Retail operations in Mexico, where the decline was compounded by the weakening of the Mexican peso against the U.S. dollar. Revenues of Singer's 48 percent-owned Thailand affiliate amounted to \$21.6 million for the third quarter of 2002 as compared to \$20.2 million for the third quarter of 2001, a 6.9% increase; these sales are not included in consolidated revenues.

The Company's revenues for the third quarter of 2002 included \$7.1 million of finance charges on consumer credit sales and \$1.2 million of royalty and licensing income; the corresponding amounts for the third quarter of 2001 were \$7.8 million and \$1.1 million, respectively. The decline in finance charges is primarily due to the decrease in retail sales in Mexico.

Gross profit for the three months ended September 30, 2002 was \$40.2 million, representing a gross margin of 40.7%, as compared to \$36.2 million and a gross margin of 37.0% for the same period in 2001. The increase in gross profit and gross margin was due primarily to improved margins in U.S. Sewing and in the Company's manufacturing segment.

Selling and administrative expenses for the three months ended September 30, 2002, were \$31.4 million, representing 31.8% of revenues, as compared to \$31.5 million and 32.2% of revenues for the same period in 2001. Included in selling and administrative expenses is advertising and sales promotion expense of \$4.8 million or 4.9% of revenues in the 2002 quarter, as compared to \$3.9 million or 4.0% for the same period in 2001. Also included in selling and administrative expenses is amortization expense for intangible assets, which was zero in the 2002 quarter as compared to \$1.6 million in the 2001 quarter. The reduction of amortization expense for intangible assets is due to the adoption of SFAS No. 142, "Accounting for Goodwill and Other Intangible Assets", effective January 1, 2002.

Operating income for the 2002 and 2001 quarters were \$8.8 million and \$4.8 million, respectively, while EBITDA (earnings before interest, taxes, depreciation and amortization) were \$12.2 and \$10.5 million, respectively. The increases in operating profit and EBITDA were primarily due to improvements in gross margin.

Interest expense for both the 2002 and 2001 third quarters amounted to \$5.4 million. Equity in earnings from Operating Affiliates, primarily the Company's operating affiliate in Thailand, totaled \$0.8 million during the three-month period in 2002, as compared to \$0.3 million for the same period in 2001. Miscellaneous other income was \$1.2 million in the quarter, as compared to \$1.9 million in the prior year period.

Provisions for income taxes amounted to \$1.4 million, representing a 24.9% effective tax provision for the three-month period ended September 30, 2002, as compared to \$0.8 million and a 46.4% effective tax provision for the same period in 2001. The high effective tax provision for the 2001 period reflects the non-deductibility of \$1.6 million in amortization expense for intangible asset.

The Company's net income for the third quarter of 2002 was \$3.9 million, a \$2.9 million or a 290% increase over the \$1.0 million net income recorded in the 2001 third quarter.

The Retail operations (including Thailand) accounted for 57% of Singer's revenues for the 2002 third quarter and for 37% of Singer's operating earnings before corporate expenses and eliminations. The major contributors to the results for this segment during the 2002 period include the Retail businesses in Thailand, Sri Lanka, Philippines and Bangladesh. The comparable figures for the third quarter of 2001 were 62% of Singer's revenues and 46% of operating earnings.

The Sewing Marketing and Manufacturing operations accounted for 43% of Singer's revenues for the 2002 third quarter and for 63% of operating earnings. The Sewing Marketing operations in the United States and the Sewing Manufacturing operations in Brazil were major contributors to this segment. The significant depreciation of the Brazilian Real against the U.S. dollar was an important contributor to the improvement in Brazil manufacturing. The comparable figures for the third quarter of 2001 were 38% of Singer's revenue and 54% of operating earnings.

### **2002 Nine-Month Results**

For the nine months ended September 30, 2002, the Company reported consolidated revenues of \$309.0 million, as compared to \$311.3 million for the first nine months of 2001, a decline of \$2.3 million or 0.7%. The decrease was primarily due to weaker sales in Mexico, Central and South America, China, India and the Middle East. This was partially offset by strong growth in Sewing Marketing sales in the United States and Turkey and by retail sales in Sri Lanka and Bangladesh. Revenues of Singer's 48 percent-owned Thailand affiliate amounted to \$69.2 million for the 2002 nine months, a 3.4% increase over the \$66.9 million recorded in the same period of 2001; these sales are not included in consolidated revenues.

The Company's revenues for the nine-month period of 2002 included \$23.8 million of finance charges on consumer credit sales and \$4.1 million of royalty and licensing income; the corresponding amounts for the

nine-month period of 2001 were \$24.5 million and \$3.8 million, respectively. The decline in finance charges is primarily due to the decrease in retail sales in Mexico.

Gross profit for the nine months ended September 30, 2002 was \$120.8 million, representing a gross margin of 39.1%, as compared to \$120.4 million and a gross margin of 38.7% for the same period in 2001. The increase in gross profit and gross margin was due primarily to improved margins in U.S. Sewing and in the Company's manufacturing segment.

Selling and administrative expenses for the nine months ended September 30, 2002, were \$95.5 million, representing 30.9% of revenues, as compared to \$97.0 million and 31.2% of revenues for the same period in 2001. Included in selling and administrative expenses is advertising and sales promotion expense of \$13.7 million or 4.4% of revenues in the nine-month period of 2002, as compared to \$11.2 million or 3.6% for the same period in 2001. Also included in selling and administrative expenses is amortization expense for intangible assets, which was zero in the nine-month period of 2002, as compared to \$4.2 million in the nine-month period of 2001.

Operating income for the nine-month period of 2002 and of 2001 were \$25.3 million and \$23.4 million, respectively, while EBITDA were \$34.0 million and \$38.0 million, respectively.

Interest expense for the nine-month period ending September 30, 2002, was \$15.9 million. Interest expense for the prior year period was \$19.5 million. The \$3.6 million decrease in total interest expense was due to lower interest rates and a decline of \$7.4 million in average borrowings.

Equity in earnings from Operating Affiliates, primarily the Company's operating affiliate in Thailand, totaled \$2.5 million during the nine-month period in 2002, as compared to \$1.7 million for the same period in 2001. Miscellaneous other income was \$2.6 million in the nine-month period in 2002, as compared to \$3.8 million in the prior year period.

During the second quarter of 2002, Singer Greece was sold to a third-party buyer who became Singer's new distributor and licensee for Greece. In accordance with SFAS No. 144, the Company has recorded this transaction as a sale of discontinued operation.

Provision for income taxes amounted to \$4.0 million, representing a 27.9% effective tax provision in the nine-month period in 2002, as compared to \$4.2 million and a 44.7% provision for the same period in 2001. The high effective tax provision for the 2001 period reflects the non-deductibility of \$4.2 million in amortization expense for intangible asset.

The Company's net income for the nine-month period of 2002 was \$9.2 million, a \$4.1 million or an 80.4% increase over the \$5.1 million net income recorded in the same period of 2001.

The Retail operations (including Thailand) accounted for 63% of Singer's revenues for the nine-month period in 2002, and for 52% of Singer's operating earnings before corporate expenses and eliminations. The major contributors to the results for this segment during the period include the Retail businesses in Thailand, Sri Lanka, Mexico and Bangladesh. The comparable figures for the nine-month period of 2001 were 64% of Singer's revenue and 58% of operating earnings.

The Sewing Marketing and Manufacturing operations accounted for 37% of Singer's revenues for the 2002 nine-month period and for 48% of operating earnings. The Sewing Marketing operations in the United States and the Sewing Manufacturing and Marketing operations in Brazil were major contributors to this segment. The comparable figures for the nine-month period of 2001 were 36% of Singer's revenue and 42% of operating earnings.

The Company's consolidated results and the results for the Sewing segment were negatively impacted in both the 2002 and 2001 periods by the economic crisis in Turkey. However, both revenue and net income in Turkey improved significantly in the nine-month period ending September 30, 2002, as compared with the same period in the prior year.

### **Continued Profitability**

In commenting on the third quarter results, Mr. Stephen H. Goodman, the Company's President and Chief Executive Officer, noted, "We are pleased by our continued profitability in the third quarter of 2002, representing the eighth, consecutive, profitable quarter since the conclusion of Singer's successful Chapter 11 Reorganization in September 2000, but we are disappointed by the failure to grow revenue and income in several important markets. To meet the challenges of economic weakness in many of the markets in which the Company operates, and of global, excess capacity, resulting in heightened competition, Singer intends to push forward with its on-going strategic initiatives. These include new products, additional promotion and enhanced distribution, both in the Retail and Sewing segments. The more than 20% increase in advertising and sales promotion expense in 2002, as compared with 2001, reflects our commitment to grow sales and market share. Based on the Company's two-year record of profitable performance, we are now actively engaged in efforts to restructure Singer's balance sheet, including rearranging the important bank facilities that become due in 2003. We continue to have confidence that the consistent execution of Singer's recovery plan and successful restructuring of the balance sheet will result in continued and improving profitability."

### **Share Distribution**

On November 11, 2001, the Singer Creditor Trust made an initial distribution of the Common Shares of Singer N.V. to the holders of allowed, general unsecured claims against Singer's predecessor company. It is anticipated that the final distribution of the Common Shares will be made later this year.

It is not anticipated that the Company's Common Shares will be listed on any U.S. or overseas securities exchange, the NASDAQ National Market System, the NASDAQ Small Cap Market, the OTC Bulletin Board or a similar trading system in the near future. Price quotations for the Company's Common Shares became available on the "Pink Sheets" quotation service under the symbol "SNGR" in March 2002. It is anticipated that brokers should be able to continue to trade Singer's Common Shares using the "Pink Sheets" quotation service as long as the Company is current in submitting to the Securities and Exchange Commission ("SEC") the materials that it makes available to its shareholders or is required to file under its own country jurisdiction. If the Common Shares cease to be traded, shareholders seeking to sell or buy shares will only be able to do so with considerable difficulty and at prices that may not reflect the shares' theoretical inherent value. Even to the extent that quotations on the "Pink Sheets" service continue, there

is no assurance that there will be adequate liquidity or that there will not be wide swings in prices and significant differences between “bid” and “asked” prices, which will make trading difficult and could cause prices for the Company’s shares to deviate substantially from their theoretical inherent value.

### **About Singer N.V.**

Effective September 2000, as a result of the successful Chapter 11 reorganization, Singer became the parent of several operating companies formerly owned by The Singer Company N.V., as well as acquiring ownership of the SINGER brand name, one of the most widely recognized and respected trademarks in the world. Through its operating companies, Singer is engaged in two principal businesses, Retail and Sewing.

The Retail business consists primarily of the distribution through retail stores and direct selling of a wide variety of consumer durable products for the home in selected emerging markets, primarily in Asia, Mexico and the Caribbean. Retail sales activities in these markets are strengthened by the availability to customers of consumer credit services provided by the Company. In some of the markets where it operates, Singer is recognized as a leading retailer of products for the home. The Sewing business consists primarily of the distribution of consumer and artisan sewing machines and accessories, produced by Singer and certain third-party manufacturers, through distribution channels operated by its Sewing Operating Companies and through third-party distributors and dealers, as well as through the Operating Companies which operate Singer’s Retail business. Singer is one of the world’s leading sellers of consumer and artisan sewing machines, with an estimated worldwide unit market share of approximately 28% (excluding China, the former Soviet Republics and Eastern European countries).

Additional financial and other information about the Company, including: a copy of Singer’s audited consolidated financial statements for the twelve months ended December 31, 2001 and for the three months ended December 31, 2000 together with the Auditor’s Report thereon; the 2001 Disclosure Statement and Report dated May 2002, and the prior Disclosure Statement and Report dated September 2001; and copies of all Quarterly Reports and press releases since the conclusion of the Chapter 11 proceedings in September 2000, including the Quarterly Report for the period ended September 30, 2002, may be found at the investor section of the Company’s financial website, [www.singer.com](http://www.singer.com).

Statements made herein with respect to Singer’s current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of the Company. Forward-looking statements include but are not limited to those using words such as believe, expect, anticipates, plans, strategy, prospects, forecast, estimate, project, may or might, and words of similar meaning in connection with a discussion of future operations, financial performance, financial position, capital resources and strategy and plans and objectives of management. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management’s assumptions and beliefs, which are expressed in light of the information currently available to management. The ultimate outcome in many cases is outside of the Company’s control. The Company cautions that no assurance can be given that expectation reflected in such forward-looking statements will prove to have been correct, that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore, undue reliance should not be placed on such forward-looking statements. The

Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and no assumption should be made to the contrary. Risks and uncertainties that might affect the Company include, but are not limited to: general economic conditions in the Company's markets worldwide, particularly in Asia, Mexico and the Caribbean, including levels of consumer spending; exchange rates, particularly between the U.S. dollar and other currencies in which the Company makes significant sales or in which the Company's assets and liabilities are denominated; the Company's ability to continue to win acceptance of its products and services, which are offered in highly competitive markets; the Company's ability to implement successfully the ongoing restructuring of its businesses; the success of the Company in improving liquidity and obtaining access to capital resources, including the Company's ability to achieve its minimum-operating plan and meet its obligations under several financing agreements, and to obtain additional or replacement financing or successfully renegotiate with creditors under the credit facilities; improving efficiency in its manufacturing and marketing operations; continuing relationships with financial institutions, suppliers and other creditors; and the outcome of contingencies.

For further information, please contact Barbara Wybraniec at (917) 534-5373.

**SINGER N.V.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2002 AND 2001**  
(in thousands of US dollars)

	<b>(Unaudited) Three Months Ended September 30, 2002</b>	<b>(Unaudited) Three Months Ended September 30, 2001</b>
Revenues	\$ 98,681	\$ 97,759
Cost of revenues	58,458	61,516
Gross profit	40,223	36,243
Selling and administrative expenses	31,429	31,492
Operating income	8,794	4,751
Other income (expense):		
Interest expense	(5,376)	(5,382)
Equity in earnings from operating affiliates	811	317
Other, net	1,212	1,921
Total other income (expense)	(3,353)	(3,144)
Income from continuing operations before provision for income taxes and minority interest	5,441	1,607
Provision for income taxes	1,354	745
Minority interest share in income (loss)	223	(223)
Income from continuing operations	3,864	1,085
Discontinued Operations		
(Loss) from operations of Greece, net of tax benefit	-	(48)
Net income	3,864	1,037
Dividends on preferred shares	275	275
Net income applicable to common shares	\$ 3,589	\$ 762
Supplementary information:		
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$ 12,219	\$ 10,493

**SINGER N.V.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2002 AND 2001**  
**(in thousands of US dollars)**

	<b>(Unaudited) Nine Months Ended September 30, 2002</b>	<b>(Unaudited) Nine Months Ended September 30, 2001</b>
Revenues	\$ 309,035	\$ 311,319
Cost of revenues	188,262	190,952
Gross profit	<u>120,773</u>	<u>120,367</u>
Selling and administrative expenses	<u>95,521</u>	<u>97,012</u>
Operating income	<u>25,252</u>	<u>23,355</u>
Other income (expense):		
Interest expense	(15,867)	(19,506)
Equity in earnings from operating affiliates	2,485	1,712
Other, net	2,563	3,761
Total other income (expense)	<u>(10,819)</u>	<u>(14,033)</u>
Income from continuing operations before provision for income taxes and minority interest	14,433	9,322
Provision for income taxes	4,020	4,169
Minority interest share in income	882	122
Income from continuing operations	<u>9,531</u>	<u>5,031</u>
Discontinued Operations		
Gain (loss) from operations of Greece, net of tax benefit	<u>(374)</u>	<u>79</u>
Net income	9,157	5,110
Dividends on preferred shares	825	825
Net income applicable to common shares	<u>\$ 8,332</u>	<u>\$ 4,285</u>
Supplementary information:		
Earnings before interest, taxes, depreciation and amortization (EBITDA)	<u>\$ 34,027</u>	<u>\$ 37,980</u>