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SA SA INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 178)

Unaudited Operational Update for the First Quarter ended 30 June 2010

Highlights	
Group - Retail & Wholesale	
	Three months ended 30 June 2010 (YoY % change)
Group turnover	+20.2%
HK & Macau	
	Three months ended 30 June 2010 (YoY % change)
Retail & wholesale sales growth	+18.3%
Same store sales growth	+11.3%
Average sales per transaction	HK\$264 (+12.6%)
Total no. of transactions	2.8 million (+4.6%)

The Board of Directors of Sa Sa International Holdings Limited announces the unaudited operational update of the Company and its subsidiaries (the "Group") for the three months ended 30 June 2010.

For the three months ended 30 June 2010, the Group's retail and wholesale business achieved a year-on-year increase in turnover of 20.2%. Retail and wholesale sales growth in Hong Kong and Macau rose by 18.3%, with same store sales growth of 11.3%. During the period, the average sales per transaction increased by 12.6% and the number of transactions increased by 4.6%. The markets other than Hong Kong and Macau saw a year-on-year growth of 27.2% in retail and wholesale turnover.

The Group added seven retail outlets to its network in the first quarter, including two stores in the Hong Kong and Macau market. The Group's retail network has 180 stores and counters as at 30 June 2010.

Number of Outlets (Stores/Counters) by Market

	<i>As at 30 June 2010</i>	<i>As at 31 March 2010</i>
Hong Kong & Macau	75 ¹	73 ¹
Mainland China	38 ³	35 ²
Malaysia	32	30
Singapore	18	18
Taiwan	17 ⁴	17 ⁴
Total	180	173

1 Include one La Colline and one Suisse Programme specialty stores and one Elizabeth Arden counter

2 Include 17 Sasa stores and 18 Suisse Programme counters

3 Include 18 Sasa stores and 20 Suisse Programme counters

4 Include two Suisse Programme counters

With positive consumer sentiment during the first quarter, the Group's operations performance was in line with our expectation with double-digit sales growth recorded in Hong Kong and Macau market. Sa Sa will continue to expand in Hong Kong and Macau market by driving a more balanced presence in both residential districts and tourist areas. We also target to increase the gross profit margin by enhancing our product mix. The Group remains cautiously optimistic on the outlook for this financial year. It will continue its diversification strategies in various aspects, namely markets, product portfolio, distribution and customers, driving the expansion in Mainland China, Hong Kong and Macau, and other markets to enhance the Group's performance and generate more fruitful returns for its shareholders.

The Board wishes to remind investors that the above operational data for the three months ended 30 June 2010 are based on the unaudited management accounts of the Group which have not been reviewed or audited by the auditors of the Company.

Shareholders and potential shareholders of the Company are cautioned not to unduly rely on such data and are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
KWOK Siu Ming Simon
Chairman and chief executive officer

Hong Kong, 9 July 2010

As at the date of this announcement, the directors of the Company are:-

Executive Directors

Dr KWOK Siu Ming Simon, *JP* (Chairman and chief executive officer)

Dr KWOK LAW Kwai Chun Eleanor, *BBS* (Vice-chairman)

Mr LOOK Guy (Chief financial officer)

Non-executive Directors

Mrs LEE LOOK Ngan Kwan Christina

Mr TAN Wee Seng

Independent Non-executive Directors

Professor CHAN Yuk Shee, *PhD, BBS, JP*

Dr LEUNG Kwok Fai Thomas, *PhD, BBS, JP*

Ms TAM Wai Chu Maria, *GBS, JP*

Ms KI Man Fung Leonie, *SBS, JP*