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RETAIL HOLDINGS N.V. ANNOUNCES RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2006

August 9, 2006, Curacao, Netherlands Antilles

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. ("ReHo" or "the Company", formerly known as Singer N.V.) announced today its results for the six months ended June 30, 2006.

2006 First Half Results

For the six months ended June 30, 2006, the Company reported consolidated revenues of $122.7 million compared to $163.9 million for the same period in 2005, a decrease of $41.2 million or 25.1%. The decrease in revenue is due to the $51.1 million decline in Thailand's revenues, partially offset by revenue growth at the other Retail operating units in Asia, particularly Sri Lanka, Bangladesh and Pakistan. The Thailand revenue decline is largely due to tighter credit policies for motorcycles, as compared to the aggressive credit promotion during the same period in 2005, and the impact on revenue of the increased incidence of motorcycle reverts where the credit customer has defaulted on his obligation. Thailand management's initiatives to improve the credit granting and collection processes, especially for motorcycles, are intended to stem the significant bad debt losses that occurred in 2005, continuing in the first six months of 2006. Excluding Thailand, the Company would have shown an 11.3% revenue increase for the six months.

The Company's revenues for the six months ended June 30, 2006 include $25.1 million of finance earnings on consumer credit sales compared to $26.4 million for the same period in 2005. The decrease in finance earnings is due primarily to decreased credit sales in Thailand, partially offset by increased credit sales in Sri Lanka and Pakistan as a result of strong retail sales and promotion of credit.

Gross profit for the six months ended June 30, 2006 was $57.9 million, representing a gross profit as a percentage of revenues of 47.1%, as compared to $61.2 million and a gross profit percentage of 37.3% for the six months ended June 30, 2005. The increase in gross profit percentage is primarily due to the significant decline in Thailand's motorcycles sales which have a lower gross profit contribution. Excluding Thailand, gross profit as a percentage of revenues would have been 31.7%, in the six months ended June 30, 2006 as compared to 30.7% for the same period in 2005.

Selling and administrative expenses for the six months ended June 30, 2006 were $56.2 million, representing 45.8% of revenues, as compared to $54.6 million and 33.3% of revenues for the six months ended June 30, 2005. The increase in selling and administrative expenses as a percent of revenues is primarily due to Thailand's significant sales decrease without a corresponding decrease in fixed selling and administrative expenses coupled with increased bad debt provisions. Excluding Thailand, selling and administrative expenses as a percentage of revenues would have improved to 25.2% in the six months ended June 30, 2006 as compared to 28.2% for the same period in 2005.

Operating income for the six months ended June 30, 2006 and 2005 was $1.7 million and $6.6 million, respectively, while EBITDA (net income before interest expense, taxes, depreciation and amortization) from continuing operations was $7.3 million and $5.9 million, respectively. The $4.9 million decline in operating income reflects the $4.7 million operating loss in Thailand for the six months ended June 30, 2006 as compared to operating income of $4.3 million for the same period in 2005. Thailand's $9.0 million deterioration in operating income was partially offset by improved performance at the operating units in Sri Lanka, Bangladesh and Pakistan.

Interest expense was $6.3 million and $4.3 million for the six-month periods ended June 30, 2006 and 2005, respectively. The increase in interest expense reflects higher interest rates and the increased financing required to support the increased level of installment receivables as a result of higher sales and promotion of credit in markets other than Thailand, including longer average credit terms in Sri Lanka.

Equity earnings from Operating Affiliates totaled a profit of $0.6 million during the six-month period ended June 30, 2006, as compared to a loss of $0.2 million for the same period in 2005. The $0.8 million swing is primarily due to the improvement at First Capital Ltd., an operating affiliate in Sri Lanka.

Royalty expense was $1.2 million and $1.6 million for the six-month periods ended June 30, 2006 and 2005, respectively. The decrease in royalty expense is due to decreased revenues in Singer Asia. The royalty expense is for the use of the SINGER® trademark by the Retail operating companies in Asia.

Miscellaneous other income was $2.5 million for the six-month period ended June 30, 2006, as compared to other income of $1.2 million for the same period in 2005. Other income is primarily interest income from investments and the KSIN and Jamaica Notes receivable. The improvement in other income is largely due to foreign exchange gains of $0.2 million in 2006 as compared to foreign exchange losses of $0.7 million in 2005.

Provision for income taxes amounted to $0.3 million in the six-month period ended June 30, 2006, as compared to a $2.8 million tax provision for the same period in 2005. The $2.5 million decrease in provision for income taxes is primarily due to the negative income tax provision in Thailand reflecting the significant operating losses incurred during 2006, as compared to the profit and positive provision for the same period in 2005.

Minority interest share in losses was $2.3 million for the 2006 period compared to minority interest share in income of $1.5 million for the same period in 2005. The shift in minority interest share from income to loss is primarily due to the loss in Thailand in 2006, compared to profit in 2005, which results are shared both by the 46.6% public shareholders of Singer Thailand and 43.2% minority shareholder of Singer Asia.

The Company's loss from continuing operations for the six months ended June 30, 2006 and 2005 was $0.8 million and $2.5 million, respectively. Loss from discontinued operations for the six months ended June 30, 2005 was $0.4 million; there was no impact from discontinued operations in 2006. The loss from discontinued operation in 2005 was due to the loss on sale of Jamaica, net of earnings from operations, of $1.7 million, and additional termination benefits of $1.0 million, which were offset, in part, by the post closing purchase price adjustment relating to the KSIN transaction, which resulted in a gain of $2.3 million.

The net loss available to Common Shares was $0.8 million and $2.9 million for the six months ended June 30, 2006 and 2005, respectively. This is equivalent to basic and diluted loss per Common Share of $0.15 and $0.50, respectively.

Chairman's Comments

Commenting on the first half results, Stephen H. Goodman, ReHo's Chairman, President and Chief Executive Officer noted, "The strong revenue and profit performance realized by our other Asia Retail operations during the first half of 2006 was masked by the very poor results at Singer Thailand.

"A number of initiatives - - the opening of additional retail locations, the introduction of periodic consumer catalogues and of call centers, and the addition of new products and brands - - are expected to have a positive impact on revenues and profits for the balance of 2006 into 2007. Credit performance, excluding Thailand, remains strong; bad debt expense averages approximately 1.9% of the outstanding installment receivables.

"New senior management is in place in Thailand. They have introduced a number of programs intended to improve the credit granting and collection processes while increasing sales of traditional appliance products and reverted motorcycles. As it will take some time before these initiatives can reverse the growth in credit arrearage, it is likely that Thailand will again report a significant loss in the second half of this year before turning to profit in 2007.

"Our objective going forward will be to grow Singer Asia and improve its operating performance, including addressing the challenges in Thailand."

About Retail Holdings

Retail Holdings N.V. ("ReHo" or the "Company"), formerly known as Singer N.V., was formed as a new corporate entity in the Netherlands Antilles in December 1999. Effective September 2000, the Company became the parent company of several operating units formerly owned by The Singer Company N.V. The name of the Company was changed from Singer N.V. to Retail Holdings N.V. following the Company's Annual General Meeting in August 2005; the name change was required as a consequence of the KSIN Transaction (see below).

The Retail business in Asia is the only remaining operating business following the sale during 2004 of the Singer worldwide Sewing business and of the ownership of the SINGER® trademark to KSIN (now known as SVP), an investment of Kohlberg and Company (the "KSIN

Transaction") and the sale during 2005 of Singer Jamaica. The business consists primarily of the distribution, through Company-owned retail stores and direct selling, of a wide variety of consumer durable products in selected emerging markets in Asia. Retail sales activities in these markets are strengthened by the offer of consumer credit services provided by the Company to its customers.

The Company does not anticipate that its Common Shares (the "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. Price quotations for the Shares are available on the "Pink Sheets" quotation service under the symbol "RHDGF". Brokers should be able to continue trading the Shares using the "Pink Sheets" quotation service as long as the Company is current in submitting to the U.S. 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 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 Shares to deviate substantially from their theoretical inherent value.

Additional financial and other information about the Company, including: a copy of the audited consolidated financial statements for the twelve months ended December 31, 2005, 2004, 2003, 2002, and 2001 and for the three months ended December 31, 2000, together with the Auditor's Reports thereon; the 2005 Summary Annual Report dated April 2006, and the prior Disclosure Statements and Reports dated April 2005, April 2004, April 2003, May 2002 and September 2001; and copies of all quarterly reports and press releases since September 2000, may be found at the investor section of the Company's website at **www.retailholdings.com.**

As described in greater detail in the 2005 ReHo Summary Annual Report dated April 2006, it is the Company's intention to no longer provide regular quarterly reports including the information that might be included in a Form 10-Q quarterly report. The Company expects to issue only a Summary Annual Report and a Summary Semi-Annual Report, the latter to include an unaudited, six month, Consolidated Statement of Operations and Consolidated Balance Sheet, with limited commentary.

Statements made herein with respect to the Company'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, anticipate, 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 available to management at the time. The ultimate outcome in many cases is outside the Company's control. The Company cautions you that no assurance can be given that expectations 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, you should not place undue reliance on such forward-looking statements. You should not rely on any obligation of the Company to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The Company disclaims any such obligation. Risks and uncertainties that might affect the Company include, but are not limited to: general economic conditions in the Company's markets in Asia, including levels of consumer spending; exchange rates, particularly between the US 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 payment at maturity of the unsecured subordinated promissory notes issued to the Company by KSIN Holdings, Ltd. and the secured promissory notes issued to the Company by AON International and Singer Jamaica; continuing relationships with financial institutions, suppliers and other creditors; and the outcome of contingencies.

For further information, please contact Amy Pappas at (914) 220-5143.

RETAIL HOLDINGS N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2006 AND 2005 (Unaudited)
(in thousands of U.S. dollars, except Share and per Share amounts)

	Six Months ended June 30, 2006	Six Months ended June 30, 2005
REVENUES	$ 122,717	$ 163,945
COST OF REVENUES	64,862	102,769
Gross profit	57,855	61,176
SELLING AND ADMINISTRATIVE EXPENSES	56,188	54,600
Operating income	1,667	6,576
OTHER INCOME (EXPENSE):		
Interest expense	(6,295)	(4,301)
Equity in earnings from operating affiliates	638	(157)
Royalty expense	(1,227)	(1,639)
Other, net	2,462	1,242
Total other expense	(4,422)	(4,855)
Income (loss) from continuing operations before provision for income taxes and minority interest	(2,755)	1,721
PROVISION FOR INCOME TAXES	277	2,766
MINORITY INTEREST SHARE IN INCOME (LOSS)	(2,275)	1,494
Loss from continuing operations	(757)	(2,539)
DISCONTINUED OPERATIONS		
Gain on sale of Sewing business and trademark, net of tax benefit	-	1,314
Income from operations of Jamaica, net of income taxes	-	233
Loss on sale of Jamaica, net of tax benefit	-	(1,927)
Loss from discontinued operations	-	(380)
Net loss available to Common Shares	$ (757)	$ (2,919)
Loss per Common Share – basic and diluted		
Loss from continuing operations	$ (0.15)	$ (0.43)
Loss from discontinued operations	$ -	$ (0.07)
Loss available to Common Shares	$ (0.15)	$ (0.50)
Basic weighted average Common Shares outstanding	5,179,277	5,805,763
Diluted weighted average Common Shares outstanding	5,331,629	6,170,529

RETAIL HOLDINGS N.V.
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2006 (Unaudited) AND DECEMBER 31, 2005 (Audited)
(in thousands of U.S. dollars, except Share and per Share amounts)

	(Unaudited) June 30, 2006	(Audited) December 31, 2005
ASSETS:		
Current assets-		
Cash and cash equivalents	$ 35,010	$ 33,194
Accounts receivable (net of allowances for doubtful accounts, of $33,736 and $29,384, respectively)	111,961	109,127
Inventories	61,951	54,294
Other current assets	19,981	20,316
Total current assets	228,903	216,931
Investment in operating affiliates	7,686	6,413
Installment receivables due in excess of one year	48,763	59,834
Property, plant and equipment, net	22,946	20,564
Goodwill and intangible assets, net	14,871	14,887
Other assets	24,014	23,875
Total assets	$ 347,183	$ 342,504
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities-		
Notes and loans payable	$ 62,619	$ 70,675
Accounts payable	17,173	14,466
Accrued liabilities	20,509	17,374
Current portion of long-term debt	31,853	30,814
Total current liabilities	132,154	133,329
Long-term debt	52,401	46,623
Other non-current liabilities	14,625	13,812
Minority interest	63,967	64,332
Total liabilities	263,147	258,096
SHAREHOLDERS' EQUITY:		
Preferred Shares, redeemable, $0.01 par value, authorized 1,000,000 shares, issued and outstanding Series A convertible, nil shares in 2006 and 2005	-	-
Common Shares, $0.01 par value, authorized 20,000,000 Shares, issued and outstanding 5,166,771 in 2006 and 5,173,271 in 2005	52	52
Additional paid-in capital	91,443	91,651
Deficit	(1,953)	(1,196)
Accumulated other comprehensive loss	(5,506)	(6,099)
Total shareholders' equity	84,036	84,408
Total liabilities and shareholders' equity	$ 347,183	$ 342,504