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August 5, 2008	**Amy Pappas at (914) 241-3404**

RETAIL HOLDINGS N.V. ANNOUNCES IMPROVED RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2008

August 5, 2008, Curaçao, Netherlands Antilles

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. ("ReHo" or the "Company") announced today improved results for the six months ended June 30, 2008.

2008 First Half Results

The Company's improved consolidated results for the first half of 2008 reflect continuing profitable growth at the Company's retail operating units in Bangladesh, Pakistan and Sri Lanka, and a recovery in Thailand as a consequence, among other factors, of improved collection performance, increased appliance sales and lower expenses.

For the six months ended June 30, 2008, the Company reported consolidated revenue of $155.5 million compared to consolidated revenue of $133.4 million for the same period in 2007, an increase of $22.1 million or 16.6%. The increase in consolidated revenue is largely due to the continued growth at the retail operating units, which increased revenue by $21.6 million for the six-month period to $115.9 million, or by 23.0% as compared to the same period in 2007. Revenue in Thailand was largely unchanged, with increased appliance sales, lower motorcycle sales, lower product reverts and lower finance earnings on consumer credit sales.

The Company's revenue for the first six months of 2008 includes $21.3 million of finance earnings on consumer credit sales, essentially the same level as in the first half of 2007. Finance earnings on consumer credit sales increased at the Company's retail operating units reflecting their growing sales, while finance earnings declined in Thailand as the book of old consumer receivables from the 2005 and 2006 higher sales periods matured.

Gross profit for the six months ended June 30, 2008 was $58.6 million, representing a gross profit as a percentage of revenue of 37.7%, as compared to $54.4 million and a gross profit percentage of 40.8% for the same period in 2007. The decrease in gross profit percentage is primarily due to enhanced promotional activities including increased appliance trade-in allowances in Thailand, and special price reductions to help move excess inventory in Sri Lanka and to promote additional brands under new exclusive brand distribution arrangements in Bangladesh and Sri Lanka. Gross profit at the retail operating units in Bangladesh, Pakistan and Sri Lanka was $38.4 million for the six months ended June 30, 2008, representing a gross profit as a percentage of revenue of 33.1%, as compared to $33.2 million and a gross profit percentage of 35.2% for the six months ending June 30, 2007.

Selling and administrative expense for the six months ended June 30, 2008 was $45.3 million, representing 29.1% of revenue, as compared to $52.7 million and 39.5% of revenue for the same period in 2007. The decrease in selling and administrative expense as a percentage of revenue is primarily due to the $9.9 million decline in bad debt and related expense in Thailand in the first six months of 2008 as compared to the same period last year and to the somewhat slower growth in variable and in period selling and administrative expense than in revenue over the period. Selling and administrative expense at the retail operating units was $24.7 million in the first half of 2008, representing 21.3% of revenue, as compared to $21.2 million and 22.5% of revenue for the same period in 2007.

Operating profit for the six months ended June 20, 2008 was $13.3 million as compared to an operating profit of $1.7 million for the first six months in 2007. Thailand reported an operating profit of $2.2 million for the first six months of 2008 compared to an operating loss of $7.9 for the same period in 2007. Operating profit at the retail operating units in Bangladesh, Pakistan and Sri Lanka increased $1.8 million to $13.7 million, an increase of 14.6% over the prior period. The Philippines reported an operating loss of $0.6 million for the first six months of 2008 compared with a modest profit for the same period prior year. Operating income in India and for Singer Asia corporate for the first six months of 2008 was essentially unchanged from the same period prior year. Retail Holdings corporate costs for the first six months of 2008 were reduced from the same period prior year.

Interest expense was $9.7 million and $8.3 million for the six months ended June 30, 2008 and June 30, 2007, respectively. The increase in interest expense reflects a blended higher interest rate, resulting primarily from an increase in interest rates in Sri Lanka and a shift in the mix of borrowings among the countries to those with higher rates, and an 8.0% increase in consolidated debt levels as compared to prior year.

Equity earnings from operating affiliates were $0.7 million and $0.9 million for the six months ended June 30, 2008 and June 30 2007, respectively. The $0.2 million decline is primarily due to a reduction in the Company's percentage ownership in affiliates in Bangladesh and Sri Lanka.

Royalty expense was $1.6 million and $1.3 million for the six months ended June 30, 2008 and June 30, 2007, respectively. The increase in royalty expense is due to increased revenue in Singer Asia. The royalty expense is for the use of the Singer® trademark by the companies of Singer Asia.

Miscellaneous other income was $4.0 million for the six months ended June 30, 2008 as compared to miscellaneous other income of $2.4 million during the same period in 2007. The increase in miscellaneous other income is primarily due to the sale in Sri Lanka of the Company's 30% interest in Commercial Leasing Company Ltd. The sale generated proceeds of $4.6 million, to be received in July 2008, and a gain of $1.1 million. The primary other component of miscellaneous other income in the first half of 2008 and the primary component in the first half of 2007 is interest income at Retail Holdings corporate from investments and the KSIN and Jamaica Notes receivable.

Provision for income taxes amounted to $2.1 million and $2.5 million for the six months ended June 30, 2008 and June 30, 2007, respectively. The decline in the provision for income taxes, despite the improvement to a profit before provision for income taxes and minority interest of $6.8 million in the first half of 2008 from a loss of $4.6 million in the same period prior year, primarily reflects the swing from a pre-tax loss in Thailand in the first half of 2007, which loss was not tax affected due to management's decision to provide a valuation allowance for the deferred tax asset, as compared to a pre-tax profit in Thailand of $1.2 million in the first half of 2008, and to the additional miscellaneous other income in Sri Lanka in the first half of 2008, which was free of tax.

Minority interest share in income was $2.6 million for the six months ending June 30, 2008, as compared to a $5.3 million minority interest share in loss for the six months ended June 30, 2007. The swing in the minority interest share from a loss to a profit is primarily due to the swing in Thailand from a net loss of $9.2 million in the first half of 2007 to a profit of $1.7 million in the first half of 2008. The net income or loss in Thailand is shared both by the 46.6% public shareholders of Singer Thailand and the 43.2% minority shareholder in Singer Asia.

The net income available to Common Share was a profit of $2.1 million for the six months ended June 30, 2008, as compared to a $1.9 million net loss in the same period in 2007. This is equivalent to a basic and diluted profit per Share of $0.39 for the first half of 2008, as compared to a basic and diluted loss per Share of $0.37 in the first half of 2007.

Chairman's Comments

Commenting on the first half results, Stephen H. Goodman, ReHo's Chairman, President and Chief Executive Officer, noted, "I am very pleased by Singer Asia's strong performance during the first half of 2008, reflecting both the recovery in Thailand and continuing strong growth in the retail operating units in Bangladesh, Pakistan and Sri Lanka. While not a significant contributor during the first half of 2008, I am also pleased by ReHo's progress in India, where the local company, now in the final phase of a restructuring, has opened several unique, new format retail stores, and by the Company's progress in broadening the financial offering for our customers to include receipt of overseas remittances, bill paying and other similar services.

"Fortunately, the Company's results have so far been largely unaffected by the current economic challenges. With an extensive distribution network, strong product offering and dedicated team, the Company has been able to grow revenue profitably despite the pressures on our customers from rising fuel and food prices and a weakening economic outlook. Nevertheless, we should be prepared for some slowdown in growth in the coming months.

"ReHo's strategy remains unchanged. The Company will seek to grow and enhance the profitability of Singer Asia and ultimately to monetize our stake in Singer Asia and the Company's other assets, with the medium-term objective of liquidating the Company and distributing the resulting funds and any remaining assets to our shareholders. Consistent with this strategy, the Company initiated a dividend program during 2007, paying a special dividend of $1.00 per Share that year. The Board has recommended for shareholder approval a dividend of $0.75 a Share for 2008, to be paid early in September. It is the Company's intention to maintain a regular dividend program."

About Retail Holdings

The Company is a holding company with three principal assets: 1) a 56.8% equity interest in Singer Asia Limited, ("Singer Asia"), a distributor of consumer durable products in selected emerging markets in Asia, with consumer credit and other financial services available to qualified customers; 2) seller notes, primarily arising from the sale of the Singer worldwide sewing business and trademark; and 3) cash and cash equivalents. ReHo has no operating activities other than those carried out through Singer Asia.

The Company is a Netherlands Antilles public company, which is the successor company to The Singer Company N.V. and its predecessor companies. The Company, formerly known as Singer N.V., changed its name to Retail Holdings N.V. following the sale of the sewing business and the Singer trademark in September 2004.

Price quotations for the Company's shares are available on the "Pink Sheets" quotation service under the symbol "RHDGF". Brokers should be able to continue trading ReHo's shares using the "Pink Sheets" quotation service as long as the Company is current in submitting to the U.S. Securities and Exchange Commission the materials that it makes available to its shareholders or is required to file under its own country jurisdiction. 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.

Additional financial and other information about the Company, including: a copy of ReHo's audited consolidated financial statements for the twelve months ended December 31, 2007, 2006, 2005, 2004, 2003, 2002, and 2001 and for the three months ended December 31, 2000, together with the Auditor's Reports thereon; the 2007 Annual Report dated April 2008, and the prior Disclosure Statements and Reports dated May 2007, April 2006, April 2005, April 2004, April 2003, May 2002 and September 2001; and copies of all semi-annual and quarterly reports and press releases since the conclusion of the Chapter 11 proceedings in September 2000, may be found at the Corporate/Investor section of the Company's website at www.retailholdings.com.

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 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, particularly in Asia, including levels of consumer spending; exchange rates, particularly between the US dollar and the 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.; continuing relationships with financial institutions, suppliers and other creditors; and the outcome of contingencies.

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

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

JUNE 30, 2008 (Unaudited) AND DECEMBER 31, 2007 (Audited)

(in thousands of U.S. dollars, except Share data)

	(Unaudited) June 30, 2008	(Audited) December 31, 2007
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 22,097	$ 24,835
Accounts receivable	115,388	109,646
Inventories	60,532	56,503
Other current assets	22,524	17,359
Total current assets	$ 220,541	$ 208,343
Investment in affiliates	4,816	8,053
Installment receivables due in excess of one year	27,125	23,820
Property, plant and equipment	30,137	28,851
Goodwill and intangible assets	16,043	15,693
Other assets	30,537	26,949
Total assets	$ 329,199	$ 311,709
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Notes and loans payable	$ 83,268	$ 70,261
Current portion of long-term debt	33,331	25,483
Accounts payable	21,642	21,666
Accrued liabilities	20,530	21,476
Total current liabilities	158,771	138,886
Long-term debt, excluding current portion	30,075	40,061
Other non-current liabilities	19,038	15,013
Minority interest	44,142	42,753
Total liabilities	252,026	236,713
SHAREHOLDERS' EQUITY:		
Common Shares, $0.01 par value, authorized 20,000,000 shares; issued and outstanding 5,166,766 in 2007 and 5,268,266 in 2008	53	51
Additional paid-in capital	86,438	86,035
Deficit	(5,106)	(7,158)
Accumulated other comprehensive loss	(4,212)	(3,932)
Total shareholders' equity	77,173	74,996
Total liabilities and shareholders' equity	$329,199	$311,709

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2008 AND 2007 (Unaudited)
(in thousands of U.S. dollars, except Share data)

	Six Months ended June 30, 2008	Six Months ended June 30, 2007
REVENUES	$ 155,537	$ 133,429
COST OF REVENUES	96,909	79,014
Gross profit	58,628	54,415
SELLING AND ADMINISTRATIVE EXPENSES	45,307	52,667
Operating income	13,321	1,748
OTHER INCOME (EXPENSE):		
Interest expense	(9,704)	(8,338)
Equity in earnings from affiliates	689	872
Royalty expense	(1,555)	(1,334)
Other, net	4,047	2,436
Other income (expense), net	(6,523)	(6,364)
Income/(Loss) before provision for income taxes and minority interest	6,798	(4,616)
PROVISION FOR INCOME TAXES	2,105	2,528
MINORITY INTEREST SHARE IN INCOME/(LOSS)	2,641	(5,253)
NET INCOME/(LOSS)	$ 2,052	$ (1,891)
Earnings/(Loss) per Common Share – basic	$ 0.39	$ (0.37)
Earnings/(Loss) per Common Share – diluted	$ 0.39	$ (0.37)
Basic weighted average Common Shares outstanding	5,185,277	5,112,758
Diluted weighted average Common Shares outstanding	5,283,730	5,230,312