

**FOR IMMEDIATE RELEASE**  
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**RETAIL HOLDINGS N.V. ANNOUNCES RESULTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2009**

August 11, 2009, Curaçao, Netherlands Antilles

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. (“ReHo”, together with its subsidiaries and affiliates, the “Company”) announced today results for the six months ended June 30, 2009.

**2009 First Half Results**

Reflecting the worldwide economic downturn and resulting drop in consumer spending on durables in the Company’s markets, Company revenue declined during the first six months of 2009 as compared with the same period prior year. The Company was able to mitigate the impact of the revenue decline on operating results and profit by maintaining and increasing gross margin and reducing selling and administrative expenses. The Company and all of its operating subsidiaries remained profitable in the first half of 2009 although many of the operating units experienced a decline in their net income as compared with the same period prior year.

For the six months ended June 30, 2009 the Company reported consolidated revenue of \$124.0 million compared to consolidated revenue of \$155.0 million for the same period in 2008, a decrease of \$31.0 million or 20.0%. Revenue at the retail operating units in Bangladesh, Pakistan and Sri Lanka decreased by \$22.0 million for 2009 to \$93.9 million, or by 19.0% as compared to the same period in 2008. Revenue at Singer Thailand decreased by \$7.6 million for 2009 to \$23.4 million, or by 24.6% as compared to the same period prior year.

The Company’s revenue for 2009 includes \$16.8 million of finance earnings on consumer credit sales compared to \$21.3 million for the same period in 2008. The decrease in finance earnings is due to the decrease in sales in the first six months of 2009 and later part of 2008 and resulting shrinkage in the outstanding credit book.

Gross profit for the six months ended June 30, 2009 was \$48.6 million, representing a gross profit as a percentage of revenue of 39.2%, as compared to \$59.0 million and a gross profit percentage of 38.0% for the six months ended June 30, 2008. The improvement in overall gross profit percentage is due to increases in India, Sri Lanka and Thailand, offset in part, by declines in Bangladesh and Pakistan. Gross profit at the retail operating units was \$31.2 million for the six months ended June 30, 2009, representing a gross profit as a percentage of revenue of 33.3%, as compared to \$38.4 million and a gross profit percentage of 33.1% for the six months ended June 30, 2008.

Other income for the six months ended June 30, 2009 was \$1.5 million as compared to \$2.0 million of other income for the six months ended June 30, 2008. Other income arises primarily from the sale of excess or non-core assets. Other income in the first half of 2008 was boosted by a gain on the sale of the Company’s stake in a former operating affiliate in Sri Lanka.

Selling and administrative expenses for the six months ended June 30, 2009 were \$39.7 million, representing 32.0% of revenue, as compared to \$44.8 million and 28.9% of revenue for the six months ended June 30, 2008. The \$5.1 million reduction in selling and administrative expenses as compared with the same period prior year reflects a decline in variable expenses in line with the decrease in revenue and a Company-wide effort to cut costs, improve productivity and slow down the roll-out of new programs. The increase in selling and administrative expenses as a percentage of revenue primarily reflects the reduction in revenue. At the retail operating units, selling and administrative expenses for the six months ended June 30, 2009 were \$21.4 million, representing 22.7% of revenue, as compared to \$24.7 million and 21.3% of revenue for the same period in 2008.

Other expense, primarily royalty paid to SVP for the use of the Singer® trademark by Singer Asia and its operating companies, was \$1.2 million and \$1.6 million for the six months ended June 30, 2009 and June 30, 2008 respectively. The decrease in royalty expense in the first half of 2009 as compared to the same period prior year is due to the decrease in revenue at Singer Asia.

Results from operating activities for the six months ended June 30, 2009 was a profit of \$9.2 million as compared to a \$14.6 million profit for the same period in 2008, a decrease of \$5.4 million or 37.0%. The decline in results from operating activities is due to the decrease in revenue, mitigated by the increase in gross profit percentage and reduction in selling and administrative expenses. Results from operating activities at the retail operating units was a profit of \$10.3 million for the six months ended June 30, 2009 as compared with a profit of \$15.1 million for the same period prior year. Results from operating activities at Thailand was a profit of \$1.6 million for the six months ended June 30, 2009 as compared with a profit of \$2.6 million for the same period prior year.

Finance income remained unchanged at \$1.6 million for the six months ended June 30, 2009 and June 30, 2008. Finance expense (including exchange gain or loss) was \$9.5 million and \$9.4 million for the six months ended June 30, 2009 and June 30, 2008, respectively. The increase was due to exchange differences; for the six months ended June 30, 2009 there was an exchange loss of \$0.2 million compared to an exchange gain of \$0.2 million for the six months ended June 30, 2008. Interest expense for the six months ended June 30, 2009 was \$9.3 million compared to \$9.6 million of interest expense for the same period in 2008, a decrease of 0.3 million or 3%.

Share of profit of equity accounted investees was \$0.3 million and \$0.7 million for the six months ended June 30, 2009 and June 30, 2008, respectively. This decline in share of profit of equity accounted investees is due to the sale in Sri Lanka during the year ended December 31, 2008 of the Company's remaining equity stake in Commercial Leasing Company, PLC, an equity accounted investee.

The Company's profit before income tax was \$1.5 million for the six months ended June 30, 2009 as compared to a \$7.4 million profit before tax for the same period in 2008. The lower profit before tax primarily reflects the decline in revenue and resulting flow through in operating performance as compared with the same period prior year.

Income tax expense is \$0.6 million for the six months ended June 30, 2009 as compared to \$2.0 million for the six months ended June 30, 2008. The reduction in income tax expense is due to the lower taxable profits of the operating locations.

For the six months ended June 30, 2009 the Company's profit from continuing operations was \$0.9 million as compared to a profit of \$5.4 million for the same period in 2008. The lower profit primarily reflects the lower operating performance as compared with the same period prior year.

In April 2009 the Company sold its operations in the Philippines, which are shown as a discontinued operation. The sale reflects management's decision to concentrate on growth and development in the Company's core markets: Bangladesh, India, Pakistan, Sri Lanka and Thailand. For the six months ended June 30, 2009 the Company's profit from discontinued operation was \$1.9 million as compared to a loss of \$0.4 million for the same period in 2008. The results from operating activities of the discontinued operation was a loss of \$0.2 million for the six months ended June 30, 2009 as compared to a loss of \$0.4 million for the same period in 2008. The gain on sale of the discontinued operation was \$2.1 million the six months ended June 30, 2009.

For the six months ended June 30, 2009 the Company's profit for the period was \$2.8 million as compared to a profit of \$5.0 million for the same period in 2008. The lower profit from continuing operations during the first half of 2009 as compared with the same period prior year was offset, in part, by the gain on sale of the discontinued operation.

The profit attributable to equity holders of the Company was \$0.8 million for the six months ended June 30, 2009 as compared to a profit of \$2.2 million for the same period prior year. A profit of \$1.9 million is attributable to minority shareholders for the six months ended June 30, 2009 as compared to a profit of \$2.9 million for the six months ended June 30, 2008. The higher percentage of profit attributable to minority shareholders in the first half of 2009 as compared to the same period prior year, 70% and 57% respectively, reflects the relatively stronger performance of operations of Thailand and of Singer Asia generally, which have greater minority participations.

The profit attributable to equity holders of the Company is equivalent to basic earnings and diluted earnings per share of \$0.16 for the six months ended June 30, 2009 as compared to basic and diluted earnings per share of \$0.41 for the six months ended June 30, 2008. The basic and diluted earnings per share from continuing operations was \$0.06 for the six months ended June 30, 2009 as compared to basic and diluted earnings per share from continuing operations of \$0.46 and \$0.45, respectively, for the six months ended June 30, 2008.

### **Chairman's Comments**

Commenting on the first half 2009 results, Stephen H. Goodman, ReHo's Chairman, President and CEO noted, "In late summer 2008, ReHo and Singer Asia management made a decision to prepare for a significant economic downturn in the Company's markets in Asia. Programs to reduce selling and administrative expenses were implemented, the rollout of a number of initiatives was delayed, additional store openings were deferred, and down payments and standards for credit sales were raised. The steps undertaken have helped to mitigate the impact of the economic downturn which has severely hurt most consumer durable retailers worldwide. While the Company's revenue declined approximately 20% in the first half of 2009 as compared to the same period prior year, the Company and all of its operating subsidiaries remain profitable, yearly selling and administrative expenses have declined by more than \$10.0 million, there has been no increase in overall arrears or defaults on receivables outstanding, and consolidated debt has declined by \$21.0 million while additional financing has been made available to the Company's operating subsidiaries.

"Looking to the future, the operating companies in Asia, with their lower cost structure and improved balance sheet, and with their extensive distribution networks and dedicated personnel intact, are especially well positioned to take advantage of an economic recovery when it develops.

“The issuer of the Notes, representing the remaining consideration from the sale of the Singer worldwide sewing business and trademark, remains current in all of its obligations to ReHo. Nevertheless, the economic downturn that has impacted Singer Asia could also adversely impact that company’s results of operations and make it more difficult for them to meet their obligations to ReHo.

“ReHo’s strategy remains unchanged. While the worldwide economic downturn has slowed growth and reduced profit at Singer Asia, increased the risks associated with the seller notes, and delayed efforts to monetize ReHo’s stake in Singer Asia and its other assets, the medium-term objective remains unchanged, to liquidate ReHo and distribute the resulting funds and any remaining assets to Shareholders. Consistent with this strategy, ReHo paid a cumulative \$1.75 per Share in dividends and distributions during 2007 and 2008. The Board has recommended for Shareholder approval a distribution of \$0.20 a Share for 2009 to be paid in early September.”

### **About Retail Holdings**

ReHo is a holding company with three principal assets: 1) a 56.8% equity interest in 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 currently 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”.

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, 2008, and all prior statements since September 2000, together with Auditor’s Reports thereon; the 2008 Annual Report dated April 2009, 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 Company’s website: [www.retailholdings.com](http://www.retailholdings.com).

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

**RETAIL HOLDINGS N.V. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2009 (Unaudited) AND DECEMBER 31, 2008 (Audited)**

*In thousands of US Dollars*

	<u>June 30, 2009</u>	<u>December 31, 2008</u>
<b>ASSETS:</b>		
Property, plant and equipment	40,511	42,455
Intangible assets	6,889	3,678
Trade and other receivables due in excess of one year	47,097	51,319
Investment in equity accounted investees	5,183	5,165
Deferred tax assets	7,187	6,976
Other non-current assets	5,623	4,873
<b>Total non-current assets</b>	<b>112,490</b>	<b>114,466</b>
Inventories	48,632	60,378
Trade and other receivables	89,468	98,046
Cash and cash equivalents	21,855	19,316
Other current assets	8,019	11,666
<b>Total current assets</b>	<b>167,974</b>	<b>189,406</b>
<b>Total assets</b>	<b>280,464</b>	<b>303,872</b>
<b>EQUITY</b>		
Share capital	53	53
Share premium	82,551	82,551
Reserves	(336)	(71)
Deficit	(17,556)	(18,502)
<b>Total equity attributable to equity holders of the Company</b>	<b>64,712</b>	<b>64,031</b>
<b>Non-controlling interest</b>	<b>47,898</b>	<b>47,218</b>
<b>Total equity</b>	<b>112,610</b>	<b>111,249</b>
<b>LIABILITIES</b>		
Loans and borrowings over one year	23,777	20,137
Employee benefits	6,343	10,679
Deferred income over one year	151	171
Warranty provision over one year	132	195
Other non-current liabilities	12,790	7,912
<b>Total non-current liabilities</b>	<b>43,193</b>	<b>39,094</b>
Bank overdraft	23,917	33,348
Loans and borrowings	68,432	83,686
Trade and other payables	30,724	35,058
Deferred income	863	745
Warranty provision	725	692
<b>Total current liabilities</b>	<b>124,661</b>	<b>153,529</b>
<b>Total liabilities</b>	<b>167,854</b>	<b>192,623</b>
<b>Total equity and liabilities</b>	<b>280,464</b>	<b>303,872</b>

**RETAIL HOLDINGS N.V. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008 (Unaudited)**

*In thousands of US Dollars*

	June 30, 2009	Re-presented June 30, 2008
<b>Continuing operations</b>		
Revenue	123,997	155,038
Cost of sales	75,382	96,060
<b>Gross profit</b>	<b>48,615</b>	<b>58,978</b>
Other income	1,470	1,963
Selling and administrative expenses	(39,669)	(44,813)
Other expense	(1,240)	(1,563)
<b>Results from operating activities</b>	<b>9,176</b>	<b>14,565</b>
Finance income	1,574	1,556
Finance expense	(9,524)	(9,435)
Share of profit of equity accounted investees (net of income tax)	272	689
<b>Profit before income taxes</b>	<b>1,498</b>	<b>7,375</b>
Income tax expense	(618)	(1,959)
<b>Profit from continuing operations</b>	<b>880</b>	<b>5,416</b>
<b>Discontinued operation</b>		
Profit (loss) from discontinued operation (net of income tax)	1,906	(388)
<b>Profit for the period</b>	<b>2,786</b>	<b>5,028</b>
<b>Attributable to:</b>		
Owners of the Company	839	2,150
Non-controlling interest	1,947	2,878
<b>Profit for the period</b>	<b>2,786</b>	<b>5,028</b>
<b>Earnings per share</b>		
Basic earnings per share (U.S. Dollars)	0.16	0.41
Diluted earnings per share (U.S. Dollars)	0.16	0.41
<b>Continuing operations</b>		
Basic earnings per share (U.S. Dollars)	0.06	0.46
Diluted earnings per share (U.S. Dollars)	0.06	0.45